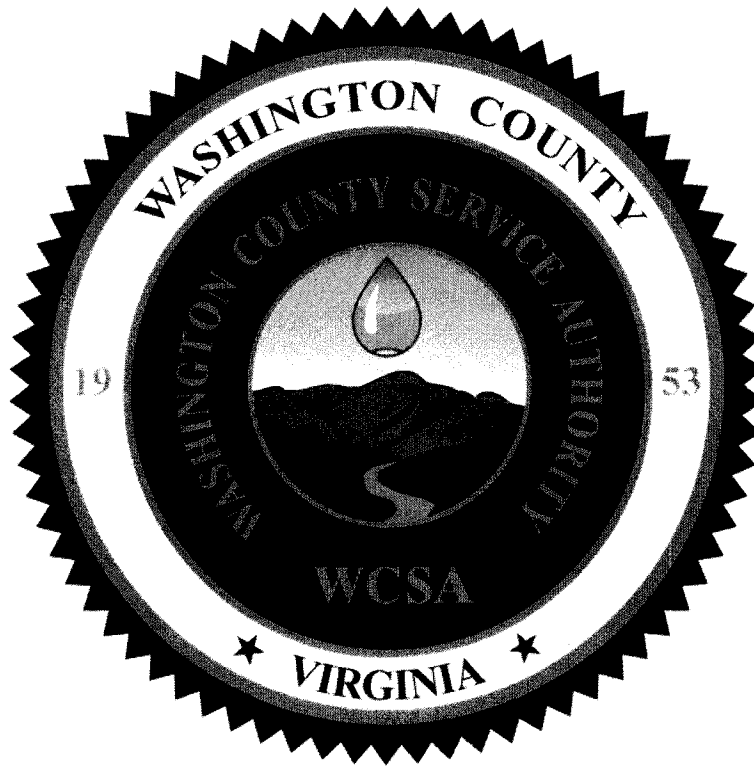


Washington County Service Authority



Request for Proposal Insurance Services

**WASHINGTON COUNTY SERVICE AUTHORITY
REQUEST FOR PROPOSAL**

INSURANCE SERVICES

The Washington County Service Authority, hereafter referred to as WCSA, is requesting proposals and competitive quotations of prices for insurance services. Responses should address not only the Agent's ability to provide the coverage that WCSA currently maintains, but also other coverage that would be beneficial to the WCSA. Acceptance of an agency's proposal will not require the WCSA's use of any or all of the proposed coverage. Additionally, the WCSA reserves the right to award parts of its insurance services contract to separate agencies.

Proposals will be received until close of business (4:30 PM), Tuesday, May 14, 2010 for furnishing the services described herein and then opened in public. Proposals received after this time will be disqualified and returned.

All inquiries for information should be directed to:

Kimberly Roberts
WCSA
25122 Regal Drive
Abingdon, VA 24211
276.676.6761
kroberts@wcsa-water.com

The proposal should be mailed to:

Kimberly Roberts
WCSA
25122 Regal Drive
Abingdon, VA 24211

The proposal may be hand delivered to:

Physical Address:
Kimberly Roberts
WCSA
25122 Regal Drive
Abingdon, VA 24211

REQUEST FOR PROPOSAL
INSURANCE SERVICES
COVER SHEET

In compliance with this Request for Proposal and to all the conditions imposed herein, the undersigned offers and agrees to furnish the services at the price indicated in the Quotation Section VI.

Name and Address of Firm:

Signature in Ink

Date

Printed Name

Title

Telephone Number: (____) _____ FAX Number: (____) _____

FEI/FIN No. _____

PROPOSAL SHEET

Proposal Deadline _____

Submitting Insurance Company _____

Agents Signature _____

Please submit your Company's Quote on this Form

- A. Commercial Property Coverage
 - a. Exhibit A – Systems Pac (Comparable) _____
 - b. Property Form Exhibit B _____
 - c. Property Form Exhibit C _____
 - Property Total _____

- B. Commercial General Liability
 - a. Exhibit D _____
 - General Liability Total _____

- C. Commercial Umbrella _____

- D. Commercial Automobile
 - a. Exhibit E _____
 - Automobile Total _____

- E. Commercial Inland Marine Coverage
 - a. Contractor's Equipment _____
 - b. Miscellaneous Property – NOC _____
 - c. Miscellaneous Property – Tools _____
 - d. Miscellaneous Property – Radios _____
 - e. Business Computer _____

- F. Employee Dishonesty Bond Coverage
 - a. Blanket Coverage _____
 - b. Specific Coverage _____

- G. Other _____

Total Insurance Proposal _____

REQUEST FOR PROPOSAL TO PROCURE INSURANCE SERVICES

I Purpose

The purpose of this Request for Proposal (RFP) is to contract with an insurance agent to obtain insurance services including coverage for property, vehicle, and liability as outlined herein.

