

PATRICIA A. PESHKA

PURCHASING AGENT



SCOTT AVEDISIAN

MAYOR

CITY OF WARWICK
PURCHASING DIVISION
3275 POST ROAD
WARWICK, RHODE ISLAND 02886
TEL (401) 738-2000 EXT. 6240
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The following notice is to appear on the City of Warwick's website Friday, January 22, 2016. The website address is <http://www.warwickri.gov> (Online Resources Tab).

**CITY OF WARWICK
BIDS REQUESTED FOR**

**Bid #2016-245 Workers' Compensation Self-Insured Third-Party Administrator
or Fully-Insured Carrier**

Specifications are available in the Purchasing Division, Warwick City Hall, Monday through Friday, 8:30 AM until 4:30 PM on or after Friday, January 22, 2016.

Sealed bids will be received by the Purchasing Division, Warwick City Hall, 3275 Post Road, Warwick, Rhode Island 02886 up until 10:00 A.M., Wednesday, February 3, 2016. The bids will be opened publicly commencing at 10:00 A.M. on the same day in the Lower Level Conference Room, Warwick City Hall.

Awards shall be made on the basis of the lowest evaluated or responsive bid price. Please note that no bids can be accepted via email or fax.

Individuals requesting interpreter services for the hearing impaired must notify the Purchasing Division at 401-738-2000, extension 6241 at least 48 hours in advance of the bid opening date.

Original Signature on File

Patricia A. Peshka
Purchasing Agent

PLEASE SUBMIT THIS PAGE WITH YOUR BID

Acknowledgement of Addendum (if applicable)

Addendum Number	Signature of Bidder
_____	_____
_____	_____

COMPANY NAME: _____

COMPANY ADDRESS: _____

COMPANY ADDRESS: _____

BIDDER'S SIGNATURE: _____

BIDDER'S NAME (PRINT): _____

TITLE: _____ TEL. NO.: _____

EMAIL ADDRESS: _____*

*Please include your email address. Future bids will be emailed, unless otherwise noted.

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II. AWARD AND CONTRACT:

The CITY OF WARWICK, acting as duly authorized through its Purchasing Agent/Finance Director/Mayor (delete if inapplicable), accepts the above bid and hereby enters into a contract with the above party to pay the bid price upon completion of the project or receipt of the goods unless another payment schedule is contained in the specifications. All terms of the specifications, both substantive and procedural, are made terms of this contract.

DATE: _____

Bid #2016-245

Purchasing Agent

CERTIFICATION & WARRANT FORM*

**This form must be completed and submitted with sealed bid.
Failure to do so will result in automatic rejection.**

Any and all bids shall contain a certification and warrant that they comply with all relevant and pertinent statutes, laws, ordinances and regulations, in particular, but not limited to Chapter 16- Conflicts of Interest, of the Code of Ordinances of the City of Warwick. Any proven violation of this warranty and representation by a bidder at the time of the bid or during the course of the contract, included, but not limited to negligent acts, either directly or indirectly through agents and/or sub-contractors, shall render the bidder's contract terminated and the bidder shall be required to reimburse the City for any and all costs incurred by the City, including reasonable attorney fees, to prosecute and/or enforce this provision.

Signature

Date

Company Name

Address

Address

***This form cannot be altered in any way**

**CITY OF WARWICK
NOTICE TO BIDDERS**

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Third-Party Administrator or Fully-Insured Carrier**

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If you received this document from our homepage or from a source other than the City of Warwick Purchasing Division, please check with our office prior to submitting your bid to ensure that you have a complete package. The Purchasing Division cannot be responsible to provide addenda if we do not have you on record as a plan holder.

Bids received prior to the time of the opening will be securely kept, unopened. No responsibility will be attached to an officer or person for the premature opening of a bid not properly addressed and identified. No bids shall be accepted via facsimile or email.

The opening of bids shall be in the order established by the posted agenda and the agenda shall continue uninterrupted until completion.

Once an item has been reached and any bids on that item has been opened, no other bids on that item will be accepted and any such bid shall be deemed late.

The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap for any position for which the employee or applicant is qualified and that in the event of non-compliance the City may declare the contractor in breach and take any necessary legal recourse including termination or cancellation of the contract.

A bidder filing a bid thereby certifies that no officer, agent, or employee of the City has a pecuniary interest in the bid or has participated in contract negotiations on the part of the City, that the bid is made in good faith without fraud, collusion, or connection of any kind with any other bidder for the same call for bids, and that the bidder is competing solely in his own behalf without connection with, or obligation to, any undisclosed person or firm.

