



**Dormitory Authority of the State of New York**

# **All Risk Property and Builders' Risk Insurance Program**

## **Request For Proposals RFP #5562**

**July 24, 2020**

**REQUEST FOR PROPOSAL FOR  
ALL RISK PROPERTY AND BUILDERS' RISK INSURANCE PROGRAM**

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## **Section 1 - General Information:**

### **1.1 Introduction to DASNY**

The Dormitory Authority of the State of New York (DASNY) is a public benefit corporation of the State of New York empowered by Titles 4 and 4-B of the Public Authorities Law (the "Act"), to provide design and project management services to and to issue its bonds, notes and other obligations for, a wide variety of public purposes. Under the Act, DASNY provides a multitude of services in various forms in connection with the design, construction and financing of capital facilities for State University of New York (SUNY), including dormitories and educational facilities; City University of New York (CUNY) Senior Colleges; Community Colleges; Boards of Cooperative Educational Services; Cities and Counties with respect to Court Facilities and combined occupancy structures, as defined by law; the Department of Education of the State of New York with respect to certain facilities under its jurisdiction; other State and local governmental entities; independent colleges and universities; facilities for the aged; certain not-for-profit hospitals and nursing homes, as well as a wide variety of other not-for-profit organizations specifically described in the Act. All of the entities for which DASNY provides financing, construction or other services are referred to as "clients."

Within DASNY's business there are several discrete programs. Initially, DASNY's business may be divided into two broad categories based on the nature of the clients. These are: 1. Not-for-profit institutions including colleges, hospitals, nursing homes and other miscellaneous charitable type institutions and 2. Governmental institutions including SUNY, CUNY, Department of Health, Department of Education, Office of Mental Health, Office for People with Developmental Disabilities, municipal hospitals and Office of Court Administration. These lists are not exclusive and remain subject to change as determined by the Legislature and Governor.

For the most part the relationship between DASNY and its many not-for-profit clients is a lending transaction based upon a loan agreement. The relationship between DASNY and its governmental clients is more complex and involves a combination of statutes and financing agreements. These statutes and financing agreements are part of the method by which facilities for use by these various governmental clients are financed and constructed. DASNY frequently builds the facilities for these clients as well as finances the cost of construction. From time to time DASNY may also agree with any one of its clients to obtain property insurance covering the buildings and projects that DASNY has constructed on behalf of that client. Therefore, the property insurance policy must cover the interests of these clients as well as DASNY's interest. As an example of the magnitude of coverage under these policies, almost all of the dormitories in the SUNY system and almost every building in the CUNY system are covered for property loss. In this regard, DASNY administers the claims under these policies on behalf of our clients.

Schedules of all insured properties (Property Schedule – Attachment 8) and construction projects (Builders' Risk Schedule -Attachment 9) currently covered by the program are

attached for reference. Additional information is also available on the DASNY website at [www.DASNY.org](http://www.DASNY.org).

## 1.2 Purpose

DASNY seeks proposals from brokers for the services of marketing and program support for the Property and Builders' Risk Insurance Program that DASNY operates for itself and on behalf of certain of its clients. These clients include, but are not limited to, City of New York Court Facilities; The City University of New York; New York City Health and Hospitals Corporation; New York State Department of Health; New York State Education Department; Office of Court Administration; and the State University of New York. The current program is due to expire on March 1, 2021.

## 1.3 Program Structure Summary

Coverage: Property/Builders' Risk including Equipment Breakdown, Business Interruption/Extra Expense, Fine Arts and Terrorism (foreign and domestic acts).

Policy Year: March 1, 2021 – March 1, 2022

The limits and coverages described below provide an overview of the size and scope of the current program. The information provided below is not inclusive of all of the terms under the policy. The successful broker will receive a complete copy of the policies for their reference.

