

STATE OF LOUISIANA – INVITATION FOR BID



PROPOSAL NO.: FL-11

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PROPOSAL <u>MUST BE RECEIVED</u> NO LATER THAN	
TIME: 10:00 A.M.	DATE: June 18, 2009
FOR INFORMATION CONTACT: Melissa Harris	
PHONE: (225) 342-8414	EMAIL: Melissa.Harris@la.gov

This document constitutes an invitation to submit sealed bids, including prices, from qualified individuals and organizations to furnish those services and/or items described herein.
Proposals **must** be mailed to the Office of the Governor, Division of Administration (DOA), Office of Risk Management or hand carried to its offices at 1201 North Third Street, Suite G-192, P. O. Box 91106, Baton Rouge, Louisiana 70821-9106.

STATE OF LOUISIANA – VARIOUS STATE DEPARTMENTS, AGENCIES, BOARDS AND COMMISSIONS

FOR

Section I: National Flood Insurance Program (NFIP) flood coverage for specified State of Louisiana properties (buildings and contents) as determined by ORM.

Section II: Elevation Certificates issued by a qualified land surveyor, engineer, or architect as needed for those properties in Section I

CONTRACT PERIOD:
Policy to be effective for the period of 12:01 A.M. **July 1, 2009 to 12:01 A.M. July 1, 2010 with two (2) one-year options to renew at the same rates.** Bids will be received up to **10:00 A.M., June 18, 2009** by the Administrative Section of the Office of the Governor, Division of Administration, Office of Risk Management, 1201 North Third Street, Suite G-192, Baton Rouge, Louisiana. At the same hour of the same day and date bids will be publicly opened and read in the conference room at the Division of Administration, Office of Risk Management address. Bids received after this time will be returned to the bidder/contractor unopened.

BIDDER/CONTRACTOR INFORMATION/SIGNATURE:

The bidder hereby agrees to provide the insurance coverage and related services, at the prices quoted, pursuant to the requirements of this document and further agrees that when this document is countersigned by an authorized official of the State of Louisiana, a binding contract, as defined herein, **shall** exist between the bidder and the State of Louisiana.

Insurance Agency Name		
Signature of Designated Authorized Insurance Agency Representative	Print Name	Title
Mailing Address (Bidding Agency)		Telephone
City	State	Zip Code

NOTICE OF AWARD	PROPOSAL NUMBER: →	FL-11
This proposal is accepted by the State of Louisiana as follows:		
STATE RISK UNDERWRITING SUPERVISOR	STATE RISK DIRECTOR	DATE

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**STATE OF LOUISIANA
OFFICE OF RISK MANAGEMENT (ORM)**

PART I

TERMS AND CONDITIONS OF AN INVITATION FOR BID

1. Terminology of an Invitation for Bid (IFB)

Throughout this document the words "bidder", "contractor", and "policy" may pertain to one or more bidder(s), contractor(s), or policy(ies).

Whenever the following words and expressions appear in an Invitation for Bid document or any amendment, exhibit, or attachment thereto, the definition or meaning described below **shall** apply.

- 1.1 Authorized** - Is an admitted or non-admitted insurance company approved by the Commissioner of Insurance to do business in the State of Louisiana.
- 1.2 Bid Close Date and Time and Similar Expressions** - The exact deadline required by the IFB for the physical receipt of bids by the Division of Administration (DOA), Office of Risk Management in its office.
- 1.3 Bidder** - The person or organization that responds to an IFB with a proposal and prices to provide the service, supplies, or equipment as required in the IFB document. **All provisions contained in this solicitation, which are addressed to the bidder, shall apply equally to the contractor.**
- 1.4 Budget Agency or State Budget Agency** - Any unit of state government in the State of Louisiana for which the policy of insurance and service is being purchased by the OFFICE OF RISK MANAGEMENT sometimes hereinafter referred to as ORM.
- 1.5 Buyer** - The procurement staff member of ORM.
- 1.6 Contractor** - The person or organization who enters into a legally binding contract thereby agreeing to perform a service and/or to furnish supplies or equipment in return for the payment of money and includes the bidding agent or agency and the insuring company whose names appear on the cover sheet and EXHIBIT III of the invitation for bid. **All provisions contained in this solicitation, which are addressed to the contractor, shall apply to the bidder.**
- 1.7 Guaranteed Cost** - Premium charged on a prospective basis, fixed or adjustable, or on a specified rating basis, but never on the basis of loss experience. In other words, the cost is guaranteed to the extent that it will not be adjusted based on the loss experience of the insured during the period of coverage. The rate(s) **must** remain fixed during the contract period.
- 1.8 Invitation for Bid or IFB** - Those procurement documents issued by ORM to potential bidders/contractors for the purchase of insurance coverage and related service as described in the document. The definition includes all attachments, exhibits, schedules, supplemental pages, and/or amendments thereto.
- 1.9 Manuscript Endorsement** - Any unprinted, typed endorsement changing any conditions, agreements, exclusions or warranties of the contract.
- 1.10 Must and Shall** - When these words are used the performance of a certain act is a mandatory condition and **shall** be performed exactly as described.
- 1.11 Designated Authorized Representative** - When used in regards to the insurance company or an incorporated insurance agency, these words mean an elected corporate officer with power of attorney for the insurance company/agency. The requirements of power of attorney are

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specified in PART IV, Section 3 of these specifications. When used in regards to an unincorporated insurance agency, these words mean the owner of the agency.