II Term

The period of the contract is for three (3) consecutive years beginning July 1, 2010 and ending with fiscal year June 30, 2013, with two (2) one-year renewals, thereafter, if mutually agreed.

III Background

WCSA is an independent political subdivision of the Commonwealth of Virginia. WCSA serves approximately 20,500 water and 1,500 wastewater customers. The Authority has an annual operating budget for water and wastewater of \$9.6 million, a long range capital improvement budget ranging from \$12 million to \$80 million annually and 70 employees. The water system consists of approximately 900 miles of waterline, a 2.5 MGD membrane filtration plant, a 4.6 MGD conventional treatment plant, 2 springs, 1 well, multiple pump stations and 17 water storage tanks. The wastewater system consists of approximately 64 miles of wastewater collection lines, 24 pump stations and .63 MGD (Oxidation Ditch) Wastewater Treatment Plant.

IV Statement of Needs

It is desired that the agent provide insurance coverage and related services based on the information in this RFP as well as any recommended changes to the current coverage.

A. Property Coverage

Blanket coverage on buildings and contents listed in Exhibit A, B, & C should be afforded on a replacement cost basis with an agreed endorsement amount. Coverage is to protect against risk of direct physical loss. Property coverage will also protect against the need for additional expense in the event of loss or the loss of income resulting from direct physical loss. This coverage is to include electronic data processing and security equipment.

B. Comprehensive General Liability Exhibit D

C. Commercial Umbrella

D. Automobile Coverage

Automobile coverage to protect against liability imposed by law for losses resulting from the operation of owned, non-owned, leased or rented vehicles. Additionally, comprehensive and collision coverage should be included with the actual cash value or cost of repair for each vehicle. A list of all vehicles to be insured is listed in Exhibit E.

E. Commercial Inland Marine

- Contractor's Equipment
- Miscellaneous Property – NOC
- Miscellaneous Property – Tools
- Miscellaneous Property – Radios
- Business Computer

F. Employee Dishonesty Bond Coverage

V. REPORTING AND DELIVERY REQUIREMENTS:

A. Review Requirements: The Agent shall meet with WCSA when each policy is delivered and no less than 120 days prior to the renewals/anniversary of any policy. These meetings are to review exposures, coverage, premiums, losses, and other items to verify the adequacy of insurance in anticipation of policy renewal or anniversary.

B. Coverage Recommendations: No less than sixty days prior to the expiration or anniversary of any existing coverage, the Agent will present recommendations concerning the renewal or anniversary.

C. Binders and Policies: It is desired that the Agent provide binders or other evidence of insurance within five working days of the effective date of any insurance policies. These should outline coverage, including limits and deductibles. One copy of the policy shall be delivered to WCSA no later than thirty days after the initial or anniversary date of any coverage. Endorsements to any policy should be delivered within thirty days of agreement on the endorsement.

VI. PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS

A. General Instructions

1. All RFP's must be sealed and marked "Proposal for Insurance: Washington County Service Authority".
2. Please submit three (3) copies of your response.
3. The RFP cover sheet as well as all addenda acknowledgements should be completed, signed, and returned with the proposal.

B. Specific Requirements: Proposals should be as thorough and detailed as possible so that the WCSA may properly evaluate the services offered. At a minimum, your response should include the following:

1. A narrative statement as to the Agent's qualifications to perform the work listed in the Statement of Needs. In addition, if the Agent anticipates using a subcontractor(s), the same information must be submitted concerning the proposed subcontractor(s). This narrative must address the following:

a. The Agent and proposed subcontractor(s) must be licensed in the State of Virginia.

b. Description of the background and experience of the Agent and any proposed subcontractor(s). This should include the number of years performing this service.

c. Names, addresses, telephone numbers and individual contacts of at least three current accounts of similar size and complexity handled by the Agent and subcontractor(s) servicing office.

d. Resumes of staff personnel to be assigned to this contract. This should describe their anticipated roles in serving the account.

