July 15, 2025

PROPOSAL:

Property & Casualty, General Liability, Workers Compensation
Retainer Insurance Consulting Proposal

for

WEBB COUNTY, TEXAS

Submitted By:

RWL GROUP
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This represents our outline to provide insurance and risk management services to Webb County for its property & casualty insurance programs for a period of three (3) years. The objectives of the proposed services are to provide independent and unbiased counsel to:

1. Assure that Webb County will have appropriate and competitive protection against exposure to loss in an efficient and cost-effective manner.
2. Point out areas of your insurance programs which lend to potential cost savings.
3. Secure proposals from reputable organizations which comply with your insurance needs and objectives.

The scope of our proposed services will be broad in application and will include the following elements:

PHASE I - RISK & INSURANCE REVIEW (Included in Phase IV)

It will be the principal aim of the risk and insurance review to identify the strengths and weaknesses of your program, and facilitate the preparation of a Request for Proposals (RFP).

A. REVIEW

The following lines of insurance will be examined:

1. LIABILITY
    a. Aircraft and Marine
    b. Automobile
    c. General Liability
    d. Professional (Public Official Liability, Miscellaneous E&O, EMT Liability, Medical Malpractice, etc.)
    e. Umbrella
    f. Police Liability
    g. Workers Compensation and Employers Liability
    h. Pollution Liability
    i. Cyber Liability

2. The study will also address exposures to Civil Rights Liability under Federal Law (i.e., Federal Civil Rights Act 42 USC 1983 and sequentials thereto, and the Texas Tort Claims Act).

3. PROPERTY & TIME ELEMENT
    a. Accounts Receivable and Valuable Papers
    b. Boiler and Machinery
    c. Crime and Bonding
    d. Automobile, Aircraft and Watercraft
    e. Electronic Data Processing
    f. Fire and Allied Lines, Direct and Indirect (Real and Personal Property)
    g. Fire and Allied Lines Time Element (Extra Expense and Business Interruption)
    h. Miscellaneous - (Fine Arts, Mobile Equipment, etc.)

B. EXPOSURE ANALYSIS

We will execute a complete, broad-scale exposure analysis of your operations and activities, including the following:

1. We will identify and evaluate your risks to fortuitous loss arising out of property direct damage and indirect exposures, crime exposures, time element exposures, and legal liability exposures.
2. We will advance recommendations designed to cost effectively finance those risks which cannot be completely controlled. This will involve both risk transfer and self-insurance considerations, including transfer to an insurance company via commercial insurance purchase and contractual risk transfer considerations.
3. We will also discuss with you a strategy and procedure for preparing insurance specifications and proposal procedures. The purpose of this discussion is to assure that the specifications and bidding procedures are in accord with your managerial philosophy and State bid law.

C. ADMINISTRATION

We will examine your methods of administering your property and casualty insurance program in terms of:

1. A brief review of current risk management policies and procedures
2. A brief review of current claims control programs
3. A detailed review and analysis of current risk funding and transfer programs, including the structure and design of such programs

D. PROGRAM ANALYSIS AND RECOMMENDATIONS

We will analyze your property and casualty and self-insurance policies and programs and recommend coverages that may be needed to address gaps in your programs. The analysis will include such things as:

1. Financial stability of carriers
2. Appropriateness and competitiveness of insurance markets and coverages
3. Adequacy of policy limits and valuation formulae, including establishing insurance values for real and personal property
4. Competitiveness of premiums and risk financing or funding alternatives
5. Amendment of policy terms and provisions
6. Deletion of unnecessary coverages or purchase of additional insurance
7. Desirability of consolidating coverages and risk financing alternatives
8. Appropriateness of deductibles, retentions and other self-insured options

E. EXECUTIVE SUMMARY

We propose to submit a written executive letter summary report to you. The written summary will be principally based on our review and will include recommended changes to your program as appropriate.

PHASE II - SPECIFICATIONS AND RFP PROCESS (Included in Phase IV)

Based on the results of Phase I, specifications will be prepared for competitive proposals of the programs that most clearly satisfy your insurance management philosophy and needs. It will be the aim of this phase of the assignment to establish an objective framework for maximizing the cost effectiveness, coverage, limits of protection, efficiency, and servicing criteria for your property and casualty renewals. The RFP will include specifications for a TPA with respect to Webb County's workers compensation self-insured program.

The specifications and RFP process will be subject to your approval; will be in accord with acceptable insurance and risk management industry practices; and will be in compliance with the requirements and spirit of the public bid law.