2. Open Competition

- 2.1 It is the intent and purpose of ORM that the Invitation for Bid permits free and open competition. However, it **shall** be the bidder's/contractor's responsibility to advise ORM if any language, requirements, etc., or any combination thereof, inadvertently restricts or limits the requirements to a single source or otherwise unduly or unnecessarily prohibits the submission of a bid. The notification **must** be received by ORM within ten (10) calendar days prior to the bid close date and time. Bidders are requested to bring to the attention of ORM any perceived problems with these specifications at the earliest possible opportunity in order to allow clarification or amendment with minimum disruption to the bid process.

3. The Invitation for Bid Document (IFB)

- 3.1 The IFB contains two basic types of requirements and information, although it may be organized into several parts. One type consists of the scope of work (technical requirements) and related contractual commitments with which the bidder/contractor **must** comply if awarded a contract. The other type consists of those basic instructions and procedural requirements which **must** be observed and satisfied by the bidder/contractor when submitting a bid for consideration.
- 3.2 The Notice to Bidders is mailed to persons and organizations at the address currently on file with the DOA, Purchasing Section. If any portion of the address is incorrect, the bidder/contractor **must** notify the buyer upon receipt of the document. Any notices of subsequent amendments to an IFB will be mailed to the same address as the original notice unless otherwise notified.
- 3.3 Additional copies of the bid proposal forms, information, specifications and subsequent amendments may be obtained on line at <http://www.doa.louisiana.gov/orm/uwnewbid.htm>.

4. Amendments to an Invitation for Bid

- 4.1 ORM reserves the right to officially modify (or cancel) an IFB after issuance. Such a modification shall be identified as an amendment and numbered in a sequential order as issued.
- 4.2 If bidder/contractor has not received all amendments which have been issued by ORM, it is the bidder's/contractor's responsibility to contact ORM to obtain a copy(ies) of the amendments. If the designated authorized representative of the insurance agency fails to acknowledge receipt of all amendment(s) by signing the amendment(s) in the designated area and returning same with bid response, the bidder's/contractor's submission will not be considered a responsive bid.
- 4.3 The designated authorized representative of the insurance agency may acknowledge the acceptance of the conditions of an amendment by electronic mail services if issued to and physically received in the Office of Risk Management by the IFB Coordinator no later than the official bid close date and time. Verbal messages from the bidder/contractor shall not be permitted or considered as an acceptance of an amendment.

5. Questions by Bidders

- 5.1 Any questions related to an IFB **must** be directed to the IFB Coordinator that appears at the top of the form on page 1. Prior to the award of the IFB, the bidder/contractor **shall** not contact nor ask questions of the State agency for which the required insurance is being procured, unless so stated elsewhere in these specifications. **Questions shall be submitted in writing and will be answered in writing in the form of an amendment and forwarded to all vendors who were mailed an IFB.** Any correspondence related to an IFB should refer to the appropriate IFB number, page and paragraph number, etc. However, do not place the IFB

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number on the outside of the envelope containing questions since such an envelope will be identified as a sealed bid and will not be opened until after the official bid close date and time. Correspondence should be mailed to the Office of Risk Management, P. O. Box 91106, Baton Rouge, LA 70821-9106.

- 5.2** All questions **must** be received by ORM at least fifteen (15) calendar days prior to the bid opening date. All answers will be mailed to the vendors at least ten (10) calendar days prior to the bid opening date.

6. Instructions for Submission of Bid(s) by Bidders/Contractors

- 6.1** A proposal submitted **must** be manually signed in ink by the designated authorized representative of the insurance agency and the insurance company. ORM will accept either the original insurance company designated authorized representative's signature submitted with the bid response or a facsimile copy of the insurance company designated authorized representative's signature on EXHIBIT III in lieu of an original signature. The original of EXHIBIT III containing the insurance company designated authorized representative's original signature **must** be received at ORM's office within ten (10) working days after the bid opening date. Failure to timely submit said original of EXHIBIT III may result in rejection of the bid. Submission of a bid bond in compliance with PART IV, Item 3 of these specifications does not eliminate the requirement of a company and an agency signature; however, the submission of a bid bond allows any authorized person from the company and the agency to sign the invitation in lieu of the designated authorized person.

- 6.1.1** The designated authorized representative of the insurance agency **shall** manually sign in ink the following:

6.1.1.1 Form ORM-02

6.1.1.2 Any amendments to the specifications

- 6.1.2** The designated authorized representative of the insurance company **shall** manually sign in ink the following:

6.1.2.1 EXHIBIT III

- 6.2** All attachments **shall** be returned as follows:

6.2.1 **Must** contain all information required by the IFB.

6.2.2 The bid **shall** be priced as required in the IFB.

6.2.3 **Must** be sealed in an envelope or box with security deposit attached, if required.