2. Proposed scope of work of the agent's implementation and performance of the contract. Proposal should include;

a. Proposed insurance coverage forms with justification for each type of coverage. If an Agent does not wish to include in their proposal coverage for all items listed in the Statement of Needs, Section IV, this should be indicated by listing "No proposal" after the item.

b. If more than one program of coverage is being submitted by one Agent, the advantages and disadvantages of the different approaches as well as the Agent's recommendations and related justifications must be included.

c. Claims handling procedures and guidelines, including claim-reporting thresholds.

3. Cost of insurance and related services for each coverage. All charges must incorporate routine office and administrative charges including, but not limited to postage, travel, photographic, office supplies, telephone charges, issuing certificates of insurance, report preparation and typing, etc.

VII. EVALUATION AND AWARD CRITERIA: WCSA will evaluate all proposals submitted. The contract will be awarded based upon the proposal that is deemed to be the most responsive and of greatest benefit to the WCSA. The evaluation criteria will include, but not be limited to:

A. Qualifications of Agent and proposed subcontractor(s).

1. Demonstrated understanding of the services to be provided.
2. Experience in providing the desired insurance and related services.
3. Personnel qualifications and experience of the Agent and subcontractor(s)'s staffs.
4. References.

B. Proposed scope of coverage and work.

1. Proposed insurance coverage.
2. Proposed claims handling procedures and support

C. Proposed costs.

1. Proposed insurance coverage costs.
2. Other charges (if any).

VIII. Terms and Conditions

A. The WCSA shall evaluate the proposals from the information provided and shall ask questions of a clarifying nature from Agents as required. Such questions may be in writing and forthcoming answers shall become part of the official proposal.

B. The WCSA reserves the right to reject any or all proposals, to waive any irregularities or informality in any proposals or reject any item or combination of items.

C. The contract for insurance service shall be awarded to the Agent whose proposal complies with all requirements set forth in the proposal document, and whose proposal in the opinion of the WCSA is the best proposal taking into consideration the total net cost to the WCSA. In the event that the Agent to whom the proposal is awarded does not execute a contract within 30 days after the award of the proposal, the WCSA may give notice to such Agent of the intent to award the proposal to the next most qualified Agent, or to call for new proposals, and may proceed accordingly.

D. In no event will the WCSA permit modifications to amounts proposed. The proposal as submitted will be considered to be the best and final proposal.

- E. The intent of this proposal process is to select one Agent to provide the insurance services as specified in the proposal document. However, the WCSA may elect to distribute services to different Agents if substantial cost savings shall accrue to the WCSA as a result. The WCSA may also reduce its insurance service requirements at any time.

- F. The WCSA reserves the right to evaluate additional or new insurance services which may be in the best interest of the WCSA from time to time, and may negotiate the price of these services with the successful Agent or another agency, whichever is determined to be the most advantageous to the WCSA.

- G. METHOD OF PAYMENT: Invoices for all insurance coverage provided will be delivered with the policies or endorsements. Payment will be on a net 30 basis.

EXHIBIT A	Systems Power Pac & Boiler Machinery Coverage
EXHIBIT B&C	Property Enhancements
EXHIBIT D	General Liability
EXHIBIT E	Automobile Coverage
EXHIBIT F	Loss Runs

