

## 217-2010 ADDENDUM 1

### PROVISION OF INSURANCE AND RELATED RISK MANAGEMENT SERVICES

#### **URGENT**

**PLEASE FORWARD THIS DOCUMENT TO WHOEVER IS IN POSSESSION OF THE BID OPPORTUNITY**

ISSUED: July 20, 2010  
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**THIS ADDENDUM SHALL BE INCORPORATED INTO THE BID OPPORTUNITY AND SHALL FORM A PART OF THE CONTRACT DOCUMENTS**

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**Please note the following and attached changes, corrections, additions, deletions, information and/or instructions in connection with the Bid Opportunity, and be governed accordingly. Failure to acknowledge receipt of this Addendum in Paragraph 9 of Form A: Bid may render your Bid non-responsive.**

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- Q1:** What are examples of Projects evolving?  
A1 The City of Winnipeg has several projects that are not part of our core program that are either currently under construction or under proposal. Some examples include the Disraeli corridor program; Water treatment plant program; Helicopter, New Winnipeg Policy Station, South West Rapid Transit, Chief Peguis Trail; and Inkster Twinning extension. There may also be requirements for other risk based services such as retention reviews or various risk audits for example.
- Q2:** Would fees like special project's listed above be outside of the fees indicated in the proposal?  
A2 Yes - we would need a submission based on fees charged on an hourly or % basis. Bidders must disclose all such commissions and/or fees. See Q13.
- Q3:** Can we go over the approved list of suppliers concept?  
A3 The intent would be to have a list of multiple suppliers with one vendor for Core and Autopac to provide economy of scale. Additional suppliers may or may not be selected. Notwithstanding D2. once the Approved Brokers/Advisors Schedule is established, brokers/advisors will be assigned by risk management based on their expertise as it relates to the scope, complexity and nature of the project requirements. By virtue of being selected to be on the Approved Brokers/Advisors Schedule, this does not necessarily guarantee that any particular broker/advisor will be engaged over the term. Engagements will be determined on the basis of the City's requirements and the expertise chosen to fulfill those requirements.
- Q4:** Will loss ratio be available as part of the RFP Data?  
A4 We will only be providing details of the City of Winnipeg's combined Loss Ratio to the successful bidder. We can advise that our combined 10 year loss ratio is minimal. Due to the inherent nature of our municipal operations, a higher loss frequency under our liability coverage is to be expected. To date, there have been minimal to no concerns under other coverages.
- Q5:** The Buy Down Deductible – how is this handled?  
A5 There is a variety of groups, including some of the City's S.O.A organizations such as the Winnipeg Parking Authority and the Assiniboine Park Conservancy, that have been reviewed and approved by Council as having exposures that dictate a lower deductible than that provided by our general policy.

- Q6:** Will there be a question and answer process?  
A6 As per the RFP, The City of Winnipeg reserves the right to interview, as per RFP clause B16.1.
- Q7:** Is it possible that all here today would be on the approved list?  
A7 Yes its possible if the proposal submissions received from the proponents present were able to meet the evaluation. The City reserves the right to amend the list as per D2.2 and D2.3.
- Q8:** How long do we have to ask questions? How should questions be submitted?  
A8 See B 4 Enquiries.  
Questions requiring clarification/answers can be asked right up to close. If there are additional questions that remain unanswered, the Bid Opportunity may need to be extended. Evaluation is planned for August and recommendation may go forward possibly in September.  
All questions should be submitted in writing to the attention of the Contract Administrator as per B.4.1
- Q9:** How is Autopac handled right now?  
A9 Autopac is arranged with its other commercial insurance placements through its existing incumbent broker. Internally, Transit and Fleet are separate and each has one source so there 2 key contact persons subject to Corporate Finance, Risk Management's insurance administration and control. Because of circumstances, there may be other individuals involved as required.
- Q10:** How is the risk control program handled right now in terms of property inspections?  
A10 With respect to property inspections, our Property, Planning and Development Department does regular and in depth risk control building and premises Inspections and recommendations. This information is available to the Risk Management department as information only. It is proprietary to the City of Winnipeg PPD department and is not available for general distribution. This is done to manage departmental operations rather than specifically relating to Insurance Inspection services.  
Risk Management does not currently oversee all risk control programs on a department by department basis. This currently is the responsibility of each department to establish. However, each department has developed risk control process in place related to property, EBI, crime, liability and workplace Health and Safety risks.  
Our technical operations such as Waste and Water have robust risk control programs and regular detailed operational reports.
- Q11:** In technology section you talk about different systems available?  
A11 We do not intend to implement a new system as part of the risk management process (valuation control). If a better and more interactive option for interfacing with the brokers/insurers is of benefit to us and allows the City to be more efficient this would be considered in the evaluation process. We would need details of any such system or program and how it could make us more effective.
- Q12:** Does this Work include Workers Comp?  
A12 No it does not. Please see Clause E2.7 in the Bid Opportunity.
- Q13:** How much activity is there on the special projects such as P3's?  
A 13 P3's are usually contractor / third party insured although each is unique and depends upon the P3 agreement. The City consults on insurance requirements for these and may be required to place insurance as required. There is more activity under OCIP projects and specialty insurance requirements.

- Q 14:** Regarding section E3. we have no problem outlining services but would like to clarify "Other Services" under this section. Normally when it comes to specialized services fee is dependant on the scope of services requested, so it is difficult to place a fee per hour or commission rate. This is the case as many personnel may be involved in the process and ultimate solution, which makes it difficult to answer the question. Can we respond by putting in a range i.e. \$x/hour - \$y/hour or x% - y% for service ABC?
- A14 Yes, it is understood that certain future non-core "project" programs may require specialty consulting services as required. As we are not sure of all future project requirements, please feel free to respond as suggested (**providing a range** for per hour or commission rates based on scope and/or complexity, or, if desired, a flat rate example based on past projects).