6.2.4 **Must be delivered to the Office of Risk Management - Administrative Section and officially clocked in no later than the exact time on the date as specified in the IFB.**

6.2.5 **Entire IFB and Amendments (if applicable) shall be returned except as otherwise provided in these specifications.**

- 6.3** **THE SEALED ENVELOPE OR BOX CONTAINING AN IFB SHALL BE CLEARLY MARKED ON THE OUTSIDE BOTTOM LEFT CORNER WITH THE FOLLOWING:**

6.3.1. THE OFFICIAL IFB PROPOSAL NUMBER.

6.3.2. THE OFFICIAL CLOSE DATE AND TIME.

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6.4 Please submit your bid with pages numbered in the bottom right-hand corner of each page in the following manner: 1 of 4, 2 of 4, etc.

7. Proposal Opening

7.1 Shortly after the expiration of the official bid close date and time, bids will be opened. The bidders/contractors and the public are invited, but not required to attend the formal opening of bids. Prices will be read aloud to the public. However, no decisions related to an award of a contract **shall** be made at the opening.

7.2 Due to manpower limitation, buyers shall not repeat prices after an opening via telephone request. Please do not make such requests. However, upon written request a photocopy of the Summary of Quotations shall be mailed to interested bidders/contractors.

8. Late Proposals

8.1 Any bid received by the DOA, Office of Risk Management after the exact bid closing date and time **shall** not be opened and **shall** not be evaluated regardless of the reason and mitigating circumstances related to its lateness or degree of lateness.

8.2 It is the bidder's/contractor's sole responsibility to insure that the proposal is physically received and officially clocked in as a sealed document by the DOA-Office of Risk Management in its offices no later than the official close date and time. Late bids **shall** be returned to bidders/contractors unopened.

9. Rejection of Bids

An invitation for bids, a request for proposals, or other solicitation may be canceled or all bids or proposals may be rejected, if it is determined in writing by the chief procurement officer or his designee that such action is taken in the best interest of the State.

10. Public Notice of Awards

10.1 ORM has no facilities for furnishing abstracts of bids; a complete record of all bids is on file in this office subject to inspection of any citizen who is interested in investigating, for any purpose, the record of State purchases.

10.2 Bidders are permitted to review competitors' bids and evaluate documents in accordance with the provisions of the Public Record Act, Louisiana R.S. 44:1 et seq. Such review **must** be conducted on site in ORM in accordance with the public records statutes.

11. Non-Award of Contract Due to Insufficient Funds

ORM reserves the right to reject the bid for insurance coverage if the insured(s) does/do not have sufficient funds available with which to pay the premium.

12. Contract Resulting From an IFB

12.1 The bidder/contractor is advised that the State of Louisiana does not sign standard contract forms. The IFB document issued by ORM contains signature lines for the designated authorized representative of the insurance agency and of the insurance company which **shall** be signed when submitted as a bid. Immediately below the bidder's/contractor's signature line is a section entitled "Notice of Award" which contains signature lines for officials of the State of Louisiana. To consummate a contract, officials of the State of Louisiana need only to sign the Notice of Award section of the form.

12.2 Be aware that the actual contract between the State of Louisiana and the bidder/contractor shall consist of the following documents: (1) IFB and any amendments issued thereto, (2) the

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proposal submitted by the bidder/contractor in response to the IFB, (3) the actual policy issued. **In the event of a conflict in language between items 1, 2, and 3 referenced above, the provisions and requirements set forth and/or referenced in the IFB shall govern.** ORM reserves the right to clarify any contractual relationship in writing and such written clarification shall govern in case of conflict with the applicable requirements stated in the IFB and the bidder's/contractor's proposal. In all other matters not affected by the written clarification, if any, the IFB shall govern. The refusal of the bidder/contractor to conform to the provisions and requirements set forth and/or referenced in the IFB shall result in the award of the contract to the new lowest bidder/contractor. The bidder/contractor is cautioned that its proposal shall be subject to acceptance by ORM without further clarification. In the event of any discrepancies between the insurance requirements delineated in these bid specifications and the model policy provided herein, the bid specifications shall govern.

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PART II

TECHNICAL SPECIFICATIONS

1. General Specifications

1.1 The bidder/contractor **shall** provide

Section I: National Flood Insurance Program (NFIP) flood coverage for specified State of Louisiana properties (buildings and contents) as determined by ORM.

Section II: Elevation Certificates issued by a qualified land surveyor, engineer, or architect as needed for those properties in Section I.

1.2 The bidder/contractor **shall** agree that underwriting information provided in the schedules are believed to be correct and **shall** not be considered in any way a warranty by ORM and **shall** not impair the rates for the insurance coverage based upon the information provided.

1.3 The contract and policy term **shall** be for the period of time as reflected under EXHIBIT I.

1.4 The NFIP invoices **shall** be submitted (in duplicate) by the bidder/contractor on its own form directly to ORM. The policies and their invoices shall be batch-processed, when applicable.

1.5 Bidder/contractor shall be required to furnish closure claims settlement notices to ORM, Division of Administration, on all settlements of claims and a quarterly report reflecting claims opened and closed and claims reserved and paid per agency by policy year including all allocated loss adjustment expenses until all claims are closed.

1.6 All books and records of transactions under this contract **shall** be maintained by the bidder/contractor for a period of five (5) years from the date of the final payment under the contract.

