

**CITY COUNCIL
COMMUNICATION:**

03-458

AGENDA:

SEPTEMBER 22,
2003

SUBJECT:

REQUEST FOR
PROPOSALS FOR
NEW AGENT-
BROKER SERVICES
CONTRACT

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

MERRILL R.
STANLEY
FINANCE DIRECTOR

MARK J. SCHULTZ
RISK MANAGER

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

SYNOPSIS —

Approve the issuance of a Request for Proposals (RFP) for insurance agent-broker services.

FISCAL IMPACT —

The declining flat-fee paid annually to Jester Insurance Services, Inc. over the five-year period of the existing contract was \$35,000, \$32,000, \$29,000, \$29,000 and \$25,000 for a total of \$150,000. Considering the constricting nature of the insurance market since September 11, 2001 and the on-going conflicts in Afghanistan and Iraq as well as the constant threats of future terrorist acts to be committed within the United States, the amount of effort required to market insurance for the City is unknown. Therefore, it is not possible to venture a guess as to what the proposed fees will be other than to say that the RFP process should ensure that they will be the most reasonable available at this time. Fees are paid from the Tort Levy and Enterprise Funds.

RECOMMENDATION —

Approval.

BACKGROUND —

On June 22, 1998, the City Council directed staff to issue a Request for Proposals (RFP) to competitively select an insurance agent-broker of record for the City. On January 25, 1999, the Council approved the negotiation and execution of a contract with Jester Insurance Services, Inc. for three years with two one-year renewals. The expiration date of the contract will be February 29, 2004. Therefore, staff has prepared an RFP to once again competitively select an agent-broker of record for the City.

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