The elements of the specifications and RFP assignment will include the following:

A. <u>STRATEGY</u>

Establish a strategy with you to define a reasonable time-frame for executing the specification exercise, including such other matters as:

1. Proposal procedures and methodology
2. Qualification criteria for participating agents and insurers, including recommending viable sources of required insurances
3. Equitable ground rules to be followed in the RFP process, including market assignments to agents

B. <u>SPECIFICATION INSTRUCTIONS</u>

This will involve the preparation of uniform specifications, instructions and information in a professional format for distribution to agents and insurers. The format will include written specifications for each section of the program subject to this phase of the study.

The specifications will be uniformly applicable, to promote an "apples-to-apples" comparison. Proposal forms will be executed by line of coverage for completion by competing agents and insurers.

The specifications will address insurance coverage and related particulars, risk financing criteria and insurance oriented strategies.

In a broad sense, the specifications will be written for the program you have at the time of the RFP. However, they will also include recommended changes to be examined for your renewals in terms of the following criteria:

1. Deletion of unnecessary coverages for premium savings
2. Purchase of additional coverage to address gaps in your program
3. Consolidation or packaging of coverages where applicable to achieve administrative efficiency and/or premium savings
4. Amendment of policy terms, provisions, definitions, insuring agreements and exclusions to broaden the application of insurance coverages

5. Alternative limits and risk financing and self-insurance options to assure adequate protection, cost containment and cash flow advantages

6. Suggested minimum qualification criteria for insurance carriers to assure financial stability of insurance companies

7. Insurance features which are designed to assure continuity in coverage

8. Insurance company and agent servicing requirements

9. Instructions and ground rules to be followed relative to such things as:

   a. Compliance with written specifications or deviations from the specifications
   b. Market utilization procedures
   c. Insurance company qualification criteria
   d. Interpretation of specifications
   e. Communication and mailing procedures for market requests, underwriting proposals, and other exchanges of information
   f. Timetables for submitting market requests, insurance proposals, binders, and renewal policies
   g. Awarding markets and insurance proposals

The specifications will also include underwriting summaries for your insurance programs, including the following:

a. Loss and rating information
b. Exposure data and descriptive information for Webb County and your operations and activities

C. <u>ASSISTANCE</u>

We will provide personal assistance to competing agents and insurers, for underwriting and other related inquiries. This will involve clarifying any unclear areas of the specifications or other data or providing new or additional information as may be requested by underwriters.

D. <u>EVALUATION</u>

The final step of the specifications and proposal procedure will include a thorough and detailed evaluation of the insurance proposals and policies and TPA proposals (including any related proposed contracts) in terms of quantitative and qualitative criteria. We will discuss our findings with you and submit a written report that contains our evaluation and recommendations.

The evaluation service includes discussions and/or negotiations with viable proposers that may be necessary to clarify the proposals, or that may be required to "polish" rough edges of proposed insurance programs.

Screening interviews with one or more of the viable vendors are also contemplated at the time we present our written report to you. The purpose of the screening interview is to confirm the proposals of insurance, and to clarify the results of earlier discussions or negotiations that we may have undertaken with proposers.

The objective, therefore, of the evaluation service is to establish a firm and unbiased basis from which your organization can make an informed decision on the award of your renewals, and to make certain that exhaustive efforts are undertaken to achieve the best possible program at the lowest cost.

PHASE III – MONITORING (Included in Phase IV)

We propose to review all renewal coverages to be certain that you receive everything promised to you. In essence, the monitoring phase will focus on compliance with the specifications, according to the affirmations made by the selected insurers.

This service includes a onetime review and written summary of your various insurance policies, and a listing of any discrepancies between the proposals and the policies/binders actually issued.

PHASE IV - RETAINER (October 1, 2025 through September 30, 2028)

This service will provide additional technical support to Webb County on an ongoing basis. The objective of this service will be to supplement the internal and external insurance and risk management resources available to you as per the below:

1. Review the policies resulting from the RFP for October 1, 2025 renewals. Negotiate the October 1, 2026, renewals with Webb County's agent and insurers; and subsequently negotiate the October 1, 2027.
2. Prepare a Request for Proposals (RFP) (Phase II) for the October 1, 2028 property and casualty renewals, including TPA services.
3. Assist with insurance requirements for contracts.
4. Review leases and other written agreements for insurance and risk management implications.
5. Virtually attend the claims review meetings, and assist with claims control strategies; or alternatively, conduct a workers compensation claims audit to measure the quality of TPA claims services relative to industry standards, and adjust reserves to reasonable and customary expectations.
6. Review monthly loss runs by line of coverage, address adverse trends, and recommend where loss control emphasis needs to be focused.
7. Prepare a worker's compensation accrual study annually to determine GASB accounting and funding levels for accrued liabilities. This would involve the application of actuarial loss development factors to incurred losses to arrive at ultimate incurred losses for applicable self-insured years to which paid losses would be subtracted. We will also forecast estimated self-insured workers compensation losses for the next policy year.
8. Respond to requests for analysis of information regarding premium and payroll classifications.
9. Review renewal policies and address requests to the agent with respect to effecting corrections to the coverages; and maintain all policies during the contract year, including all requested changes, until satisfactorily resolved.
10. Prepare an annual insurance summary.
11. Provide assistance and analysis with respect to risk financing renewal options.
12. Provide routine assistance with insurance and risk management questions or requests for assistance. *Routine Assistance* means any task that takes no longer than one hour to complete, including claims issues.

VISITS AND INFORMATION REQUIREMENTS

A. Phases I to IV:
Risk/Insurance Review, Specifications and RFP Process, Monitoring, and Retainer

In order to professionally carry out this assignment, we propose to conduct virtual meetings with Webb County and/or their providers as reasonably and mutually agreed upon, with the first meeting to take place as mutually agreed upon, to prepare a game plan for the scope of services contemplated by this proposal.

BACKGROUND

We are independent risk management and insurance consultants providing unbiased and objective counseling to private and public entities. We have no ownership ties or affiliations with the insurance industry. We do not sell insurance, nor do we sell loss control, claims adjustment or captive management services. We take pride in our reputation for maintaining the highest professional standards in rendering advice and counsel in a totally objective manner, for a fee that is exclusively related to the services being provided.

Robert Lazarus founded RWL & Associates, a risk management and insurance consulting firm, in 1981. Carolyn A. Miller, CPCU joined the company on February 1, 2003. Effective February 25, 2022, Ms. Miller acquired the business through her company Independent Risk Management and Insurance Consulting, LLC and retained the dba RWL Group.

Our clients include both public entities (cities, counties, school districts, transit authorities, utilities, etc.) and a variety of private businesses (manufacturing, service-oriented, attorneys, engineers, retail, wholesale, distribution, food and beverage, health care, financial, farming, real estate, oil and gas, and entertainment).

RWL Group can assist your organization in planning and designing risk management, property/casualty insurance, and employee benefits programs that meet the unique needs of your organization while ensuring the most effective use of its resources. Our approach is anticipatory and interactive — not just reactive. We bring new ideas and opportunities, and work hard at becoming active participants in the decision-making process. As consultants, we

- Emphasize creativity
- Work with your staff, not around them
- Train your staff to reduce their dependence on us
- Interact and communicate with all levels of management

Our consulting approach is a personal one. We spend time getting to know you, your organization, and your needs. We listen to you and make sure we understand your needs before we respond.

Perhaps so simple an approach does not seem special, but in a technological age where impersonal communication is the norm, our approach is the exception. It ensures that your company will get the personal attention it needs. It means no "off-the-shelf" or generic solutions to your problems. It also means that when you come to RWL Group, you can expect

- The consultants you meet with will be actively involved in the completion of your projects. No office or company pools of technicians are used. This assures that the consultants you work with are completely familiar with the unique needs of your organization.
- Some of our clients prefer to have us actively involved in all aspects of their program's management. Others prefer to call upon us as needed. We are flexible enough to respond in the way you prefer.
- Because we have worked with a wide variety of large and small clients, in many different industries, our consultant has the hands-on experience and knowledge to deal with the problems common to most insurance, as well as with those problems and needs unique to your organization.

QUALIFICATIONS

Ms. Carolyn A. Miller is a Senior Consultant with over forty-five years of experience in property and casualty insurance services. Before joining RWL Group, she provided extensive litigation support to attorneys and clients and was instrumental in returning in excess of $200 million in casualty lines premiums, primarily workers compensation, to Texas and multistate employers. In addition, Ms. Miller was affiliated with large independent insurance agencies responsible for large commercial property and casualty accounts. She has extensive experience in risk identification, risk management reviews, preparation of bid specifications and monitoring the bidding process in such industries as professional sports, oil and gas, large retail, banking and finance, property management, public entities, and trucking. Ms. Miller also has extensive experience as an expert witness.

Ms. Miller has a Bachelor of Science Business Management degree from LeTourneau University, Summa Cum Laude. She is licensed as a Risk Manager in the States of Texas, Louisiana, and Oklahoma, and has earned the designation of Chartered Property and Casualty Underwriter (CPCU). In addition, she has been awarded the designations of Certified Professional Insurance Woman (CPIW) and Professional Insurance Woman of Texas (PIWT).