All bids should be submitted with one (1) original and two (2) copies in a sealed envelope, which should read: *YOUR COMPANY NAME* plainly marked on the exterior of the envelope as well as "Bid #2016-245 Workers' Compensation Self-Insured Third-Party Administrator or Fully-Insured Carrier."

Should you have any questions, please contact Jane Jordan or Jean Bouchard, Personnel, 3275 Post Rd., Warwick, RI at 401-738-2000, extensions 6247 and 6250, respectively.

All bids should be written in ink or typed. If there is a correction with whiteout, the bidder must initial the change.

Any deviation from the specifications must be noted in writing and attached as part of the bid proposal. The bidder shall indicate the item or part with the deviation and indicate how the bid will deviate from specifications.

The IRS Form W-9 attached should be completed and submitted with the bid if the bidder falls under IRS requirements to file this form.

When a bid is awarded to a corporation, limited liability company or other legal entity, prior to commencing work under the awarded bid, that corporation, company or legal entity may be required to provide to the Purchasing Agent a Certificate of Good Standing dated no more than thirty (30) days prior to the date upon which the bid award was made.

The City of Warwick reserves the right to award as a one (1) year, two (2) year or three (3) contract, as deemed most favorable to the interest of the City. Term contracts may be extended for one (1) additional term upon mutual agreement unless otherwise stated.

The City is exempt from the payment of the Rhode Island Sales Tax under the 1956 General Laws of the State of Rhode Island, 44-18-30, Paragraph I, as amended.

The contractor must carry sufficient liability insurance and agree to indemnify the city against all claims of any nature, which might arise as a result of his operations or conduct of work.

The Purchasing Agent reserves the right to reject any and all bids, to waive any minor deviations or informalities in the bids received, and to accept the bid deemed most favorable to the interest of the City.

The City reserves the right to terminate the contract or any part of the contract in the best interests of the City, upon 30-day notice to the contractor. The City shall incur no liability for materials or services not yet ordered if it terminates in the best interests of the City. If the City terminates in the interests of the City after an order for materials or services have been placed, the contractor shall be entitled to compensation upon submission of invoices and proper proof of claim, in that proportion which its services and products were satisfactorily rendered or provided, as well as expenses necessarily incurred in the performance of work up to time of termination.

No extra charges for delivery, handling or other services will be honored. All claims for damage in transit shall be the responsibility of the successful bidder. Deliveries must be made during normal working hours unless otherwise agreed upon.

All costs directly or indirectly related to the preparation of a response to this solicitation, or any presentation or communication to supplement and/or clarify any response to this solicitation which may be required or requested by the City of Warwick shall be the sole responsibility of and shall be borne by the respondent.

If the respondent is awarded a contract in accordance with this solicitation and the respondents bid or response and if the respondent fails or refuses to satisfy fully all of the respondents obligations thereunder, the City of Warwick shall be entitled to recover from the respondent any losses, damages or costs incurred by the City as a result of such failure or refusal.

The City reserves the right to award in part or full and to increase or decrease quantities in the best interest of the City.

Any quantity reference in the bid specifications are estimates only, and do not represent a commitment on the part of the City of Warwick to any level of billing activity. It is understood and agreed that the agreement shall cover the actual quantities ordered during the contract period.

The City reserves the right to rescind award for non-compliance to bid specifications.

The successful bidder must adhere to all City, State and Federal Laws, where applicable.

CITY OF WARWICK

Workers' Compensation Self-Insured Third-Party Administrator or Fully-Insured Carrier

1. **Scope:** It is the intent of this specification for the City of Warwick, R.I. to obtain a service agreement to provide assistance in handling the City of Warwick's Self-Insured Workers' Compensation Program for Municipal employees. Excluded from the program are Uniform Police and Fire Department employees and all employees of the School Department.
2. **Effective Date:** May 1, 2016 at 12:01 a.m. standard time at the address of the Employer.
3. **Termination Date:** April 30, 2019.
4. **Service Agreement:** The successful bidder agrees to assist the City of Warwick in the management and administration of its Self-Insured Workers' Compensation Program in accordance with the laws of the State of Rhode Island and as follows:
 - a) **Claim Management**
 - i) Assist in establishing a loss funding system.
 - ii) Assume responsibility for all open files (currently being administered by Beacon Mutual).
 - iii) Review and investigate to determine compensability.
 - iv) Determine benefits - make prompt payment.
 - v) Establish case reserves.
 - vi) Advise of unusual claim development.
 - vii) Prepare and file all necessary compensation agreements.
 - viii) Attend quarterly meetings with Warwick representatives to review prior three-month claims experience.
 - ix) Professionally prepare files for legal defense.
 - x) Implement the necessary management information programs.
 - xi) Assist in recognition of subrogation.
 - xii) Initiate and coordinate all claims.
 - xiii) Arrange to make monthly fixed payments to the City's Workers' Compensation attorney from the escrow account as described below. Such payments will be reimbursed by the City on a monthly basis.