- Number of Insurance Carriers – 28, inclusive of terrorism
- Named Insureds – 16
- Number/Value of insured permanent facilities – 740 buildings / \$22 Billion
- Number/Value of insured construction projects (as of December 2019) – 144 projects / \$455 Million
- Property - \$950,000,000 per occurrence
- Builders' Risk - \$75,000,000 per occurrence; with allowance to schedule larger individual projects to the policy
- Equipment Breakdown (Boiler & Machinery) - \$750,000,000 per occurrence
- Flood - \$100,000,000, with lower sub limits for properties located in specific flood zones
- Named Windstorm - \$100,000,000 per occurrence

- Fine Arts - \$10,000,000
- Terrorism - \$950,000,000

In addition to the above, the policies also include several other sub limits and deductible levels.

Recommendations for alternative program structures and/or program improvements will be accepted for consideration during the selection process.

#### **1.4 Guidelines**

DASNY intends to procure insurance for the March 1, 2021 - March 1, 2022 policy year via a two-step process in which a broker or team of brokers will be selected based on the Engagement Requirements in Section 2. The selected candidate(s) will then market DASNY's program to carriers as directed in the second phase.

DASNY reserves the right to inquire as to the respondents' preferred markets at any time during the selection process. However, such inquiries should not be considered authorization to approach those markets nor a promise of assignment on DASNY's part.

DASNY prefers to compensate brokers on a fee basis, but commissions may be considered upon the request of the broker. In either case, the broker will be required to disclose all sources of revenue to be earned by the broker and/or its affiliated organizations in association with the placement of the insurance programs; as well as any services to be provided in support of those programs.

The contract term is three (3) years with two (2) one-year renewals at the sole discretion of DASNY.

#### **1.5 Key Events and Dates**

<u>Event</u>	<u>Date</u>
Issuance of RFP	7/24/2020
Deadline for RFP Questions	7/31/2020
Post Responses to RFP Questions	8/4/2020
Proposal Due Date	8/14/2020
Interviews (not earlier than)	8/25/2020
Board Approval, if necessary (not earlier than)	9/10/2020
Notice of Award (not earlier than)	9/14/2020

## **Section 2 - Engagement Requirements:**

### **2.1 Scope of Services**

The Scope of Services to be provided for this Procurement is included within Appendix A of the attached Sample Contract (Attachment 1).

### **2.2 Qualifications**

Brokers responding to this RFP must meet the following qualifications:

- a. Demonstrated access to markets of sufficient capacity to meet the minimum program limits of \$950 million, with successful experience in constructing, placing, and administering quota-share programs that are similar in size and scope to DASNY's program (see Section 1.3 for reference).
- b. Strong knowledge of all aspects of property insurance markets, with a demonstrated degree of influence among carriers in domestic, foreign and international markets; particularly on behalf of clients with flood/coastal windstorm exposures, substantial and on-going construction/Builders' Risk exposures, metropolitan terrorism exposures, and significant loss history.
- c. Ability to favorably and accurately represent DASNY to the insurance markets to solicit multiple competitive quotes/proposals.
- d. Experience with public entity/governmental clients of similar size to DASNY, with a construction function and responsibility to insure others' facilities as a function of financing or similar business relationships.
- e. Team members with extensive industry experience in their subject areas (loss control, claims, broker services, etc.).
- f. Loss control experience with a significant concentration of experience at higher education and healthcare/hospital institutions and in the construction industry, including construction in high-rise/densely populated areas, and a keen understanding of the property exposures resulting from those operations, as well as a substantive knowledge of the inherent hazards and the appropriate tools/systems to control those hazards.
- g. Strong experience and demonstrated success with:
  - i. reporting, handling and negotiating the settlement of multi-million-dollar claims, including
    1. claims with multiple locations,
    2. claims covered by carriers participating in a quota-share arrangement;

- ii. an ability to work with carriers to aggressively pursue just/fair claims settlements in favor of clients,
  - iii. client support services including forensic accounting and electronic claim tracking/documentation systems, and
  - iv. a strong knowledge of standard property policy provisions.
- h. Ability to provide additional services in support of the DASNY insurance program, including consultation and insurance appraisal/valuation services.
- i. Evidence of in-force Errors & Omissions coverage with a minimum limit of \$25,000,000; or proof of insurability with a current quote for limits required to increase existing limits to that level.