1.7 ORM will execute any "A" rate form or Louisiana Certification of Exempt Commercial form as necessary to enable the underwriter to comply with any premium charge quoted and preclude any violation of rating bureau requirements (if applicable). The form(s) will be executed upon written request.

1.8 The bidder/contractor shall make special filings of policy forms with the Louisiana Department of Insurance as needed to comply with coverage requested in these specifications during the entire policy period.

1.9 At the request of ORM, the insurance policy issued to include coverages as reflected in PART IV, of these specifications will be revised by way of endorsements to the policy extending or deleting coverage as a result of any changes in units of exposure, if needed.

1.10 A bidder/contractor offering a direct sale of insurance to the State should have reduced the policy premium by the amount of the commission which would have been paid, as indicated by Louisiana R.S. 39:1631.

1.11 "It **shall** be unlawful for an agent (bidder/contractor) to split, pass on or share with any person, group, organization or other agent, except the State of Louisiana, all or any portion of the commission derived from the sale of insurance to the State..." Louisiana R.S. 39:1632.

1.12 For the insurance afforded herein, the State Risk Director for the Office of Risk Management/Division of Administration, State of Louisiana is authorized to act for all insureds respecting the giving and receiving of notice of cancellation, non-renewal or material change, receiving any return premium or dividend, and changing any provisions of this coverage. Such

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notice or changes shall be mailed in care of the Office of Risk Management, Division of Administration, Post Office Box 91106, Baton Rouge, LA 70821-9106.

2. Delivery Dates and Location

- 2.1 The NFIP policy (ies) **shall** be received by ORM **within forty-five (45) days** from the inception date of coverage and **shall** not be delivered to any other State agency.
- 2.2 Coverage binder **shall** be received by ORM within five (5) days of the date award is made, if applicable.
- 2.3 **Bidder/Contractor shall issue endorsement(s) to any additional insured(s) as requested by the Named Insured.**
- 2.4 This is a request for guaranteed costs for one (1) year policies in effect from **July 1, 2009** to **July 1, 2010** with two one-year options to renew.

3. Claims Service

- 3.1 The bidder/contractor **shall** provide claims service for **Section I: National Flood Insurance Program (NFIP) flood coverage** for specified State of Louisiana properties (buildings and contents) as determined by ORM.
- 3.2 The claims service **shall** be responsible for the handling of our claims to their conclusion in a professional manner. Should the contract be terminated the bidder/contractor **shall** remain responsible for occurrences that take place during the policy period.
- 3.3 The bidder/contractor **shall** furnish an adjusting firm, with ORM's concurrence, having qualifications equal to an NFIP-certified adjuster with the ability to perform inspections within seventy-two (72) hours after notification of loss, upon notice from ORM. The insured **shall** report all losses to the agent-of-record (contractor). The company **shall** not contest any settlement made by ORM unless written notice of its intent to participate in the loss adjustment has been made within fourteen (14) days after receipt of the Property Loss Notice to the agent-of-record.
- 3.4 In the event of a disaster, ORM may contract with an NFIP-certified adjusting firm to handle its flood claims. Bidder/contractor and insurer **must** accept this firm as the primary adjusting firm for the NFIP policies in force at that time.

7. Rates

- 7.1 The bidder/contractor **shall** provide ORM with an Excel spreadsheet of the rates per building and/or contents per policy corresponding to premium indicated on EXHIBIT I as regards Section I: National Flood Insurance Program (NFIP) flood coverage for specified State of Louisiana properties (buildings and contents) as determined by ORM.
- 7.2 The rate spreadsheet **shall** be labeled as Exhibit II, Rates and attached as part of the bidder/contractor's quotation.
- 7.3 The bidder/contractor **shall** provide a rate per building as regards Section II: Elevation Certificates issued by a qualified land surveyor, engineer, or architect as needed for those properties in Section I in the space shown on Exhibit II.

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PART III

GENERAL CONTRACTUAL REQUIREMENTS

1. Bidder/Contractor **shall** be bound by the provisions of Louisiana R.S. 39:1551, et. seq., (The Louisiana Procurement Code).
2. Unless otherwise provided by law, a contract for services may be entered into for periods of not more than three years. No contract **shall** be entered into for more than one year unless the length of the contract was clearly indicated in these specifications. At the option of the State of Louisiana and upon acceptance by the bidder/contractor, any contract awarded for one year may only be extended for two additional twelve-month periods -- not to exceed a total contract period of thirty-six months.
3. **Appropriation Dependency Clause**
 - 3.1 The continuation of this agreement is contingent upon the appropriation of funds, to fulfill the requirements of the agreement, by the legislature. If the legislature fails to appropriate sufficient monies to provide the continuation of this agreement, or if a lawful gubernatorial order issued in or for any given fiscal year during the term of this agreement, reducing the funds appropriated in such amounts as to preclude making the payments set out herein, the agreement **shall** terminate on the date said funds are no longer available without any liability incurring onto the State other than to make payment for services rendered prior to the termination date.
 - 3.2 However, the State **shall** be under a duty to make such determination only in good faith and not, arbitrarily and without justification, to cancel this agreement for the sole purpose of acquiring from another vendor other products of comparable quality and value, and the State agrees that it will use its best efforts to obtain approval of necessary funds to fulfill the obligations of this agreement by taking the appropriate action to request adequate funds to continue this agreement.
4. Endorsements extending and/or deleting coverage which are issued to the policy of insurance **must** reflect any increases or decreases in the amount of the bidders'/contractors' compensation (premium) and **shall** serve to modify or amend the premium as reflected on EXHIBIT I of these bid specifications. No other method, and/or no other document, including correspondence, acts and oral communications by or from any person, **shall** be construed as a modification or supplementation of the contract except as herein delineated as regards amendments and endorsements.
5. In the event the company or companies originally contracted with by ORM fail(s) to perform, ORM **shall** allow substitution for such company or companies if the parties sought to be substituted meet other criteria established by these specifications. In the event substitution of company or companies occurs, company signature pages signed by the replacement company or companies **must** also be submitted to ORM.

