

M-1 RAIL

Request for Proposals – Brokerage Services

REQUEST FOR BROKER PROPOSALS

M-1 RAIL (M-1 or the Organization) is seeking an Insurance Broker for the placement of its Insurance Program who will work with M-1 RAIL's Chief Financial Officer, Risk Advisor/Consultant, and others as necessary in the marketing, placement and servicing of the program. The term for the engagement is three (3) to five (5) years, with a possibility of an option to renew. The Insurance Program includes (but is not limited to):

- Property and/or Casualty insurance, including Business Interruption and Commercial General Liability
- Financial Products including Directors & Officers, Employment Practices, Fiduciary, Crime, and Cyber Liability

Your submission should outline the following:

1. Your firm's qualifications to handle and coordinate the insurance program of M-1 RAIL.
2. Your experience with public transit construction and operational risk exposures and specifically rail/streetcar systems.
3. Your proposed remuneration preference, Fee or Commission. If Fee, please provide a range or basis for the Fee; if Commission, please provide a % or range of %s.
4. Proposers are prohibited from contacting or disclosing this RFP information with any third parties, insurers or other intermediaries.

Five (5) hard copies and one (1) electronic copy of your response must be received no later than 3:00pm on September 7, 2016. **Late responses will not be accepted.** Please limit your response to not more than 10 pages. Responses should be sent to:

Jeni Norman
Chief Financial Officer
M-1 RAIL
7520 Woodward Avenue
Detroit, MI 48202
Jenilyn.Norman@m1rail.org

Written inquiries regarding this Request for Proposals (RFP) should be directed to Ms. Norman in writing no later than Noon on August 17, 2016. Responses will be posted to the M-1 RAIL website.

Due to the complexity of the M-1 RAIL project and its insurance requirements, outlined below you will find the minimum qualifying requirements:

1. Minimum five (5) years' experience in the development and placement of insurance programs. Please highlight industry experience including public transportation (particularly for light rail/streetcar systems), governmental and not-for-profits.
2. Direct access to a minimum of three (3) of the following markets: Chubb, Liberty, AIG, Zurich and Travelers.

M-1 RAIL reserves the right to waive any of these requirements.

M-1 RAIL
Request for Proposals – Brokerage Services

The planned schedule of important dates for the RFP process are as follows:

	ACTIVITY	TARGET DATE
1.	Qualifications and proposals received from firms	September 7, 2016
2.	Interviews with selected firms, if necessary	September 19-23, 2016
3.	Selection of broker	September 30, 2016

[Remainder of page intentionally blank]

M-1 RAIL
Request for Proposals – Brokerage Services

OVERVIEW

M-1 RAIL is a Michigan nonprofit corporation formed in 2007 to plan, design, build, own and operate a public streetcar system in the public right-of-way within the City of Detroit, Michigan. M-1 RAIL has been approved as a 501(c)(3) organization by the U.S. Internal Revenue Service. M-1 RAIL has raised funds from foundations, institutions and other sources (including two TIGER grants from the U.S. Department of Transportation) to sponsor this streetcar initiative through all phases of the project, including design, construction and operations for up to 10 years.

M-1 RAIL is working in cooperation with the State of Michigan, the City of Detroit and the U.S. Department of Transportation to deliver the project. The M-1 RAIL Streetcar system will travel approximately 3.3 miles on Woodward Avenue from Congress Street in Downtown Detroit to Grand Boulevard in the New Center area of Detroit. There will be twelve stops along the route in each direction, with passenger information provided at all stations. The map in Figure 1 depicts the route and tentative station locations. Construction of the streetcar line has begun and is anticipated to be completed in the Fall of 2016, providing sufficient time for testing and certification.

The M-1 RAIL Streetcar system will operate in the public right-of-way along Woodward Avenue. The Project includes construction of a new building, the Tech Center (sometimes referred to as the “Vehicle Storage and Maintenance Facility” or “VSMF”), located at the north end of the line between Custer Street and E. Bethune Street. The building was completed in March 2016. The Tech Center will provide streetcar vehicle storage and accommodate administrative, operations and maintenance functions.

M-1 RAIL plans to operate the system without an Overhead Catenary System (“OCS”) for portions of the route. See Figure 2 below for an illustration of the segments of the streetcar alignment where the system is powered through OCS. The system will be served by an initial fleet of six vehicles with service planned to be provided every 7.5 - 12 minutes, depending on travel times and operating plans. Streetcars will stop at any of the 12 stations on the line on demand as well as in instances in which the vehicle onboard energy storage system requires charging. Streetcar service is planned to begin in April 2017 and will operate seven days a week.