### **2.3 Certification Requirements**

- a. The Broker shall provide a copy of a valid and current New York State Insurance license from the New York State Department of Financial Services.
- b. MBE/WBE brokers submitting proposals in response to this RFP should be registered with the New York State Department of Economic Development. Brokers that are not certified, but have applied for certification, must provide evidence of filing, including the filing date.

### **2.4 Other Technical Requirements**

- a. The Broker shall possess the resources to communicate with DASNY by phone and electronically, and shall demonstrate a history of timely and substantive responses to questions/requests, including those with time-sensitive deadlines.
- b. The Broker shall also possess the resources necessary to produce written reports, graphs/charts, attachments/exhibits and other written documents in electronic form; as well as the ability to transmit by electronic means.
- c. Capability to produce actuarial reports.
- d. Possess software to produce schematic representations of premium, loss history and program structure.
- e. Capability to collect, analyze and disseminate, verbally and nonverbally, news and information about insurance industry/market changes, trends, significant happenings, etc.; what impact(s) those changes might have on the DASNY program, and the Broker's recommendations/options to address those changes.

**Section 3 - Content of Technical Proposal:**

**3.1 Information to be Provided by Brokers**

The following is a list of required information that must be provided by the proposer. Provide your response in the same order in which it is requested using numbered side tabs that correspond with each of the numbered tabs below. Your technical proposal must contain sufficient information to assure DASNY of its accuracy.

Tab 1. **COVER LETTER**

Include a **cover letter** with the following items:

- a. The name, title, telephone number, fax number and email address of the individual within the firm who will be DASNY's primary contact concerning this RFP. Also include the broker's website address, if applicable.
- b. The primary contact's name, title, telephone number (landline and mobile), fax number and email address for each sub-consultant who will perform work under this contract.
- c. The identities of the primary staff proposed to provide services relating to this RFP.
- d. A statement to the effect that the broker is willing to perform all Services identified in Section 2.1 above and will abide by the terms of the RFP, including all attachments.
- e. A statement that the broker understands that selection does not guarantee that any services will be requested from the broker.
- f. The cover letter must be signed by the individual(s) authorized to bind the broker contractually. Indicate the title or position that the signer holds within the broker firm. DASNY reserves the right to reject a technical proposal that contains an unsigned cover letter. If the proposer is a joint venture, the proposal shall be signed by the joint venture. Anyone signing the proposal as an agent shall file with it, legal evidence of his or her authority to execute such proposal.

Tab 2 **PROJECT EXPERIENCE I**

Provide a detailed description of the broker's experience providing policy placement services, including recent relevant experience to the public and/or private sector, particularly with respect to property



under construction and quota-share placements with multiple insurance carriers and multiple named insureds. Describe recent successes with policy placements in the admitted and Excess & Surplus markets, including placements similar to DASNY's. Describe in detail how the broker meets each of the qualifications described in Section 2.2 a. and b. above. Include the names, titles and phone numbers of at least three (3) references, excluding DASNY employees and Board members, and a summary of the relevant services provided.

Tab 3. **PROJECT EXPERIENCE II**

Provide a description of the broker's five (5) largest/most significant Property and Builders' Risk insurance accounts including premium range and size/nature of the insured property. Descriptions need not include the accounts' names, but do need to communicate the size/nature of the insured operations and a relative measure of the insured exposures (e.g. total area (sq. ft.), building values, number of buildings), as well as any specific underwriting challenges (e.g. high hazard exposures, loss history) the broker's team worked to address.

Tab 4 **INSURANCE PLACEMENT**

Disclose which insurance carriers you would likely target for placement of DASNY's program(s), including a statement as to why those carriers were chosen. Brokers should be prepared to provide a list of their preferred markets immediately at the request of DASNY.

Tab 5 **MARKETING APPROACH**

Describe the marketing strategy that you would use to differentiate DASNY from other Property and Builders' Risk insurance programs. Explain how you would convince an underwriter that DASNY would be a good underwriting risk.