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PART IV

GENERAL BID INFORMATION

1. Special Instructions to Bidder

- 1.1 The bidder/contractor **must** respond to this IFB by submitting all data required herein in order for this bid to be evaluated and considered for award. Failure to submit such data **shall** be deemed sufficient cause for disqualification of a bid from further consideration of award.
- 1.2 The bidder/contractor **shall** provide
- Section I:** National Flood Insurance Program (NFIP) flood coverage for specified State of Louisiana properties (buildings and contents) as determined by ORM
- Section II:** Elevation Certificates issued by a qualified land surveyor, engineer, or architect as needed for those properties in Section I
- 1.3 Any change or restriction in conditions, warranties, or exclusions from these specifications **must** be completely explained in writing and attached to the bid. Any such deviations which provide less coverage and/or service than that required in these bid specifications **shall** be considered an alternate quotation. Any such change or restriction **shall** be indicated on EXHIBIT V of these specifications. **Submission of sample policy(ies) and/or service narrative shall not be considered to be in compliance with the above stipulations.**
- 1.4 ORM reserves the right to reject any or all bids.
- 1.5 Bidder/Contractor is bound by all of the terms, prices and conditions of its bid for a term of sixty (60) days after bid opening. No bid may be withdrawn prior to the expiration of that sixty (60) day period.
- 1.6 Any award of the contract resulting from this invitation **shall** be made by written notification from ORM.
- 1.7 As respects this bid, company name and signature of designated authorized representative of the insurance company shall be indicated on EXHIBIT III of these specifications. Submission of a bid bond in compliance with PART IV, Item 3 of these specifications does not eliminate the need for a company signature; however, the submission of a bid bond allows any authorized person from the company to sign the invitation in lieu of the designated authorized person.

2. Pricing Information

- 2.1 The bidder/contractor **shall** provide fixed annual rates for services as required by the Technical Specifications. These costs **shall** be shown on the form attached as EXHIBIT I and EXHIBIT II, which **must** be returned with the proposal along with the entire IFB document.
- 2.2 The bidder/contractor **must** provide other information as required in EXHIBIT I.
- 2.3 Percentage of commission return **shall** reflect that percentage of the total premium which will be returned to the State by the successful bidder/contractor, if applicable, and as allowed in Louisiana R.S. 39:1631 and Louisiana R.S. 39:1632.
- 2.4 Any increase and/or decrease in premiums during the policy period **shall** increase and/or decrease the amount of commission return to the same degree of percentage as the original commission return utilized in the net premium determination.
- 2.5 Renewal premiums **shall** be calculated on a per individual policy basis according to NFIP standards and practices. There could be additions, deletions and changes in policies and

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premiums throughout the policy period and each will be handled individually when the change is necessary.

3. Bidder Information

3.1 As regards the insurance company and an incorporated insurance agency, the bidder/contractor shall attach either one of the following (Items 3.1.1 or 3.1.2) to the proposal:

3.1.1 Board resolution or power of attorney (with seal):

3.1.1.1 giving the designated authorized representative of the insurance agency authority to tender a premium quotation on behalf of the insurance agency.

3.1.1.2 giving the designated authorized representative of the insurance company authority to tender a premium quotation on behalf of the insurance company.

3.1.1.3 giving the designated authorized representative of the insurance agency authority to tender a premium quotation on behalf of the insurance company.

3.1.2 Bid bond in an amount equal to at least 10% of the Net Annual Installment Premium reflected on EXHIBIT I of these specifications or \$100,000, whichever is more. Bid bonds for 10% of *Net Annual Premium* can be rounded to nearest dollar.

3.2 As regards an unincorporated insurance agency (sole proprietor agency), the bidder/contractor shall attach either one of the following Items (3.2.1 or 3.2.2) to the proposal.

3.2.1 Notarized affidavit, board resolution or power of attorney (with seal):

3.2.1.1 giving documentation from the Louisiana Insurance Department reflecting proof of ownership of the agency.

3.2.1.2 giving the designated authorized representative of the insurance company authority to tender a premium quotation on behalf of the insurance company.

3.2.1.3 giving the designated authorized representative of the insurance agency authority to tender a premium quotation on behalf of the insurance company.

