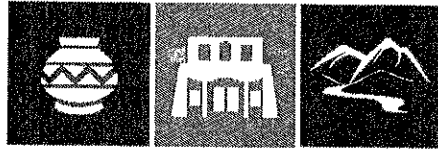


Henry P. Roybal
Commissioner, District 1

Anna Hansen
Commissioner, District 2

Rudy N. Garcia
Commissioner, District 3



SANTA FE COUNTY

Anna T. Hamilton
Commissioner, District 4

Hank Hughes
Commissioner, District 5

Gregory S. Shaffer
County Manager

MEMORANDUM FOR FILE

DATE: October 18, 2022

TO: File

FROM: Bill Taylor, Procurement Manager *BT*

RE: **Sole Source Determination Pursuant to NMSA 1978, 13-1-126; Continuation of Insurance Broker and Consulting Services with HUB International Insurance Services**

BACKGROUND

In 2018, Santa Fe County issued a competitive sealed proposal procurement (RFP) No. 2018-0005-HR/MM for the purpose of selecting qualified and licensed Insurance Firm to provide insurance broker and consulting services to represent the County in identifying competitive insurance carriers in the marketplace for insurance coverages and carriers for County property. The County selected and entered into Agreement No. 2018-0005-HR/MM with HUB International Insurance Services as the most qualified licensed insurance broker/consultant to provide these services.

ISSUE

Pursuant to NMSA 1978, 13-1-150. B. Multi-term contracts; specified period. *"A contract for professional services may not exceed four years, including all extensions and renewals..."*

The subject Agreement is set to expire November 28, 2022, as the maximum allowable term for a contract for professional services. The County and the Human Resource Division desire to continue the services, for the purpose of benefiting from the Contractors services until a new RFP can be issued for these services.

DETERMINATION

Based on the very specific intent of the original competitive procurement for these services and the uniqueness related to the intended purpose of the contract, the effort to change consultant in this during the current solicitation, would be disruptive and would not be advantageous to the County and its employees.

It is therefore the determination, as Chief Procurement Officer for Santa Fe County, that the County may enter into a new one-year contract term with HUB International Insurance Services, for the purpose of continuing the benefits of the services until a competitive solicitation can be issued, as the initial intent of the original contract, pursuant to 13-1-126, NMSA 1978. Sole source procurement.

Contract Information:

Vendor: HUB International Insurance Services
7770 Jefferson Street, NE
Suite 101
Albuquerque, New Mexico 87109

Scope of Professional Consulting Services:

A. General Services:

1. Have access to the worldwide insurance marketplace.
2. Represent the interests of the County, not the insurance company or companies.
3. Negotiate on behalf of County with insurance companies and keep County informed of significant developments.
4. Monitor published financial information of the County's current insurers, alert the County when their status falls below the Contractor's minimum guidelines and/or security committee clearance.
5. The Contractor will not place any business for the County with an insurance carrier that does not have an AM Besting A+ rating. Each carrier's A.M. Best rating will be provided with quotes to the Risk Manager.
6. The Contractor shall meet with the Risk Manager, County Attorney and other appropriate staff periodically during the process of obtaining coverage. Contractor shall prepare an analysis of quotes received and provide recommendations, explain quotes, and provide general advice concerning coverage, as necessary.
7. The Contractor will solicit quotes from carriers in New Mexico as well as other national carriers for all insurance coverages.
8. Follow up with insurance carriers for timely issuance of policies and endorsements.
9. Review policies and endorsements for accuracy and conformity to specifications and negotiated coverage.
10. Provide coverage summaries for all new coverages and updates on changes to existing coverage.
11. Review all excess insurance policy documents and secure any necessary corrections on the County's behalf.

A. Master County Coverage Document Maintenance and Consulting Services:

1. Maintain and provide triplicate copies of all coverage forms.
2. Assist County staff with interpreting coverage document terms and conditions.
3. Maintain, issue and provide County endorsements as appropriate.

4. Maintain coverage applications and maintain and provide County exposure summaries.
5. Review program coverage in force and make recommendations to County for improvements.
6. Review County competitors' coverage and strategies for needed improvements to County's program.
7. Manuscript needed endorsements as directed by County staff.
8. Contractor shall provide, at least annually prior to renewal of coverage or placement of different coverage, a complete review of the County's insurance coverage and make recommendations for renewal or appropriate changes, a schedule of policies and coverage insured through the contractor, including coverage limits and deductibles/S.I.R.'s (if applicable), the A.M. Best rating, RFP number, the annual premium, an explanation of the coverage provided, and expiration dates of each policy.
9. Contractor, from time to time, recommend deductibles and/or self-insured retention programs as appropriate and as directed by the County.
10. Contractor shall provide a statement of commissions or fees earned on insurance policies procured as Agent of Record. The contractor's commission/fixed amounts or fees, established at the commencement of this Agreement, may not be increased during the term of this Agreement.

B. Underwriting Consulting Services:

1. Assist in underwriting renewals with input from County staff in an effort to meet funding target as established by County.
2. Recommend deductibles and/or self-insured retentions as appropriate and as directed by County.

