



## Legislation Text

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**File #:** 24-1208, **Version:** 1

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**STRATEGIC PRIORITY:** Government Performance & Financial Management  
**AGENDA DATE:** April 24, 2024  
**COUNCIL DISTRICT(S):** 2  
**DEPARTMENT:** Office of Procurement Services  
**EXECUTIVE:** Jack Ireland

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### **SUBJECT**

Authorize a three-year service contract, with the option of one two-year renewal option or two one-year renewal options, for Owner Controlled Insurance Program broker services for the Office of Risk Management - Marsh USA, Inc., most advantageous proposer of five - Not to exceed \$2,242,000 - Financing: Owner Controlled Insurance Fund (subject to annual appropriations)

### **BACKGROUND**

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract will provide for Owner Controlled Insurance Program (OCIP) broker services for the Office of Risk Management. These services will develop underwriting and marketing specifications to competitively secure the best and essential insurance coverages at the most reasonable cost for construction of the Kay Bailey Hutchison Convention Center Master Plan. OCIP will provide expertise in all phases of developing, implementing, and administering the City's OCIP. This service is necessary for the City to help eliminate insurance obstacles for construction contractors, including Minority/Women Business Enterprise (M/WBEs) and small businesses by assuming and insuring the project risks. This service provides a pathway to projects that contractor/subcontractor could not otherwise obtain while increasing M/WBE and small business participation percentages.

A six-member committee from the following departments reviewed and evaluated the qualifications:

- City Controller's Office (1)
- Department of Aviation (1)
- Department of Convention and Event Services (1)
- Office of Risk Management (1)
- Small Business Center Department (1)
- Office of Procurement Services (1)\*

\*The Office of Procurement Services evaluated cost and local preference, if applicable.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- |   |           |
|---|-----------|
| • Cost                                    | 30 points |
| • Technical Criteria                      | 25 points |
| • Technical Criteria                      | 20 points |
| • Understanding                           | 10 points |
| • Business Inclusion and Development Plan | 15 points |

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The calculated living wage during the solicitation process of this contract is \$18.24; the selected vendor meets this requirement.

#### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

#### **FISCAL INFORMATION**

Fund	FY 2024	FY 2025	Future Years
Owner Controlled Insurance Fund	\$2,242,000.00	\$0.00	\$0.00

#### **M/WBE INFORMATION**

In accordance with the City’s Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Procurement Category	M/WBE Goal
\$2,242,000.00	Other Services	N/A
M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
69.95%	69.95%	\$1,568,267.00
<p>• <del>This contract exceeds the M/WBE subcontracting goal.</del> <a href="#">This item is Other Services and no availability and disparity in the market.</a></p>		
<p>• Marsh USA, Inc. - Non-Local; Workforce - 0.00% Local</p>		

## **PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Request for Proposal	<ul style="list-style-type: none"><li>• Utilized for professional, personal, revenue, and planning services</li><li>• Recommended offeror is the responsible offeror whose proposal most closely meets established criteria for the services advertised, based on demonstrated competence and qualifications at a fair and reasonable price</li><li>• Always involves the evaluation by committee</li><li>• Allows for negotiation on contract terms, including price</li></ul>
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The Office of Procurement Services received the following proposals from solicitation number BBZ24-00023578. We opened them on December 29, 2023. We recommend the City Council award this service contract in its entirety to the most advantageous proposer.

\*Denotes successful proposer

<b><u>Proposers</u></b>	<b><u>Address</u></b>	<b><u>Score</u></b>
*Marsh USA, Inc.	1717 Main Street Suite 4400 Dallas, TX 75201	86.94
Alliant Insurance Services, Inc.	16000 North Dallas Parkway Suite 850 Dallas, TX 75248	84.04
Willis Towers Watson Insurance Services West, Inc.	500 North Akard Street Suite 4300 Dallas, TX 75201	84.04
McGriff Insurance Services, Inc.	5080 Spectrum Drive Suite 900E Addison, TX 75001	72.00
Lockton Companies	2100 Ross Avenue Suite 1400 Dallas, TX 75201	61.29

## **OWNER**

**Marsh USA, Inc.**

Martin South, Chief Executive Officer  
Louis Piliego, Chief Operating Officer