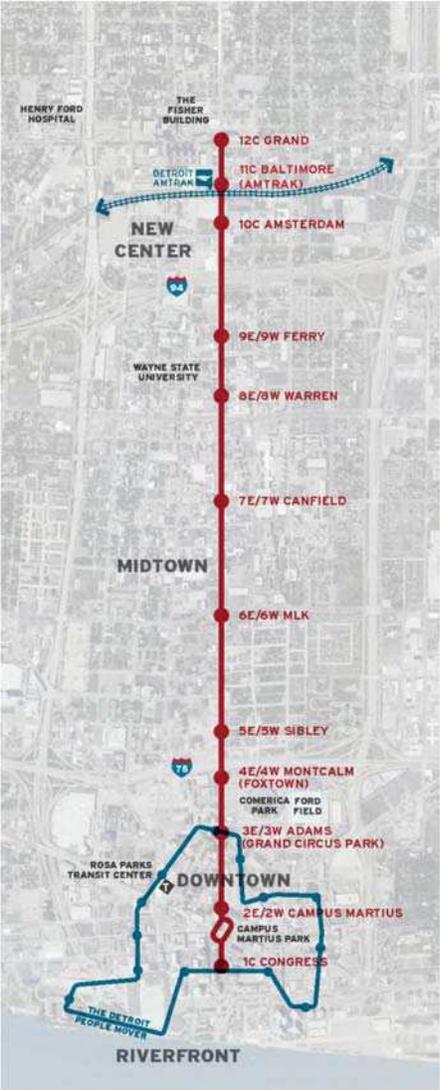


Figure 1 – M-1 RAIL Streetcar Route

Due to tax, financing and related considerations, the M-1 RAIL streetcar line is being constructed and will be owned by M-2 RAIL, an affiliate of M-1 RAIL. M-2 RAIL is a Michigan nonprofit corporation formed in 2013, that has been approved as a Section 501(c)(3) organization by the Internal Revenue Service, and more particularly as a supporting organization of M-1 RAIL.