- b) Management Information - the successful bidder to provide:
- i) Monthly detailed cost sheets.
 - ii) Monthly summary cost sheets.
 - iii) Escrow balance report.
 - iv) Special reports by: nature of injury, part of body, accident cause, occupation and department.
 - v) Provide additional information as may be required by the City of Warwick from time to time.
 - vi) Assist the City in obtaining the appropriate excess insurance through a reliable insurance company.
- c) Payments: The City of Warwick would prefer bidders to submit one unified cost per year to handle all relevant administrative services as outlined herein, however, for those responders who wish, Warwick will pay on a per case basis to the successful bidder for the foregoing services as follows:
- i) For claims management and management information, the sum of Per Bid for the first fifteen (15) lost time cases and thirty (30) medical payment only cases for the period May 1, 2016 through April 30, 2017.
 - ii) For claims management and management information, the sum of Per Bid for the first fifteen (15) lost time cases and thirty (30) medical payment only cases for the period May 1, 2017 through April 30, 2018.
 - iii) For claims management and management information, the sum of Per Bid for the first fifteen (15) lost time cases and thirty (30) medical payment only cases for the period May 1, 2018 through April 30, 2019.
 - iv) For all open claims as of April 1, 2016 the sum of Per Bid for lost time claims and the sum of Per Bid for medical only claims.
 - v) For every lost time case in excess of the stated numbers listed above, the City will pay a charge of Per Bid for each case.
 - vi) For every medical only case in excess of the stated numbers listed above the City will pay a charge of Per Bid for each case.
 - vii) The successful bidder will arrange for the City of Warwick to establish a \$30,000 escrow account for the purpose of payment of claims. This account will be replenished once each month, if necessary.
- d) Access by Warwick - The successful bidder shall afford the City of Warwick attorneys, accountants and other authorized representatives of Warwick free and full access to the records required to be maintained under the service agreement, to such other books, records and information as shall be reasonably related to the subject matter hereof and to such books and records of the successful bidder as shall pertain to the City of Warwick account. At the option of the City of Warwick, periodic audits may, at reasonable times, be made of the successful bidder's books and records in-so-far as they pertain to the service agreement. Such audits will be made at Warwick's expense by the City of Warwick's internal auditors or by independent public accountants designated by Warwick. The withholding of

any records reasonably requested by the City of Warwick at any time, whether during the term of the agreement or thereafter, shall constitute a breach of the service agreement for which the successful bidder may be held liable.

- e) Expenses - The successful bidder shall pay its own expenses incurred in assisting Warwick under the service agreement, including its out-of-pocket disbursements, travel expenses, cost of surveys and all salaries of its employees.
- f) Maintenance of records - The successful bidder shall obtain from the previous administrator and then maintain and preserve all records with respect to losses, claims, valuation rates, premiums, insurance in force, and other information and data pertaining to administration and supervision of the coverage and expenses outlined in the service agreement. On termination, all such records, or exact copies thereof shall be turned over intact to the City of Warwick.
- g) Disclaimer - All services performed under item 4 of this specification (service agreement) by the successful bidder for the City of Warwick will be performed as an independent contractor, who will be liable to the City of Warwick under the service agreement only for losses as a result of their negligence and losses which may be attributable to the acts of the successful bidder or its employees committed in bad faith.
- h) Assignability - The service agreement shall not be assignable without the prior written consent of the other party.

5. Payroll Cost

- a) Attached is a summary of payroll cost by insurance class code and calendar year.

Classification	Code No.	2014	2013	2012	2011*
Sewage Disposal Plant Operations and Drivers	7580	1,329,350	1,275,797	1,193,052	1,219,609
Garbage, Ashes or Refuse Collection and Drivers	9403	1,841,486	1,871,805	1,933,325	1,937,926
Park Employees and Drivers	9102	569,024	562,389	542,303	558,450
Waterworks Operations and Drivers	7520	671,846	634,149	654,857	594,588
Street Cleaning and Drivers	9402	1,017,058	1,003,383	909,130	1,026,338

Classification	Code No.	2014	2013	2012	2011*
Clerical Office Employees	8810	11,158,190	10,901,257	10,802,744	11,007,559
Salespersons, Collectors or Messengers	8742	121,421	101,115	143,211	152,413
Drivers and Helpers	5506	4,130,388	3,865,100	3,652,035	3,597,798
Building Inspectors	9410	290,909	257,377	252,260	504,346
Municipal Garage	385	767,066	739,958	768,416	704,825
Total		21,896,738	21,212,333	20,851,332	21,303,852

*Denotes Calendar Year

6. Workers' Compensation Losses

- a) The following information was obtained from the City of Warwick's Personnel Department.

