



To: Albuquerque Housing Authority Board of Housing Commissioners
From: Linda Bridge. Executive Director
Date: April 20, 2022
Re: Executive Communication 2022-02, Request for Proposal (#2209) Insurance Broker of Record – Contract Award

Background:

AHA issued a Request for Proposal (#2209) Insurance Broker of Record to obtain proposals for a professional insurance brokerage firm with full support services to represent the AHA as Broker of Record for procurement of property, casualty, fidelity bond, general liability, umbrella, workers’ compensation and other related insurance. AHA invited qualified Brokers having sufficient governmental experience in providing professional broker and consulting services to submit a proposals. The RFP was posted through the Housing Agency Marketplace e-procurement platforms where 157 vendors were notified. Procurement staff conducted additional vendor outreach and posted RFP notification in the Albuquerque Journal newspaper.

AHA received two proposals before the proposal deadline. Proposals were received from POMS & Associates Insurance Brokers, Inc. and Arthur J. Gallagher & Co. Insurance Brokers of California, Inc.

Discussion

Proposals received by AHA were evaluated based on a number of factors as outlined in the table below.

Factor Type	Maximum Points
Fee Quotation	20
Insurance Industry Experience and Qualifications	20
Insurance Brokerage Manager’s Experience	15
Management Approach and Work Plan	30
Section 3 Procurement Preference	15

All members of the evaluation committee rated the proposals submitted by Gallagher and POMS & Associates within the competitive range. Clarification questions were sent out to both proposers. After final review of responses, the evaluation committee finished the evaluations and made its final selection with POMS & Associates scoring the highest.

The contract is structured for a fixed annual fee paid to the broker quarterly for its services. The broker is responsible for invoicing AHA for the insurance premiums paid to insurance companies for insurance products and services, net of commission. The only fees paid to the broker by AHA is the annual fee. The premiums paid to the broker are passed through to the insurance companies. Both amounts are included in the total estimated contract amount.



/abqha



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Equal Housing Opportunity Agency



Recommendation

The estimated value of the Insurance Broker of Records Services is \$4,500,000 for a base year and four option years. AHA requests to process a single contract award to the top ranked contractor Poms & Associates. The annual broker service fees for the initial year of contract is \$49,323. The estimated insurance coverage premiums based on the last two year trend for FY23 are \$820,000. The estimated insurance coverage premiums may affect the contract values to fluctuate due to market conditions. The minimum contract value per contract is \$49,323 with a maximum contract value set at \$4,500,000 but may increase in the life of the contract due to market conditions.

By voting to formally approve receipt of this Executive Communication, the **AHA BOARD OF HOUSING COMMISSIONERS**, the governing body of the AHA does:

1. Authorize the Executive Director, at the Executive Director’s discretion, or designee to execute a contract with POMS & Associates Insurance Brokers, Inc. in an initial amount not-to-exceed \$4,500,000.00 (excluding gross receipts tax) for insurance broker services as contemplated in Request for Proposals #2209, pending successful negotiations.

2. In the event that negotiations fail with POMS & Associates, Authorize the Executive Director, at the Executive Director’s discretion, or designee to execute a contract with Arthur J. Gallagher & Co. Insurance Brokers of California, Inc. in an initial amount not-to-exceed \$4,500,000.00 (excluding gross receipts tax) for insurance broker services, pending successful negotiations.

PASSED and ADOPTED this 20th day of April 2022.

BY A VOTE OF 4 FOR, AND 0 AGAINST.

Members Absent: Nunez

Members voting against: _____

ALBUQUERQUE HOUSING AUTHORITY
BOARD OF HOUSING COMMISSIONERS

By: /s Maureen Skowran
Maureen Skowran, Chairperson of the Board

ATTEST:

 /s Linda Bridge
Linda Bridge, Secretary to the Board and Executive Director