Our consulting team has extensive experience and expertise in:

- Self-insurance feasibility studies (Including GASB accrual studies)
- Captive feasibility studies
- Risk retention analysis
- Reinsurance administration
- Insurance product design, development, and implementation
- Insurance cost and coverage evaluations
- Risk impact studies for mergers, acquisitions, and divestitures
- Evaluating and designing risk management information systems
- Evaluating and designing risk management departments
- Preparing insurance specifications for all lines of domestic and foreign insurances
- Testifying as an expert witness in court cases involving a variety of insurance-related issues
- Assisting with property/casualty claim settlements

FEES

In conducting this study, we will act exclusively in a consulting capacity. Our only source of revenue will be the fee charged for our professional consulting service. Professional fees include secretarial and clerical time. Travel, if any, and related expenses are included.

The fees shown below are based on the time we expect to spend on this assignment. You will be billed only for the time actually spent, which may be less than our estimate. You will not, however, be charged any more than the maximum shown below.

Phases I to IV

Risk/Insurance Review, Specifications and RFP Process, Monitoring, Retainer:

Flat Monthly Fee of $3,300 beginning October 2025 and ending the month of September 2028

Travel, if any, would be in addition to the monthly retainer fee. The proposed services conclude upon presentation of our final report for any applicable phase. Any additional work that may be required beyond what is specifically referred to in this proposal would be subject to an additional fee consideration that is mutually agreed upon.

Invoices are issued at the beginning of each month for fees and expenses incurred during the preceding month. All fees and expenses are due within thirty (30) days after receipt of the invoice.

Either party may cancel this agreement by giving the other party ninety (90) days' written notice.

Please signify your acceptance of this proposal by signing this page as indicated and returning a copy to us. Thank you very much.

WEBB COUNTY

______________________	______________________
Authorized Signature	Title
______________________	______________________
Print Name Shown Above	Print Title
______________________	
Date Signed	

INDEPENDENT RISK MANAGEMENT AND INSURANCE CONSULTING, LLC dba: RWL GROUP:

______________________	______________________
Authorized Signature	Title
Carolyn A. Miller	President
Print Name Shown Above	Print Title
______________________	
Date Signed	

Independent Risk Management and Insurance Consulting, LLC
DBA: RWL Group

Carolyn A. Miller, CPCU

Senior Consultant

RESPONSIBILITIES

Project Manager or Assistant Project Manager for all risk management and insurance assignments; i.e., comprehensive audits and reviews; self-insurance and captive insurance company feasibility and financial studies; preparation and monitoring of bids and specifications; risk financing alternative studies; risk management and claims administration reviews; workers compensation accrual studies; and other related activities. Also, provide technical and litigation support to clients and attorneys on matters involving insurance pricing and coverage.

EXPERIENCE

Litigation Support - Extensive experience providing litigation support to clients and attorneys; instrumental in returning in excess of $200 million in casualty lines premiums, primarily workers compensation, to Texas and multistate employers.

Vice President of large independent insurance agencies responsible for large commercial property and casualty accounts. Extensive experience in risk identification, risk management reviews, preparation of bid specifications and monitoring the bidding process in such industries as professional sports, oil and gas, large retail, banking and finance, property management, and trucking.

Claims Manager for large independent agent with experience in first- and third-party claims settlement, claims administration and review.

EDUCATION

Le Tourneau University	B.S. Business Management
American Institute for Property & Casualty Underwriters, Inc.	Chartered Property and Casualty Underwriter (CPCU)

PROFESSIONAL AFFILIATIONS AND CERTIFICATIONS

Licensed Risk Management Consultant – Texas Department of Insurance
Licensed Risk Management Consultant — Oklahoma State Board of Insurance
Licensed Risk Management Consultant – Louisiana Department of Insurance
Previous Adjunct Faculty Instructor – Dallas County Community College District
Member – Chartered Property and Casualty Underwriters Society, Dallas Local Chapter
Past Member – International Association of Insurance Professionals, IAIP Dallas, Local Chapter
Past Member – Federation of Insurance Women of Texas, Metroplex Insurance Professionals Local Chapter
Past President – Metroplex Insurance Professionals Local Chapter
Designation – Certified Professional Insurance Woman (CPIW)
Designation – Professional Insurance Women of Texas (PIWT)
Speaker at Annual Conference — Texas Association of Responsible Nonsubscribers (TXANS)