3.2.2 Bid bond in an amount equal to at least 10% of the Net Annual Installment Premium reflected on EXHIBIT I of these specifications or \$100,000, whichever is more. Bid bonds for 10% of *Net Annual Premium* can be rounded to nearest dollar.

3.3 The bidder/contractor **must** submit with its response to this IFB, a certificate of insurance showing proof of errors and omissions coverage on the agent and/or broker with limits of liability of at least \$1,000,000. This errors and omissions coverage must be maintained throughout the period of this contract.

3.4 The bidder/contractor **must** submit a narrative description of the claim service it proposes to provide. The narrative should include, but not necessarily limited to, a description of the claim handling procedures (routine processing) commencing with the date of loss, reaction time on claims and length of time before a claims payment will be made. The bidder/contractor **shall** be held contractually responsible for information provided in EXHIBIT IV.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	<i>PART IV</i>	*		*	
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4. Schedule of Property Values and Elevation Certificates

ORM maintains the schedule of property values at its own expense. Therefore, the bidder/contractor will not need to include a charge for this service in the premium quotation. Successful vendor will be furnished a copy of this schedule on an annual basis.

Elevation certificates, for those structures that have one, will be made available to all bidders/contractors upon release of this IFB. A bidder/contractor must schedule an appointment with the IFB Coordinator to view and/or copy any and all elevation certificates. Once the IFB has been awarded, the bidder/contractor receiving the award **shall** have access to all previously-issued elevation certificates as needed to maintain the account.

5. Insurance Required

5.1 SECTION 1: National Flood Insurance Program (NFIP) flood coverage for specified State of Louisiana properties (buildings and contents) as determined by ORM

The bidder/contractor shall provide coverage through an individual National Flood Insurance Program (NFIP) including building and contents, for each qualified structure. **The ORM building ID, agency name, and ORM agency number must be noted on all policies.**

5.1.1 The building schedules can be found at www.doa.louisiana.gov/orm/uwnewbid.htm. They do not have to be returned with the bid quotation.

5.1.1.1 **NFIP Flood Policies – Recovery School District** includes the buildings of the Recovery School District (RSD) currently carrying an NFIP flood insurance policy. The premium quotation must contain renewal policies for all of these buildings with a blanket renewal date as shown on the report.

The named insured on these policies must read

**State of Louisiana, Department of Education, Recovery School District
c/o Office of Risk Management
Post Office Box 91106
Baton Rouge, Louisiana 70821-9106**

5.1.1.2 **NFIP Flood Policies - Statewide** includes buildings of the other State agencies (non-RSD) currently carrying an NFIP flood insurance policy. The premium quotation must contain renewal policies for all of these buildings with a blanket renewal date as shown on the report.

The named insured on these policies must read

**State of Louisiana, All Agencies, Boards and Commissions
c/o Office of Risk Management
Post Office Box 91106
Baton Rouge, Louisiana 70821-9106**

5.1.2 Other additional qualified properties may be added throughout year as ORM deems necessary. If they require an elevation certificate, it will be performed within two weeks of notification. The policy will be incepted as soon as possible after the certification has been completed. The bidder/contractor must keep

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	<i>PART IV</i>	*		*	
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ORM informed of the progress of the policy acquisitions on a weekly basis and report any problems immediately.

5.1.3 The bidder/contractor will be responsible for providing the following services and providing documentation to ORM in an approved format:

5.1.3.1 Preparing Excel spreadsheets with the relevant policy information so ORM can upload the data into our internal risk management system;

5.1.3.2 Monitoring the expiration and renewal of the policies and providing ORM documentation in approved format for each renewal;

5.1.3.3 Providing ORM the ability to batch-process the individual invoices and issue one check for the total amount of the batch;

5.1.3.4 All flood policies that are NOT issued according to the blanket inception dates listed (i.e. some may be added throughout the year with different inception dates) will be short-term cancelled and re-issued with an effective date that corresponds with a blanket inception date. The goal is to maintain the RSD flood policies and the non-RSD policies all renewing on their established dates, respectively.

5.1.3.5 As additional properties are identified and/or added, the bidder/contractor will provide the necessary services and write coverage in a timely manner.

5.1.4 Each individual policy must meet the requirements of the National Flood Insurance Program, as prescribed in rules and regulations of the Federal Emergency Management Agency (FEMA) in 44 C.F.R. parts 59, 60 and 74, effective October 1, 1986. Flood insurance under this policy shall apply according to the Statutory Limits for All Classifications under the Federal Program.

5.1.5 The bidder/contractor shall maintain these policies until the expiration of the thirty-six month contract period or until a new contract is awarded. The contractor under the new award shall renew and maintain all current policies and acquire coverage on additional buildings when needed.

5.1.6 There could be additions, deletions and changes in policies and premiums throughout the policy period and each will be handled individually when the change is necessary.

5.2 SECTION II - Elevation Certificates issued by a qualified land surveyor, engineer, or architect for those properties in Section I.