Fiscal Year	Lost Time Cases	Medical Only Cases	Total Cases
7/1/14 – 6/30/15	8	17	25
7/1/13 – 6/30/14	12	16	28
7/1/12 – 6/30/13	8	22	30
7/1/11 – 6/30/12	11	11	22
7/1/10 – 6/30/11	13	13	26

7. As of December 3, 2015, the City of Warwick had the following open Workers' Compensation cases: Lost Time - 11; Medical Payments Only – 7.
8. Attorney: The successful bidder will select an attorney approved by the City to defend the City's interest in litigation arising out of Workers' Compensation claims. The fees paid for the legal defense of claims will be made by the City of Warwick to said attorney over and above the cost of the administrative services in this contract. However, the successful bidder may be required to make monthly payments to the attorney that will then be reimbursed by the City.
9. The City of Warwick reserves the right to terminate the Workers' Compensation Self-Insured Agreement at any time for any reason. Said termination shall be effective ten (10) days after written notice is mailed to the party or parties who have been awarded the bid. Upon termination the City shall be liable only for that portion of the contract price or prices that had been earned at the time of termination.
10. Alternate Proposals: Alternate proposals will be considered where it is shown to be beneficial to the City.

11. Fully-Insured Proposals: The City will consider and possibly accept proposals to fully insure the City for Workers' Compensation. The successful bidder may be required to provide third-party administrative services for currently open claims.
12. Information: A detailed claim experience report as of 12/31/14 is attached for your review.
13. Basis For Selection (Note: Experience with Rhode Island Workers' Compensation laws and procedures is critical. Firms without such experience may or may not be considered).
 - a) The contract will be awarded to the qualified, responsible firm best satisfying the overall requirements of this request for proposal and to be most advantageous to the City of Warwick taking into account the evaluation factors as follows:
 - i) Demonstrated experience and capabilities of the firm - 40%.
 - ii) The firm's organizational makeup and resources available for this project - 10%.
 - iii) Overall cost of the proposal - 50%.
 - b) The City reserves the right to accept proposals for all or part of the request, or for one (1), two (2) or three (3) years as it sees fit. The City also reserves the right to reject all proposals as it sees fit.
 - c) The City of Warwick may award a contract based upon initial proposal received, without discussion of such offer. Accordingly, respondents are advised to submit proposals on the most favorable terms from a price and technical aspect.

14. Bid Price Summary for Per Case Bids

	May 1, 2016 through April 30, 2017	May 1, 2017 through April 30, 2018	May 1, 2018 through April 30, 2019
Price for service agreement for 15 lost time and 30 medical only cases			
Price for each lost time case in excess of 15			
Price for each medical only case in excess of 30			
Price for assuming open lost time case files (if any)			
Price for assuming open medical only case files (if any)			

15. Unified Bid Cost (preferred method): Bidders may submit a single bid cost that encompasses all of the services under Number 14 above.

	May 1, 2016 through April 30, 2017	May 1, 2017 through April 30, 2018	May 1, 2018 through April 30, 2019
Total Contract Cost			

16. Fully Insured Cost. Bidders may submit a fully insured bid for Workers' Compensation as provided for under Number 15 above.

	May 1, 2016 through April 30, 2017	May 1, 2017 through April 30, 2018	May 1, 2018 through April 30, 2019
Total Contract Cost			

CITY OF WARWICK

BID AND CONTRACT FORM

TITLE OF SPECIFICATION: Bid #2016-245 Workers' Compensation Self-Insured
Third-Party Administrator or Fully-Insured Carrier

I. BID:

WHEREAS, the CITY OF WARWICK has duly asked for bids for performance of services and/or supply of goods in accordance with the above-indicated specifications.

The person or entity below does irrevocably offer to perform the services and/or furnish the goods in accordance with the specifications, which are hereby incorporated by reference in exchange for the bid price below;

This offer shall remain open and irrevocable until the CITY OF WARWICK has accepted this bid or another bid on the specifications or abandoned the project.

The bidder agrees that acceptance below by the CITY OF WARWICK shall transform the bid into a contract. This bid and contract shall be secured by Bonds, if required by the specifications.

Pricing as Submitted