



REQUEST FOR QUALIFICATIONS

FOR

Consulting Services to the Florida
Commission on Hurricane Loss
Projection Methodology

Issue Date: August 29, 2024

State Board of Administration
1801 Hermitage Blvd., Suite 100
Tallahassee, FL 32308

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ATTACHMENTS:

APPENDIX A – SCOPE OF SERVICES

APPENDIX B – STANDARD CLAUSES FOR SBA CONTRACTS

EXHIBIT 1 – AFFIRMATIONS AND EXCEPTIONS/DISCLOSURES

EXHIBIT 2 – SERVICES QUESTIONNAIRE

EXHIBIT 3 – VENDOR QUESTIONNAIRE

EXHIBIT 4 – FEE PROPOSAL

RESPONSE SUBMISSION CHECKLIST

NOTE: TO VIEW ATTACHMENTS, DOWNLOAD FILE AND OPEN WITH ADOBE, NOT A WEB BROWSER.

1 RFQU TIMELINE

RFQu Time Schedule and Deadlines – all activities are by 5:00 pm Eastern Time Zone

Issuance of RFQu	8/29/2024
RFQu Response Deadline	9/26/2024
Selection of Finalists	10/28/2024
Respondent Interviews	10/29 – 11/7/2024
Final Selection by SBA on or before	11/13/2024

Note: The State Board of Administration (SBA) reserves the right, in its discretion to change the RFQu Timeline without liability. Changes will be communicated directly to the solicited Vendors via email. The timing and sequence of events resulting from this RFQu will be determined solely by the SBA.

2 DESIGNATED CONTACT

Jennifer Williams
State Board of Administration of Florida
1801 Hermitage Boulevard, Suite 100
Tallahassee, Florida 32308
Phone: 850-488-4406
Email: procurement@sbafla.com

Do not contact other SBA staff or any member of the SBA's Board of Trustees (or their respective staff) regarding this solicitation request. Direct all correspondence during the solicitation process to the contact listed above.

3 PURPOSE

The SBA is issuing this RFQu for the purpose of soliciting responses from qualified individuals in the fields of meteorology, hydrology and hydraulics, structural engineering, coastal engineering, computer and information science, actuarial science, and statistics (hereinafter referred to as Respondents) to participate as a member of a team of professional experts, known as the Professional Team, and to provide expert consulting services in their respective field to the Florida Commission on Hurricane Loss Projection Methodology (Commission) as further described in Appendix A, Scope of Services.

A successful Respondent will need to demonstrate exceptional credentials and expertise necessary to provide the consulting services in their respective field. To be considered, a Respondent's response must meet the standards and requirements set forth in Section 7, Response Submission Requirements of the RFQu.

Section 627.0628, Florida Statutes, created the Commission for the purpose of developing standards and reviewing hurricane computer simulation models used in the development of residential property insurance rates, flood computer simulation models used in the development of personal residential

property insurance rates, and the calculation of probable maximum loss levels from hurricane and flood perils. The Commission has developed a process for the review and evaluation of all computer simulation models submitted for a determination of acceptability under the hurricane and flood standards adopted by the Commission. The Process for Determining the Acceptability of a Computer Simulation Hurricane Model, the Hurricane Standards, the Process for Determining the Acceptability of a Computer Simulation Flood Model, and the Flood Standards are published in the Commission's [Hurricane Standards Report of Activities](#) and [Flood Standards Report of Activities](#).

Portions of the computer simulation hurricane or flood models are considered trade secret and therefore, are confidential and exempt from disclosure under Chapter 119 (Public Records Law) and can only be discussed during a closed meeting of the Commission. The Commission has authorized the Professional Team to travel on-site at the modeling organization's offices to thoroughly review and evaluate the models.

The Professional Team consists of individuals having professional credentials in the following disciplines with each area being represented by at least two individuals: meteorology, hydrology and hydraulics, structural engineering, coastal engineering, computer and information science, actuarial science, and statistics. All Professional Team members report to the FHCF Manager of Modeling Program. One member is designated as the Team Leader. Other members may be assigned to be Project Leaders responsible for leading the reviews of the hurricane and flood models.

The work of the Commission and the role of the Professional Team are described in detail in the [Hurricane Standards Report of Activities](#) and the [Flood Standards Report of Activities](#).

All authorized insurers in Florida must submit residential property rate filings with the Office of Insurance Regulation (OIR). The hurricane loss projection models insurers must use in residential property rate filings and the flood loss projection models insurers must use in personal residential property rate filings are the subject of the Commission's and Professional Team's work.