EXHIBIT A

EXHIBIT A

	DESCRIPTION	ADDRESS	CITY, ST	REPLACEMENT VALUE
1	Abingdon Tank (x2)	225 Leonard Street	Abingdon, VA	\$ 2,000,000 *
2	Alvarado Pump	22960 Alvarado Road	Damascus, VA	\$ 60,000
3	Alvarado Pump/Tank	295 Offset Road	Bristol, TN	\$ 300,000
4	Brumley Pump	14073 Porterfield Highway	Abingdon, VA	\$ 120,000
5	Brumley Tank	17539 Brumley Gap Road	Abingdon, VA	\$ 300,000
6	Glade Tank	10466 Grace Street	Glade Spring, VA	\$ 300,000
7	Hayter Gap Tank	29416 Aistrop Rd	Hayters Gap, VA	\$ 200,000
8	Industrial Park Pump	17150 Industrial Park Rd	Bristol, VA	\$ 100,000
9	Industrial Park Tank	15398 Industrial Park Road	Bristol, VA	\$ 2,000,000
10	Island Road Pump	2434 Island Road	Bristol, VA	\$ 50,000 **
11	Jonesboro Pump	19721 Old Jonesboro Road	Abingdon, VA	\$ 100,000
12	Lime Hill Pump	22363 Lime Hill Road	Bristol, VA	\$ 70,000
13	Manhaim Tank	9336 Crescent Road	Glade Spring, VA	\$ 100,000 **
14	Mendota Pump/Tank	16150 Benfield Lane	Mendota, VA	\$ 200,000
15	Mid-Mtn Tank	14070 Galliher Dr	Abingdon, VA	\$ 1,000,000
16	Oak Park Pump/Tank	18257 Westinghouse Road	Bristol, VA	\$ 2,000,000
17	Plum Creek Pump	36396 Plum Creek Road	Glade Spring, VA	\$ 75,000
18	Route 19 Pump	15998 Porterfield Hwy	Abingdon, VA	\$ 120,000
19	Route 19 Tank	15492 Porterfield Highway	Abingdon, VA	\$ 1,000,000
20	Route 58 Pump	16465 Jeb Stuart Highway	Abingdon, VA	\$ 250,000
21	Route 58 Tank	17147 Stella Drive	Abingdon, VA	\$ 2,000,000 *
22	Route 740 Pump	27322 North Ridge Road	Meadowview, VA	\$ 100,000
23	Route 740 Tank	26494 Old Saltworks Rd	Abingdon, VA	\$ 500,000
24	Seven Springs Tank	10247 Forest Hills Drive	Glade Spring, VA	\$ 2,000,000
25	Spoon Gap Pump	18496 Spoon Gap Road	Abingdon, VA	\$ 75,000
26	Taylor Valley Pump/Tank	37310 Waccamaw Lane	Taylor Valley, VA	\$ 300,000
27	Three Springs Tank (x2)	5429 Brooks Way	Bristol, VA	\$ 400,000
28	Walker Mtn Pump	6074 Walker Mountain Road	Bristol, VA	\$ 75,000
29	Wallace Pump	12197 Wallace Pike	Bristol, VA	\$ 100,000 **
30	Widener Valley Pump	39036 Widener Valley Road	Damascus, VA	\$ 50,000
31	Widener Valley Tank (x2)	37502 Widener Valley Road	Damascus, VA	\$ 500,000
32	Wise Pump	16465 Jeb Stuart Hwy	Abingdon, VA	\$ 150,000
33	MAIN OFFICE	25122 Regal Drive	Abingdon, VA	\$ 1,100,000
34	WAREHOUSE	25076 Regal Drive	Abingdon, VA	\$ 900,000
35	WATER PLANT	18385 Jeb Stuart Hwy	Abingdon, VA	\$ 4,600,000 *
36	WATER PLANT BLDG 2	18385 Jeb Stuart Hwy	Abingdon, VA	\$ 30,000
37	SEWER PLANT	32430 Lee Highway	Glade Spring, VA	\$ 3,000,000
38	MILL CREEK MEMBRANE	16322 Mill Creek Road	Chilhowie, VA	\$ 3,000,000
39	SEWER PLANT	14126 Stonybrook Road	Meadowview, VA	\$ 100,000
40	SEWER PLANT BLDG 2	14126 Stonybrook Road	Meadowview, VA	\$ 50,000

\$ 29,375,000

* value should change within 5 years

** should be eliminated within 5 years

SYSTEMS POWER PAC

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS — SPECIAL FORM
BUSINESS INCOME COVERAGE FORMS**

- I. The following changes apply to the Building and Personal Property Coverage Form:

A. ADDITIONAL COVERAGES

The following is added to Section A. Additional Coverages.

Additional Coverages

Equipment Breakdown

- a. We will pay for loss caused by or resulting from an Accident. As used in this Additional Coverage, an Accident means direct physical loss as follows:

- (i) mechanical breakdown, including rupture or bursting caused by centrifugal force;
- (ii) artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires;
- (iii) explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
- (iv) loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
- (v) loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

If an initial Accident causes other Accidents, all will be considered one Accident. All Accidents that are the result of the same event will be considered one Accident.

- b. The following additional coverages also apply to loss caused by or resulting from an Accident.

(i) Expediting Expenses

With respect to your damaged Covered Property, we will pay the reasonable extra cost to:

- (a) make temporary repairs; and
- (b) expedite permanent repairs or permanent replacement.

(ii) Hazardous Substances

We will pay for the additional cost to repair or replace Covered Property because of contamination by a hazardous substance. This includes the additional expenses to clean up or dispose of such property.

Hazardous substance means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency. Additional costs mean those beyond what would have been required had no hazardous substance been involved.

The most we will pay for loss or damage under this coverage, including loss under Perishable Goods and actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$25,000.

(iii) Drying Out Coverage

If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses of such drying out.