M-1 RAIL

Request for Proposals – Brokerage Services

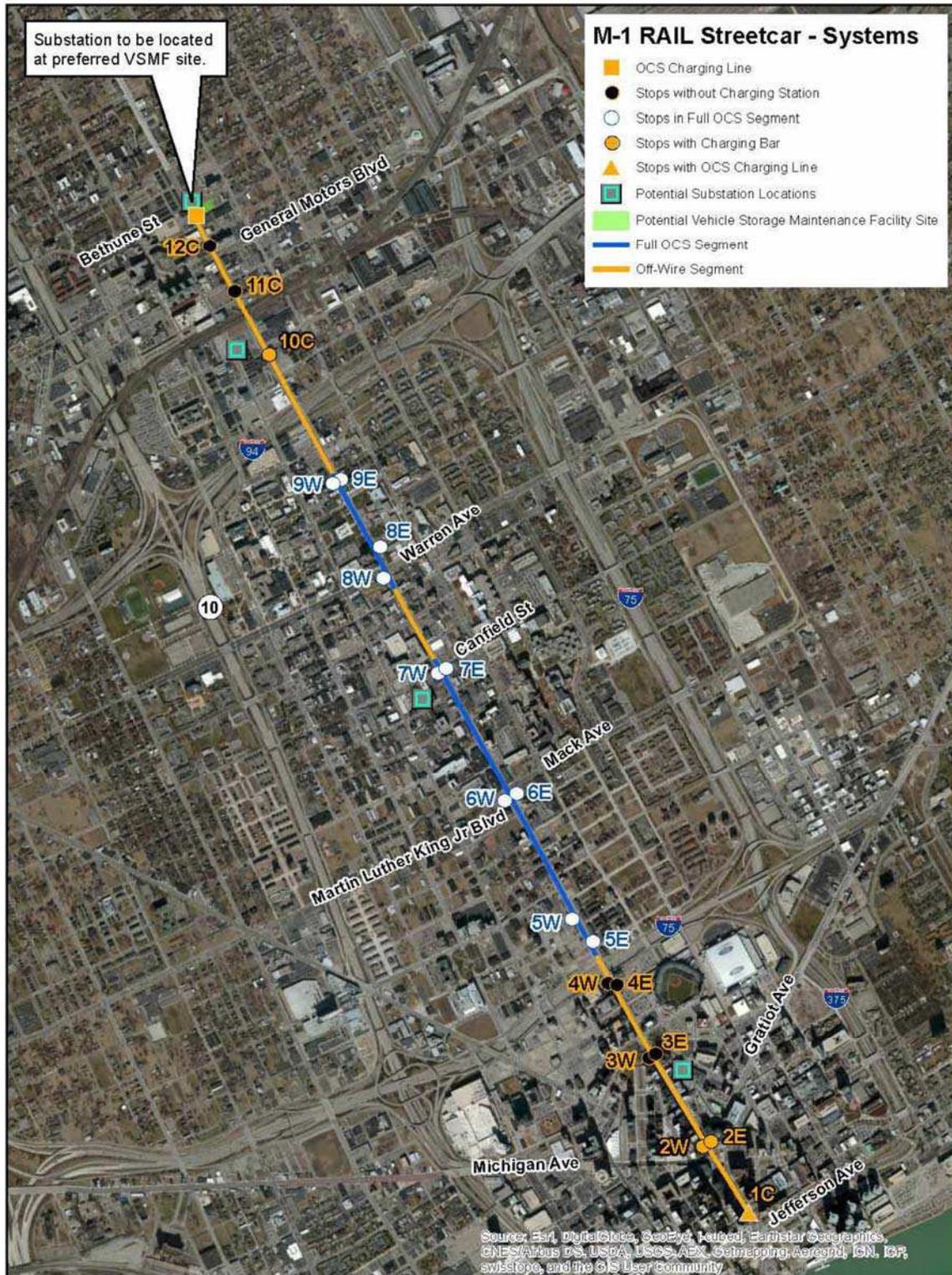


Figure 2 – Streetcar Off-Wire and Full OCS Segments

M-1 RAIL

Request for Proposals – Brokerage Services

The solicitation associated with this Request for Proposals covers Broker Services for placement and servicing of the insurance program that will cover both M-1 RAIL and M-2 RAIL risk exposures. References below to M-1 RAIL should also be deemed to refer to M-2 RAIL, as applicable.

Due to the federal financing associated with this project, the placement of insurance may require a competitive process that complies with federal procurement policies, particularly the policies of the Federal Transit Administration (FTA). If it is determined that a competitive process is required, M-1 RAIL will assist any successful proposer in conducting the competitive process and will verify the appropriateness of the competitive process and its compliance with applicable FTA requirements.

Response to QUALIFICATIONS:

I. Expertise & Service Plan

Name and address of parent company

Location of offices

Do you carry professional liability insurance to protect you and your clients? What is the name of your insurer? What limits do you carry? Will you provide certificates of such insurance, if requested?

Provide a brief history/ background of your firm and of the local servicing office. Which office(s) of your organization will have primary and secondary responsibility for this account?

Describe how your local office is organized, including staff resources and expertise. Identify other offices and/or corporate resources which you intend to use in servicing our account.

Identify the person who will be assigned to coordinate your firm's services to M-1 RAIL. Describe how these services are determined, accessed and monitored.

Identify the team of people who will be assigned to the M-1 RAIL account. Include resumes on their professional background and education.

Provide details of your proposed team's expertise in Construction and Rail. Provide an organizational chart showing lines of reporting and accountability.

If your firm is selected, how do you envision servicing M-1 RAIL?

Please identify three of your clients similar to M-1 RAIL, including length of relationship and nature of work performed, that we can contact as references. Please provide contact names and phone numbers.

Please identify two (2) former clients that have discontinued using your services within the past twelve (12) months.

Please provide a staffing plan in terms of the number of FTEs assigned to the account for each month of the term of the brokerage agreement.

Describe any specialized resources that will be made available to M-1 RAIL.

Describe your company's commitment to customer service and quality assurance.

M-1 RAIL

Request for Proposals – Brokerage Services

Describe how your firm assures performance criteria are properly defined, measured and reviewed.

Describe the experience of your firm in conducting procurements in conformity with Federal requirements, particularly those of the FTA.

II. Brokerage Services:

Provide a description of your firm's expertise with the following:

- Brokerage/marketing philosophy.
- Access to Property & Casualty markets worldwide insurance marketing capabilities.
- Access to Financial Product markets worldwide insurance marketing capabilities.
- How do you monitor insurer solvency
- Experience in placing coverages for companies like M-1 RAIL.

Provide a sample of summary of coverage terms and conditions that you commonly negotiate for your clients.

III. Loss Control Services

Describe your firm's safety and loss prevention services and capabilities, including number of specialists, areas of expertise, and availability. If you do not have these services available internally, please explain how you propose that these services be provided M-1 RAIL. How frequently and how do you propose to review and monitor these services?

IV. Claim Management Services

Describe the range of technical claims management services that will be available from the local office, and proposed coordination of claims services.

Describe how you would propose to assist M-1 RAIL in managing claims.

Describe your experience in preparing claim procedure manuals.

Describe your ability and effectiveness in representing your clients in claims matters with Property & Casualty insurers. Provide an example of how you solved such a claim matter.

V. Other Services

Please provide any other information about your firm, including brochures, etc. that might be pertinent to selection.

VI. Proposed Fee or Commission:

Please provide your detailed Fee or Commission proposal for the following:

M-1 RAIL

Request for Proposals – Brokerage Services

- Brokerage Services
- Loss Control Services
- Claims Management
- Other Specialty Services

List any other services, which would be available, but not contemplated in the Broker's Fee or Commission compensation.