4 GENERAL INFORMATION AND BACKGROUND

4.1 GENERAL INFORMATION

The SBA intends to enter into a 5-year contract with one or more qualified Respondents for each area of discipline: meteorology, hydrology and hydraulics, structural engineering, coastal engineering, computer and information science, actuarial science, and statistics. If a Respondent desires to work in concert with one or more vendors, then each vendor must complete separately the services questionnaire and the services affirmation statement set forth in this solicitation in order for all vendors to be considered as Respondents for this engagement. The final fee and the basis thereof will be determined during contract review and negotiation.

4.2 OVERVIEW OF THE FLORIDA COMMISSION ON HURRICANE LOSS PROJECTION METHODOLOGY

The Florida Commission on Hurricane Loss Projection Methodology (Commission) was created by Section 627.0628, Florida Statutes, in June 1995 for the purpose of providing expert evaluation of computer models in order to resolve conflicts among actuarial professionals and to provide immediate

and continuing improvement in the sophistication of actuarial methods used to set property and casualty insurance rates in the state of Florida.

The Commission is administratively housed within the State Board of Administration of Florida (SBA) and funded by the Florida Hurricane Catastrophe Fund (FHCF).

The mission of the Commission is to assess the effectiveness of various methodologies which have the potential for improving the accuracy of projecting insured Florida losses and probable maximum loss levels resulting from hurricanes and floods and to adopt findings regarding the accuracy or reliability of these methodologies for use in residential rate filings (hurricane loss projections), personal lines residential rate filings (flood loss projections), and probable maximum loss calculations.

Additional information regarding the Commission is available on the Commission's website located at <https://fchlpm.sbafla.com/>. Additional information regarding the SBA and the FHCF is available on the FHCF's website located at <https://fhcf.sbafla.com/>.

5 SOLICITATION REQUIREMENTS

5.1 DISCLOSURE OF RESPONSE CONTENTS

- 5.1.1 Florida places a high priority on the public's right of access to governmental meetings and records. Pursuant to Chapter 119, Florida Statutes, the Florida Public Records Law, documents, and records made and received by the SBA in response to this solicitation are public records and must be made available for inspection in accordance with the provisions of Chapter 119, unless an exemption is applicable.
- 5.1.2 If information is provided that could reasonably be ruled a "trade secret" as defined in Section 812.081 or Section 688.002, Florida Statutes, include such information in a separate redacted version clearly marked – "Trade Secret." Information Designation of items as "trade secret" by Respondents is not dispositive and does not guarantee that the items will not ultimately be disclosed pursuant to Chapter 119, Florida Statutes.
- 5.1.3 By submitting a response, each Respondent further understands and agrees that the SBA shall have the right to use any and all information, records, documentation, or items, including any derivation or adaptation thereof or knowledge gained thereby, presented by any Respondent in any response, during any oral presentation, or otherwise in connection with this solicitation in negotiating and entering into any contract or for any purpose.
- 5.1.4 The SBA shall have such rights regardless of whether the SBA enters into any contract with such Respondent or any Respondent under this solicitation, successfully negotiates any contract with any Respondent, rejects any or all responses to this solicitation, amends or withdraws this solicitation at any time, or otherwise satisfies its needs through alternative means.

5.2 CONTRACT CLAUSES

- 5.2.1 The selected Respondent must accept and enter into a written services contract with the SBA to include the specific scope of work and SBA specific terms and conditions. See **Standard Clauses for SBA Contracts**, attached hereto as Appendix B.
- 5.2.2 If Respondent does not agree to any terms specified within this solicitation, including the **Standard Clauses for SBA Contracts** (Appendix B), Respondent shall specifically identify exceptions or submit a red-line addendum containing all proposed changes with response. Final language will be negotiated in the contract negotiation phase.
- 5.2.3 The contract will not include exculpatory clauses absolving the Respondent from liability arising from its actions.
- 5.2.4 The contract will not include binding arbitration provisions, such as those typically found in Alternative Dispute Resolution Procedures.
- 5.2.5 Any contract awarded as a result of this solicitation must be in full conformance with statutory and other legal requirements of the State of Florida.

5.3 RESPONDENT GUARANTEES

- 5.3.1 All terms and conditions submitted in response to the solicitation (all parts) must be guaranteed to remain effective and may not be changed, amended, modified, qualified, or otherwise altered by the selected Respondent(s) for a period beginning on the date of the response filing deadline for this solicitation, and ending at the execution of the related, negotiated contract.
- 5.3.2 The submission of a response indicates the Respondent's acceptance of the conditions contained in this solicitation, unless clearly and specifically noted in the response submitted and confirmed in the contract between the SBA and the Respondent selected. All responses shall remain valid and binding for at least 180 days from the date of submission.
- 5.3.3 Any response which contains false or misleading statements, or which provides references which do not support an attribute, condition, or capability claimed in the response document, will not be considered by the SBA if, in the opinion of the SBA, such false or misleading statement was intended to mislead the SBA in its evaluation of the response.