The bidder/contractor shall obtain the flood elevation certificates through a land surveyor, engineer, or architect authorized by law to certify elevation information on all additional properties required to have an elevation certificate to purchase flood insurance. **The ORM building ID, agency name and ORM agency number must be noted on all elevation certificates.**

5.2.1 Elevation certificates (using FEMA Form 81-31, February 2006) on all additional properties that require an elevation certificate to purchase flood insurance are expected to be completed within two weeks of notification. The bidder/contractor must keep ORM informed of the progress of the surveys on a weekly basis and report

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	<i>PART IV</i>	*		*	
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any problems immediately. A copy of the elevation certificate form and instructions can be found at www.doa.louisiana.gov/orm/uwnewbid.htm.

5.2.2 ORM will provide to the successful contractor a list of state agencies and building contact personnel to assist in the physical location of buildings requiring elevation certificates.

5.2.3 **The per building survey rate must be submitted in Section II of Exhibit II, Rates.**

The entire bid (Sections I and II) will be awarded based on the quoted Net Annual Flood Premium for all properties reported in the building schedules named NFIP Flood Policies – Recovery School District and NFIP Flood Policies - Statewide (See 6.2.1) and using the deductibles per flood zone per building replacement cost schedule as shown in Schedule A (page 22).

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	<i>EXHIBIT I</i>	*		*	
FL-11	*	<i>BID QUOTATION FORM</i>	*	June 18, 2009	*	16 of 22

EXHIBIT I
BID QUOTATION FORM

SECTION I

National Flood Insurance Program (NFIP) flood coverage for specified State of Louisiana properties (buildings and contents) as determined by ORM

¹ Total Annual Flood Premium for all properties reported in building schedules named NFIP Flood Policies – Recovery School District and NFIP Flood Policies - Statewide (Including any policy tax, surplus tax, policy fees, etc.)**	² Less Commission Return (Per LA R.D.39:1632)	¹ Net Total Annual Flood Premium for all properties reported in building schedules named NFIP Flood Policies – Recovery School District and NFIP Flood Policies - Statewide
	(%)	

** See Section 5. Insurance Required.

The entire bid (Sections I and II) will be awarded based on the quoted Net Annual Flood Premium for all properties reported in the building schedules named NFIP Flood Policies – Recovery School District and NFIP Flood Policies - Statewide (See 6.2.1) and using the deductibles per flood zone per building replacement cost schedule as shown in Schedule A (page 22).

¹In the event the percentages of policy tax, or surplus lines tax or other taxes increase due to changed legislation, the bidder(s)/contractor(s) **shall** absorb the increases as the State cannot pay more than the amounts quoted on the successful bid except in the instances of increased coverage.

²For explanation refer to PART II - Technical Specifications, Subsection 1, General Specifications, Paragraph 1.10 and PART IV - General Bid Information, Subsection 2, Pricing Information, Paragraph 2.4. **Bidder/Contractor must reflect percentage of total premium which will be returned to the State.**

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	<i>EXHIBIT II</i>	*		*	
FL-11	*	RATES	*	June 18, 2009	*	17 of 22

EXHIBIT II

RATES

SECTION I

National Flood Insurance Program (NFIP) flood coverage for specified State of Louisiana properties
(buildings and contents) as determined by ORM

Label and attach spreadsheet as specified in Part II, Technical Specifications, 4. Rates.

SECTION II

Elevation Certificates issued by a qualified land surveyor, engineer, or architect for additional properties that
require an elevation certificate to purchase flood insurance

Per Building Survey Rate \$ _____

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
FL-11	*	<i>EXHIBIT III</i>	*	June 18, 2009	*	18 of 22
		<i>COMPANY</i>	*		*	
		<i>SIGNATURE PAGE</i>				

EXHIBIT III

COMPANY SIGNATURE PAGE

INSURANCE COMPANY OR COMPANIES TO BE USED AND PERCENTAGE OR LAYER OF COVERAGE TO BE PROVIDED BY EACH: **(If additional space is required supplemental pages that are identified should be attached for insurance company name and signature)**

NOTE: See signature requirements per PART I, Item 6 and PART IV, Item 1.7.

Insurance Company Name: _____

Signature Of Designated Authorized Representative Of The Insurance Company:

Percentage Or Layer Of Coverage To Be Provided:

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	<i>EXHIBIT IV</i>	*		*	
FL-11	*	CLAIMS HANDLING PROCESS NARRATIVE	*	June 18, 2009	*	19 of 22

EXHIBIT IV

CLAIMS HANDLING PROCESS NARRATIVE

Bidders/Contractors **shall** respond to the following:

Provide a narrative description of the claims handling procedures (routine processing) to be used in servicing the account for Section I: National Flood Insurance Program (NFIP) flood coverage for specified State of Louisiana properties (buildings and contents) as determined by ORM. The description should include, but not be limited to, the routine processing of claims, the reaction time to a new loss, and the length of time before a claim's payment will be made. (If additional space is required, supplemental pages that are identified should be attached for the bidder's/contractor's complete response.)