Tab 6 **PROJECT TEAM**

Provide a description of the broker's organization and team makeup, including sub-consultants. Include the resumes of partners, principals, associates and other key staff proposed to provide services to DASNY. Describe how the team meets the Qualifications described in Section 2.2 e., f. and g. above and describe recent successes in each area.

Tab 7 **PROJECT APPROACH**

Provide a detailed description of the broker's approach to providing the requested scope of services to DASNY, including allocation of responsibilities to any sub-consultants or third-party team members. Include a listing or description of other services/resources within the broker's capabilities that may be pertinent to the DASNY insurance program, including those described in Section 2.2 h. above, and any others that may not have been requested in this document.

Tab 8      **INSURANCE CERTIFICATES**

- A. Provide a copy of a valid and current New York State Insurance license from the New York State Department of Financial Services, along with a certificate of insurance or comparable documentation evidencing Errors and Omissions/Professional Liability insurance coverage with a minimum limit of \$25,000,000, or proof of insurability with a current quote for limits required to increase existing limits to that level. In either case, a Certificate of Insurance or documentation otherwise acceptable to DASNY, documenting in-force coverage or proof of insurability with a current quote for limits required to meet the limits specified must be supplied upon notification of selection and prior to award.
  
- B. Provide a statement indicating your firm is able to obtain the required insurances as listed in the Sample Insurance Certificate & Requirements, Attachment 5.

Tab 9      **UTILIZATION PLAN**

Provide a completed Utilization Plan, included in this RFP as Attachment 3, listing all proposed subconsultants including NYS ESD Certified M/WBEs and NYS OGS Certified SDVOB firms, you "may" use if selected for this contract. **No dollar amounts should be entered at this time.** Upon selection, a new plan with dollar amounts will be required. The goals for this contract are 18% MBE & 12% WBE, or 30% MWBE, and 6% SDVOB. The goals refer to the percentage of utilization of your M/WBE and SDVOB subconsultants. Brokers submitting proposals based on partnering arrangements must describe the legal relationship between the Brokers submitting the proposal, demonstrate how the Brokers propose to provide the services required under the RFP and how the fees will be allocated among the Brokers. Describe prior experience, if any, in which the Brokers have worked on engagements utilizing partnering with MWBE Brokers. Responses should include the nature of the engagement, how such arrangement was structured and a description of how the services

and fees were allocated. It is the goal of DASNY to encourage participation by qualified NYS ESD and NYS OGS Certified MWBE and SDVOB firms as part of your team with meaningful roles, to the maximum extent practical and consistent with legal requirements.

**Tab 10 DIVERSITY QUESTIONNAIRE**

Provide a complete Diversity Questionnaire, included in this RFP as Attachment 4. It is the goal of DASNY to utilize qualified firms that have a demonstrated history of hiring, training, developing, promoting and retaining minority and women staff. This questionnaire elicits information about each responding firm in order to verify that its work environment demonstrates a strong commitment to diversity.

**Tab 11 Additional Information**

The broker must also provide statements regarding the following:

- a. The broker must agree to provide DASNY with pre- and post-audit access to documents, personnel and other information necessary to conduct audits on request during the term of the Contract and for six years thereafter.
- b. The proposal submitted must contain a representation that the broker is willing and ready to provide any services requested or required in a timely manner.
- c. Disclose any potential conflicts of interest, refer to the "Code of Business Ethics - Certification" (Attachment 2).

**Tab 12 W-9 FORM**

Provide a completed W-9 Form, included in this RFP as Attachment 6. If the proposer is a joint venture, provide a W-9 in the name of the joint venture and provide a copy of the executed joint venture agreement.

**Section 4 - Content of Cost Proposal:**

**4.1 Information to be Provided by Brokers**

The following is a list of required information that must be provided by the broker. Provide your response in the same order in which it is requested using numbered side tabs that correspond with each of the numbered tabs below. Your cost proposal must contain sufficient information to assure DASNY of its accuracy.

