MILWAUKEE COUNTY Inter-Office Communication

DATE:

October 1, 2013

TO:

Supervisor Marina Dimitrijevic, Chairwoman

Milwaukee County Board of Supervisors

Sup. David Cullen, Co-Chair, Finance, Personnel & Audit Committee Sup. Willie Johnson, Jr., Co-Chair, Finance, Personnel & Audit Committee

FROM:

Dennis Dietscher, Interim Risk Manager

SUBJECT: Request for Proposal – Insurance Purchases

REQUEST

Risk Management staff requests a one-year extension for the following insurance policies: 1.) Airport Liability, 2.) Public Entity Liability, 3.) Property Insurance, 4.) Fidelity Insurance, 5.) Fiduciary Insurance, 6.) Energy Systems Insurance, and 7.) Property Insurance.

BACKGROUND/ANALYSIS

Resolution File No. 93-168 approved by the Finance & Audit Committee and adopted by the County Board at its February 18, 1993 meeting, requires that Risk Management solicit Requests for Proposals (RFP) for insurance purposes. A RFP was issued by the Risk Manager on July 29, 2013 for public entity liability insurance and claims administration services. The RFP process required that markets be determined by the Risk Manager by August 9th. However, shortly after issuing the RFP, the Risk Manager left Milwaukee County employment.

Due to the technical nature of assigning insurance markets to prospective bidders in a shortened time period, it was determined that the best course of action would be to withdraw the RFP and request a one-year extension with current insurance providers. The Interim Risk Manager contacted these insurance providers to explain the County's decision to withdraw the RFP and ask if the providers would accept a one-year extension at 2013 prices. All providers indicated that they would be willing to extend their contracts with Milwaukee County for one more year and at the same premium price as 2013.

RECOMMENDATION

The Interim Risk Manager is recommending a one-year extension of all insurance purchase agreements (from January 1, 2014 to December 31, 2014) at the 2013 premium price. It is further recommended that the RFP be reissued for 2015 by the new Risk Manager. The Department of Administrative Services is in the process of hiring for this position.

Dennis Dietscher, Interim Risk Manager