5.4 CONFLICTS OF INTEREST

- 5.4.1 The Respondent must disclose whether any officer, director, employee, or agent is also a current or former employee of the SBA. All Respondents must further disclose any factors, financial or otherwise, known to them which may give rise to a conflict of interest between the Respondent and the SBA and its employees, or have the effect of impacting the ability of the Respondent to meet its responsibilities, duties, and obligations to the SBA, as set forth in this solicitation.
- 5.4.2 The Respondent must explain in detail any potential for conflict of interest that would be created if the company provided services to the Commission. Include any activities of affiliated, subsidiary or parent organizations as well as other client relationships that might inhibit services to the SBA. Please disclose any business relationships and/or financial arrangements with any compliance system provider or investment manager that currently provides, or might be eligible to provide, compliance or investment management services to the SBA.

5.5 SUBCONTRACTORS

The Respondent shall not utilize any subcontractor(s) to provide any portion of the services outlined in this solicitation.

5.6 FEE PROPOSAL

Each Respondent is required to submit a separate sealed fee proposal as part of the Response Package. Submit an hourly rate, exclusive of travel costs. The SBA will reimburse travel costs in accordance with state travel guidelines as provided in Section 112.061, Florida Statutes.

5.7 SCOPE OF SERVICES

In response to this solicitation, the successful Respondent must demonstrate exceptional credentials and expertise in the area described in the Scope of Services. The full Scope of Services is specified in Appendix A.

5.8 MINIMUM QUALIFICATIONS

- 5.8.1 A successful Respondent must have no conflicts of interest with a modeling organization that has an accepted hurricane or flood model.
- 5.8.2 A successful Respondent must agree to maintain confidentiality of all trade secret data and information reviewed.
- 5.8.3 A successful Respondent must be available to travel and to attend meetings as requested by the SBA. Travel required for individual Professional Team members may vary based on services needed; however, estimated travel could be as much as 12-14 weeks throughout the year for several days which includes on-site reviews at modeling organization offices (3-4 days), Commission meetings (2-3 days), and Professional Team meetings (2-3 days). Hurricane model reviews occur every other year and flood model reviews occur every 4 years. The model review cycle requires travel 3 out of every 4 years. Commission meetings are held in Tallahassee, Florida, unless special circumstances arise.
- 5.8.4 For each area of discipline, a respective successful Respondent must have the indicated credentials and capabilities:

Meteorologist

- 1) Advance degree in meteorology or relevant area
- 2) Specialty in tropical meteorology
- 3) Knowledge and understanding of the National Hurricane Center Hurricane Database (HURDAT2), hurricane and flood parameters, tropical cyclone wind and pressure fields, over-land decay, climatology, and flood characteristics

Hydraulic Engineer:

- 1) Advanced degree in Civil and Environmental Engineering or relevant area
- 2) Current licensed professional engineer
- 3) Knowledge and understanding of flood parameters and characteristics, flood hazard data analysis, FEMA flood hazard maps, floodplain management regulations, major flood control measures, and flood mitigation measures

Structural Engineer

- 1) Advanced degree in Civil Engineering or relevant area
- 2) Current licensed professional engineer
- 3) Knowledge and understanding of the Florida Building Code, ASCE-7, and hurricane wind mitigation measures and secondary building characteristics

Coastal Engineer

- 1) Advanced degree in Coastal and Oceanographic Engineering or relevant area
- 2) Current licensed professional engineer
- 3) Knowledge and understanding of coastal hazards data analysis, damaging wave action, the Florida Building Code, ASCE-7, and flood mitigation measures

Computer and Information Scientist

- 1) Advanced degree in computer science or relevant area
- 2) Knowledge and understanding of software engineering practices, system representations, data and coding, component and data testing, and industry flowchart standards (e.g., UML, BPMN, or SysML)

Actuary

- 1) University level degree in mathematics or relevant area
- 2) Professional actuarial designation
- 3) Knowledge and understanding of property and casualty insurance rate filings, personal and commercial residential policy coverages, insurance claims paying practices, and probable maximum loss levels

Statistician

- 1) Advanced degree in statistics or relevant area
- 2) Knowledge and understanding of statistical techniques, data analysis, and sensitivity and uncertainty analyses

6 ADDITIONAL INFORMATION

6.1 RESPONSE OWNERSHIP

All material submitted by Respondents in conjunction with this solicitation shall become the property of the SBA and will not be returned. Responses submitted may be reviewed and evaluated by persons designated by the SBA, in its sole discretion. The SBA reserves the right to use any portions of the Respondent's response not specifically noted as proprietary.