- Tab 1      Include a **cover letter** with the following items:
- a. The name, title, telephone number, fax number and email address of the individual within the firm who will be DASNY's primary contact concerning this RFP.
  - b. A statement to the effect that the price quoted is an irrevocable offer good for 120 days.
  - c. The cover letter must be signed by the individual(s) authorized to bind the broker contractually. Indicate the title or position that the signer holds within the firm. DASNY reserves the right to reject a cost proposal that contains an unsigned cover letter.
- Tab 2      Provide a proposed fee for completing the Scope of Services identified in sample contract.

**Provide the following forms loosely. Do not include these forms in your technical or cost proposal.**

1. Pursuant to Executive Order No. 170.1 Uniform Guidelines for Responsibility Determinations, Executive Order No. 125 NYS Vendor Responsibility Questionnaire and Executive Order No. 192 Continuing Vendor Integrity, DASNY may only award a contract to a responsible proposer. A responsible proposer must have the integrity to justify the award of public dollars and the capacity to perform the requirements of the contract fully. The proposer must file a vendor responsibility questionnaire with DASNY. The questionnaire provides the proposer an opportunity to self-disclose any issues and provide necessary information, which DASNY will use as part of its determination.

Complete the NYS Vendor Responsibility Questionnaire online at <http://www.osc.state.ny.us/vendrep> and submit a copy of the certification page.

2. A completed Procurement Lobbying Law – Certification included in this RFP as Attachment 7.

### **Section 5 - Evaluation of Proposals:**

The selection process will begin with the review and evaluation of each of the written proposals. The purpose of this evaluation process is twofold: (1) to examine the responses for compliance with this RFP; (2) to identify the complying firms that have the highest probability of satisfactorily

performing the scope of services. The evaluation process will be conducted in a comprehensive and impartial manner. The evaluation will be conducted as set forth herein.

### **5.1 Preliminary Review**

DASNY reserves the right to reject and return to the proposer all proposals received after the RFP due date and time. All proposals will be reviewed to determine if they contain all required submittals specified in Sections 3 and 4. Incomplete proposals may be rejected.

### **5.2 Evaluation**

Proposals will undergo an evaluation process conducted by a Committee selected by DASNY. The Committee will evaluate the proposals based upon the criteria for selection set forth below.

### **5.3 Criteria for Selection**

The criteria for selection shall be the respondent's understood ability to meet DASNY's needs as described in Sections 2 and 3.

### **5.4 Interviews**

DASNY reserves the right to determine whether interviews will be necessary. The purpose of the interview is to further document the proposer's ability to provide the required services and to impart to the Committee an understanding of how specific services will be furnished. The proposed lead principal, as well all other key personnel proposed to provide the services must be present and participate in the interview. The interview will be evaluated on the basis of whether it substantiates the characteristics and attributes claimed by the proposer in its written response to this RFP and any other information requested by the Committee prior to the interview.

## **Section 6 - Submission of Proposals:**

### **6.1 Submission of Technical and Cost Proposal**

Firms interested in responding to this RFP must submit their proposals by email to the RFP Coordinator at [UpstateRFPCoordinator@dasny.org](mailto:UpstateRFPCoordinator@dasny.org) and include "Property Broker" in the subject line no later than **August 14, 2020 at 5:00 pm EST**. Proposals received after this date will not be accepted.

**NOTE:** Solicitation documents may, from time to time, be amended or addenda issued. It is the Proposer's responsibility to become aware of any such amendments and/or addenda prior to submission of a proposal. All amendments and/or addenda to solicitations will be posted on DASNY's website.