C. County Insurance Coverage Consulting Services:

1. Contractor will develop an annual work plan in conjunction with County for each service year.
2. Prepare a written report on each quarter's work which details activities performed under this Agreement.

D. Advise County on Risk Program Design and Maintenance of the following coverages:

AD&D,
Auto,
Bonds,
Boiler and Machine Insurance,
Builder's Risk,
Crime,
Cyber,
Electronic Data Processing (EDP),
Employment Practices,
Environmental,
Equipment,

General Liability,
Law Enforcement,
Medical Malpractice (Facility and Mobile Unit),
Pollution,
Property,
Public Officials Liability,
Tenants Users Liability Insurance Policy (TULIP),
Umbrella,
Volunteer Firefighter Insurance (VFIS), and
Worker's Compensation Insurance.

F. Risk Services

1. Conduct risk assessments undertaken at the direction of the Risk Manager, which may involve analysis of current risks, new agencies, programs, changes to Self Insured Retentions (SIR), deductibles, and other similar risk analysis projects.
2. Assistance with data compilations and interpretations.

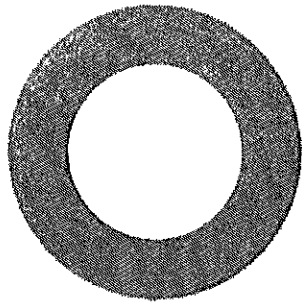
G. Provide a full service Risk Management Information System tool for the County use to manage insurance products, claims, claims analysis, schedule loss control, manage certificates of insurance, record employee certifications, and store property, equipment and inventories.

H. Invoice the County for fees or charges associated with any deliverables associated with the insurance broker services and work required and described in this Agreement. Deliverables include without limitation malpractice insurance, insurance premiums, claims, deductibles and any other services associated with the scope of services required in this Agreement.

Contractor shall invoice the County **quarterly** in the amount of **\$17,390.00, exclusive of New Mexico gross receipts tax**. All invoices shall include a quarterly activity report.

EXHIBIT A

**COUNTY OF SANTA FE
INSURANCE BROKER AND CONSULTING
SERVICES
ANNUAL COST PROPOSAL**



HUB

**PRESENTED BY: SCOTT
GATES**

**VICE PRESIDENT
HUB NEW
MEXICO**

INSURANCE BROKER SERVICES

Service	Hourly Rate	Est. Hours	Flat Fee
Insurance Management <ul style="list-style-type: none"> • Interview & Insurance Assessment • Policy Review • Risk Identification • Contract Review • Coverage Gap Analysis • Perfect Submission • Policy Summary • Marketing Analysis • Policy Placement • Day-to-Day Service • Policy Changes • Certificate Issuance • Billing & Accounting • Premium Allocation Claims Management <ul style="list-style-type: none"> • Claims Reporting (policies issued through HUB) • Claims Advocacy (requires carrier approval on policies not issued through HUB) • Claims Review -- Quarterly Status Report 	\$185.00	190	\$35,150
RMIS Claims Platform <ul style="list-style-type: none"> • Claims Data Input (including NMAC claims Data) • Access to Dashboards and Scheduled Reports <ul style="list-style-type: none"> ○ Links to claims data for reporting across policy layers and managing costs within the retention Ability to "drill down" into specific losses or events for more detailed analysis 	\$185.00	86	\$15,910
Risk Retention Analysis	\$185.00	100	\$18,500

<ul style="list-style-type: none"> • Deductible Analysis (All policies with Deductible over \$10,000) <ul style="list-style-type: none"> ○ Includes Triangulation to set corridors for multiple deductible levels • Workers' Compensation Experience Modifier Analysis • Internal Bench marking • Loss ratios 			
RMIS Vendor Insurance Management* <ul style="list-style-type: none"> • Track Vendor Compliance <ul style="list-style-type: none"> ○ Based on client-defined profiles and insurance requirements • Automatic Communication <ul style="list-style-type: none"> ○ Deficiencies, expiration or other issues Track Vendors by Department	\$185.00	TBD	TBD
Insurance Marketing* <ul style="list-style-type: none"> • NMAC Lines of Coverage <ul style="list-style-type: none"> ○ Work Comp ○ Multi-Lines ○ Law Enforcement 	\$185.00	TBD	TBD
Loss Control Services* (Pricing includes Travel and Expenses) <ul style="list-style-type: none"> • Scope of Work to be determined at time of services 	\$185.00	TBD	TBD

*OPTIONAL SERVICES

HUB COST SUMMARY

Service	Unit/Fee
REQUIRED SERVICES <ul style="list-style-type: none"> • Insurance Management • Claims Management • RMIS Claims Platform • Actuarial Analysis 	\$35,150 (included above) \$15,910 \$18,500
REQUIRED SERVICES – TOTAL	\$69,560
OPTIONAL SERVICES (Santa Fe County Staff Pre-Authorization required) <ul style="list-style-type: none"> • Insurance Marketing (NMAC Lines) • RMIS Vendor Insurance Management • Loss Control Services 	\$185.00/hour (Only actual hours will be billed for these services)