VII. Selection Criteria

The selection of a broker will be a **value-based** selection. Proposals will be evaluated in accordance with the following criteria:

Criteria	Maximum Score
Experience/Qualifications	45
Fee Structure	30
Breadth of Service Offered	20
DBE Participation	5
Total:	100

VIII. General Requirements

7.1 Submittals; Withdrawal

Proposals are to be submitted no later than the date and time identified above in this RFP. All Proposals will be reviewed by a selection committee established by M-1 RAIL. The committee will select the successful Proposer and an offer to enter into negotiations will be extended by M-1 RAIL. Selection of a Proposer for negotiations is not a contract award; there is no award until the contract is executed.

Proposals may be withdrawn prior to the date and time identified on the cover of this RFP. However, any Proposals not withdrawn by such date may not be revoked for a period of thirty (30) days after such date. A Proposal will remain open for such period even if another Proposer is selected by M-1 RAIL as the party with whom it shall negotiate a contract.

As noted, this is a "Best Value" competitive, negotiated source selection; the selected Proposer will enter into negotiations with M-1 RAIL. Selection will be made to the responsive and responsible Proposer whose offer conforming to the solicitation is judged by an integrated assessment of the evaluation criteria to be the most advantageous to M-1 RAIL, experience, qualifications, services, price/cost and other factors considered.

M-1 RAIL reserves the right to accept or reject any or all Proposals and to waive irregularities and technicalities which, in its opinion, would best serve its interests or the interests of the Project. M-1 RAIL reserves the right to cancel or withdraw this RFP, without liability, at any time prior to the execution of a formal contract. M-1 RAIL also reserves the right to make investigations and inquiries as it deems necessary to determine the ability and qualifications of any submitting firm to provide the services requested.

M-1 RAIL

Request for Proposals – Brokerage Services

This RFP is not an offer to enter into a contract. M-1 RAIL intends to begin contract negotiations with the Proposer it selects as the best firm to provide the aforementioned services, but reserves the right to enter into negotiations with one or more other Proposers at the same time. Should negotiations with a party fail to result in the execution of a formal contract, M-1 RAIL reserves the right to terminate negotiations with such party and may, at its discretion, begin negotiations with the next-most-qualified Proposer, as determined by M-1 RAIL. This process may continue until a contract is negotiated and signed or until M-1 RAIL terminates or withdraws this RFP.

M-1 RAIL shall not be liable for any costs incurred by Proposers in responding to this RFP or otherwise with respect to any Proposal, or for any costs incurred in connection with any discussions, correspondence or negotiation sessions.

7.2 Terms of Contract

The contract to be entered into with the successful Proposer shall reflect the terms and conditions of this RFP and such other terms and conditions on which the parties reach agreement. Such terms and conditions will require the Proposer to comply, to the extent applicable, to all Federal requirements. Please refer to FTA Circular 4220.1F

7.3 Protests

Proposers may protest the procurement process in accordance with the following provisions and consistent with FTA Circular 4220.1F, Chapter 7.1. Protests must be filed with the Chief Operating Officer of M-1 RAIL (COO) within five (5) calendar days after receipt of the recommendation as to which Proposer M-1 RAIL has selected to negotiate the final terms of a contract. Such recommendation will be deemed received two (2) days after mailing. Such protest shall be in writing and state the reason(s) for it as well as the relief sought. Any supporting documentation should be included with the written protest. Failure to follow the deadlines set forth in this paragraph, to provide the protest in writing, or to state with specificity the reasons for the protest or the relief sought, will result in summary rejection of such protest.

The COO shall review the protest and issue a written decision, addressing each substantive issue raised by the protestor. The written decision will be mailed no more than five (5) calendar days after receipt of the protest by the COO. If the protest is rejected, M-1 RAIL shall proceed to award the contract in accordance with the award recommendation. If the protest is granted, in whole or in part, the COO shall take further action consistent with such decision and notify any interested parties, if necessary. The decision of the COO is final.

The COO shall inform FTA of any protests received pursuant to this Protest Procedure, and keep the FTA apprised of the progress and resolution of any protests as required by FTA Circular 4220.1F.

Any protest filed pursuant to this Protest Procedure shall be delivered to:

Paul Childs, Chief Operating Officer
M-1 RAIL
7520 Woodward Avenue
Detroit, MI 48202

M-1 RAIL

Request for Proposals – Brokerage Services

Review of any aspect of the procurement process must be sought under this Protest Procedure prior to an appeal to the FTA. Consistent with FTA Circular 4220.1F, any appeal must be received by the appropriate FTA regional or Headquarters Office within five (5) working days of the date the protestor learned or should have learned of an adverse determination by M-1 RAIL.