## **Section 7 - Important Information Affecting Brokers:**

### **7.1 Proposal Requirements**

1. All inquiries regarding this RFP should be addressed to the following individual:

Jacqueline McGovern

Email: [UpstateRFPCoordinator@dasny.org](mailto:UpstateRFPCoordinator@dasny.org)

2. All questions must be submitted in writing to the RFP Coordinator by email with the subject line "Property Broker," citing the particular proposal number, section, and paragraph number in the email. Proposers should note that all clarifications and exceptions, including those related to the terms and conditions of the contract are to be resolved prior to the submission of a proposal. A list of all substantive inquiries received with relevant responses will be posted on DASNY's website, [www.dasny.org](http://www.dasny.org).
3. A proposer may withdraw a proposal any time prior to the final due date and time by written notification, signed by an authorized agent, to the contact person identified in Section 7.1.1 above. The proposal may thereafter be resubmitted, but not after the final due date and time. Modifications offered in any other manner, oral or written, will not be considered.
4. If a proposer discovers an ambiguity, conflict, discrepancy, omission or other error in this RFP, the broker should immediately notify the contact person identified in Section 7.1.1 above. Notice of such error or omission should be submitted prior to the final due date and time for submission of proposals. Modifications shall be made by addenda to this RFP. Such clarifications will be given by written notice to all parties who have received this RFP.
5. If a proposer fails, prior to the final due date and time for submission of proposals, to notify DASNY of a known error or an error that reasonably should have been known, the proposer shall assume the risk of proposing. If awarded the contract, the proposer shall not be entitled to additional compensation or time by reason of the error or its late correction.
6. A proposer indicates its acceptance of the provisions and conditions enumerated in this RFP by submitting a proposal.

### **7.2 DASNY Requirements**

1. By submitting a proposal, the proposer covenants that the proposer will not make any claims for or have any right to damages because of any misinterpretation or misunderstanding of the specifications or because of lack of information.

2. DASNY shall not be obligated for any cost incurred by the proposer in proposal preparation or in activities related to the review of this RFP or any interview costs.
3. Other than the contact person identified in Section 7.1.1 above, or their designee(s), prospective proposers shall not approach DASNY employees during the period of this RFP process about any matters related to this RFP or any proposals submitted pursuant thereto.

### **7.3 DASNY Rights and Prerogatives**

DASNY reserves the right to exercise the following prerogatives:

1. To accept or reject any or all proposals and amend, modify or withdraw this RFP.
2. To correct any arithmetic errors in the proposals.
3. To change the final due date and time for proposals.
4. To accept or reject any of the firm's employees or proposed sub-consultants assigned to provide services and to require their replacement at any time.
5. To waive or modify any irregularities in proposals received after prior notification to the proposer. This will in no way modify the RFP documents or excuse the proposer from full compliance with its' requirements.
6. To consider modifications to proposals at any time before the award is made, if such action is in the best interest of DASNY.
7. To accept a proposal for the engagement containing other than the lowest cost proposal.
8. To interview proposers prior to selection.
9. To reject any proposal containing false or misleading statements or that provides references that do not support an attribute or condition claimed by the proposal.
10. To begin negotiations with the next most responsive broker to this RFP should DASNY be unsuccessful in negotiating a contract with the selected proposer within a reasonable time frame.
11. To contract with more than one broker.

### **7.4 Contractual Requirements**

1. Contract
  - a. By submitting a proposal, the successful proposer agrees to reference the RFP as part of the resulting contract.
  - b. DASNY may award a contract for any or all parts of a proposal and may negotiate contract terms and conditions to meet client program requirements consistent with the RFP.
  - c. Award of a contract is subject to contract negotiation and approval of such contract by the appropriate DASNY authorities.
2. Modification of Contract

- a. Any modification to the original contract signed between the successful proposer and DASNY will require the mutual consent of the successful proposer and DASNY.
- b. Any contract or amendments thereto will be considered effective only after approval by the appropriate DASNY authorities.

3. Interpretation

The contract shall be construed and interpreted in accordance with the laws of New York State. New York State shall be the forum for disputes.

4. Public Announcements

Upon selection of the successful proposer and contract execution, public announcements or news releases pertaining to the contract shall not be made without prior written consent of DASNY.

**Section 8- Negotiations:**

After completion of the selection process, DASNY will commence finalization of the scope of work, and fee negotiations with the selected broker(s).

**Section 9 – Notifications:**

Upon completion of the selection process, DASNY will notify all brokers of its decision. Notification will be sent to the primary contact only. Shortly after notification the selected broker(s) will be posted on DASNY's website.