6.2 RESPONDENT'S COST

The SBA shall not be liable or responsible for any costs incurred by any Respondent for preparing and submitting any response to this solicitation, attending any oral interview or hosting any on-site visit, if necessary, or for any other activities or occurrences related in any way to this solicitation prior to the issuance of a contract. The SBA shall pay the selected Respondent(s) after the execution of the contract in accordance with the compensation schedule agreed upon by the SBA and the successful Respondent. The SBA will not pay expenses and costs incurred outside the scope of the applicable compensation schedule.

6.3 RIGHT TO AMEND AND/OR WITHDRAW

- 6.3.1 The SBA, in its sole discretion, reserves the right to amend or withdraw this solicitation at any time and for any reason. Issuance of this solicitation in no way constitutes a commitment by or obligation of the SBA to enter into any contract, and the SBA may, in its sole discretion, reject all responses to this solicitation for any reason whatsoever.
- 6.3.2 The SBA reserves the right to correct inaccurate awards resulting from its clerical errors.

- 6.3.3 Any corrections or changes to this solicitation will be issued by the SBA, will be identified as a correction or change, and will be posted on the SBA and Commission websites. Corrections or changes made in any other manner will not be binding. It is the responsibility of the Respondent to obtain all corrections and changes.

6.4 WOMEN- AND MINORITY-OWNED BUSINESSES

The SBA supports and encourages diversity and participation of small and minority business enterprises in contracting. Individuals submitting a response to this solicitation are encouraged to identify if they are certified or non-certified women- and minority-owned or veteran business partners in the Vendor Questionnaire exhibit.

7 RESPONSE SUBMISSION REQUIREMENTS

7.1 RESPONSE PACKAGE REQUIREMENTS

- 7.1.1 Respondent must submit a complete response to this solicitation in conformance with the format and content requirements set forth herein. Failure to conform may be considered appropriate cause for rejection of the response.
- 7.1.2 The Designated Contact must receive all responses by the response deadline specified in the timeline section.
- 7.1.3 Late responses may not be considered. Respondents assume all risks for timely, properly submitted bid deliveries, and are encouraged to submit responses prior to the due date.
- 7.1.4 Failure to utilize the forms provided or follow the format described herein may result in disqualification of your response.
- 7.1.5 The SBA does not require, nor desire, any excessive promotional material which does not specifically address the response requirements of the solicitation. Respondents are asked to keep their submissions to the shortest length consistent with making a complete presentation of qualifications.

7.2 RESPONSE FORMAT AND CONTENT

Provide the following information in the order requested and using the forms provided, where applicable. Responses must be submitted in adobe acrobat .pdf format via email to the Designated Contact.

- 7.2.1 Cover page with Respondent name and RFQu name**
- 7.2.2 Response to requirements in Appendix A (Scope of Services)**
- 7.2.3 Redlined version of standard clauses in Appendix B, as applicable**
- 7.2.4 Redacted response, as applicable**
- 7.2.5 Respondent Affirmations and Exceptions/Disclosures (Exhibit 1)**
- 7.2.6 Services Questionnaire (Exhibit 2)**
- 7.2.7 Vendor Questionnaire (Exhibit 3)**
- 7.2.8 Fee Proposal (Exhibit 4)**

8 AWARD

8.1 REJECTION/ACCEPTANCE OF RESPONSES

The SBA will be the sole judge of the Respondent's responsiveness to the solicitation and reserves the right to reject, in whole or in part, any or all responses, with or without cause, without incurring any liability whatsoever.

8.2 ORAL AGREEMENTS

Any alleged oral agreement or arrangement made by a Respondent with the SBA or any employee of the SBA shall be superseded by the written contract between the SBA and such Respondent.

8.3 FINAL CONTRACT NEGOTIATION

- 8.3.1 The SBA will enter into contract negotiations with the selected Respondent to finalize terms, fees, and conditions. This solicitation and the selected Respondent response, or any part thereof, may be included in and made a part of the final contract.
- 8.3.2 If, in the sole opinion of the SBA, an acceptable contract with the selected Respondent or Respondents cannot be reached, the SBA reserves the right to negotiate with the next preferred Respondent or to take any other actions, in its sole discretion, as contemplated by this solicitation.

8.4 CONTRACT TRANSPARENCY

- 8.4.1 The resulting contract and all attachments shall be considered a public document and subject to Florida public records laws pursuant to Chapter 119, Florida Statutes.
- 8.4.2 Consistent with the Florida Transparency in Contracting Initiative, the SBA posts certain operational Agreements on its website, and the resulting contract will be one of the agreements posted.

8.5 CONTRACT TERM

The contract term is expected to be five years. The contract will be subject to review of rates if there are significant changes in the scope of services or other circumstances that may warrant a review.

Note: The contract will be with the SBA, not the Commission. By law, the Commission is assigned to the SBA, and the SBA, as a cost of administration of the FHCF, provides for travel expenses, and staff support for the Commission. See Sections 627.0628(2)(a) and (f) and Section 112.061, Florida Statutes.