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	<i>EXHIBIT V</i>	*		*	
FL-11	*	COVERAGE/SERVICE DEVIATIONS	*	June 18, 2009	*	20 of 22

EXHIBIT V

COVERAGE AND/OR OTHER SERVICES DEVIATIONS

Bidder/Contractor shall indicate below any change or restriction in conditions, warranties, or exclusions from **coverage and/or other services required by these specifications** for Section I: National Flood Insurance Program (NFIP) flood coverage for specified State of Louisiana properties (buildings and contents) as determined by ORM. Submission of sample policy and/or service narrative shall not be considered as compliance with above stipulations. Non-disclosure of changes/restrictions shall be interpreted to mean policy and/or other services to be provided will be in compliance with coverage and/or other services requested in these specifications.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	<i>EXHIBIT VI</i>	*		*	
FL-11	*	<i>BIDDER'S CHECK LIST</i>	*	June 18, 2009	*	21 of 22

EXHIBIT VI
BIDDER'S CHECK LIST

YES	NO	
<input type="checkbox"/>	<input type="checkbox"/>	1. Entire IFB returned (per page 5, item 6.2.5).
<input type="checkbox"/>	<input type="checkbox"/>	2. Page 18 (EXHIBIT III) signed by designated authorized representative of the insurance company (per page 5, item 6.1.2 and page 11, item 1.10).
<input type="checkbox"/>	<input type="checkbox"/>	3. Insurance Company Name has been indicated on Page 18 (EXHIBIT III) per page 11, item 1.7.
<input type="checkbox"/>	<input type="checkbox"/>	4. Form ORM-2 signed in ink by designated authorized representative of the insurance agency (per page 5, item 6.1.1).
<input type="checkbox"/>	<input type="checkbox"/>	5. Amendment(s) (if applicable) signed in ink by designated authorized representative of the insurance agency (per page 5, item 6.1.1).
<input type="checkbox"/>	<input type="checkbox"/>	6. Amendment(s) (if applicable) returned (per page 5, item 6.2.5 and page 4, item 4.2).
NOTE: ITEMS 7A, 7B, AND 7C; <u>OR</u> 8A, 8B, AND 8C; <u>OR</u> 9 IS REQUIRED.		
<input type="checkbox"/>	<input type="checkbox"/>	7A. Board resolution/power of attorney (per page 12, item 3.1.1.1) is attached.
<input type="checkbox"/>	<input type="checkbox"/>	7B. Board resolution/power of attorney (per page 12, item 3.1.1.2) is attached.
<input type="checkbox"/>	<input type="checkbox"/>	7C. Board resolution/power of attorney (per page 12, item 3.1.1.3) is attached.
<input type="checkbox"/>	<input type="checkbox"/>	8A. Notarized affidavit, board resolution/power of attorney (per page 12, item 3.2.1.1) is attached.
<input type="checkbox"/>	<input type="checkbox"/>	8B. Notarized affidavit, board resolution/power of attorney (per page 12, item 3.2.1.2) is attached.
<input type="checkbox"/>	<input type="checkbox"/>	8C. Notarized affidavit, board resolution/power of attorney (per page 12, item 3.2.1.3) is attached.
<input type="checkbox"/>	<input type="checkbox"/>	9. Bid Bond (per page 12, item 3.1.2 or page 12, item 3.2.2) is attached.
<input type="checkbox"/>	<input type="checkbox"/>	10. Claims narrative submitted (per page 12, item 3.4 and page 19, EXHIBIT IV).
<input type="checkbox"/>	<input type="checkbox"/>	11. Were any coverage and/or other services deviations submitted on page 20, EXHIBIT V (per page 11, item 1.3)?
<input type="checkbox"/>	<input type="checkbox"/>	13. Were premium rates indicated on EXHIBIT II, page 17 (per page 9, item 7.1 and page 11, item 2.1)?
<input type="checkbox"/>	<input type="checkbox"/>	14. Errors and Omissions Certificate (per page 12, item 3.3) is attached.
<input type="checkbox"/>	<input type="checkbox"/>	15. Were premium quotations indicated on EXHIBIT I, page 22 (per page 11, items 2.1 and 2.2.)?
<input type="checkbox"/>	<input type="checkbox"/>	16. Was commission return percentage factor reflected on EXHIBIT I, page 22 (per page 11, item 2.4)?

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE A	*		*	
FL-11	*	UNDERWRITING	*	June 18, 2009	*	22 of 22
		INFORMATION				

SCHEDULE A

UNDERWRITING INFORMATION

I. Building Schedules

The following building schedules can be found on our website at www.doa.louisiana.gov/orm/uwnewbid.htm. They contain building information, along with current premium information. These specific schedules do not have to be returned with your bid quotation. Please note that a rate per building schedule must be returned as per Exhibit II, Rates.

NFIP Flood Policies – Recovery School District
NFIP Flood Policies - Statewide

II. Flood Loss Experience

The following claims loss reports can be found on our website at www.doa.louisiana.gov/orm/uwnewbid.htm. These reports do not have to be returned with your bid quotation.

Property Flood Losses
NFIP Flood Losses by Policy
Flood Insurance Reductions for Hurricane Katrina
State of LA, All Departments, Agencies, Boards and Commissions Listing

III. Deductibles By Flood Zone and Building Replacement Cost Schedule

Flood Zone	Replacement Cost	Deductible
B,C,D,X	50,000 and above	\$5,000
A	50,000 - 249,999	\$5,000
	250,000 and above	\$10,000
V	50,000 - 249,999	\$10,000
	250,000 and above	\$25,000