



Legislation Details (With Text)

File #: 2022-395 **Version:** 1 **Name:**
Type: Resolution **Status:** Passed
File created: 8/31/2022 **In control:** Board of Directors
On agenda: 9/28/2022 **Final action:** 9/28/2022
Title: Proposed Amendment No. 2
Contract No. GLWA-CS-235
Property and Casualty Brokerage and Ancillary Services
O&M
Sponsors: William Wolfson
Indexes: Administration & Compliance
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
9/28/2022	1	Board of Directors	Approved	Pass
9/14/2022	1	Operations and Resources Committee	Recommended for Approval	Pass

Proposed Amendment No. 2
Contract No. GLWA-CS-235
Property and Casualty Brokerage and Ancillary Services
O&M

Agenda of: September 28, 2022

Item No.: **2022-395**

Amount:	Original Contract	\$600,000.00
	Amendment No. 1 (Renewal)	200,000.00
	Proposed Amendment No. 2	<u>200,000.00</u>
	Total Revised Contract	\$1,000,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Suzanne R. Coffey, P.E.
Chief Executive Officer
Great Lakes Water Authority

DATE: September 2, 2022

RE: **Proposed Amendment No. 2**
Contract No. GLWA-CS-235

Property and Casualty Brokerage and Ancillary Services
Vendor: Marsh USA, Inc.

MOTION

Upon recommendation of William M. Wolfson, Chief Administrative and Compliance Officer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. GLWA-CS-235, Proposed Amendment No. 2, "Property and Casualty Brokerage and Ancillary Services" with Marsh USA, Inc., at an increased cost not to exceed \$200,000.00 for a total cost not to exceed \$1,000,000.00 for an increased duration of one (1) year for a total duration of five (5) years;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Marsh team has worked with GLWA for the past 4 years evaluating existing insurance contracts and claims history, making recommendations concerning changes and modifications. The Marsh team has initiated and maintained participatory relationships with GLWA's Office of Administration and Compliance, various insurance companies' underwriters, and in-house or independent claims management personnel.

JUSTIFICATION

GLWA requires the engagement of a broker who can serve as a trusted advisor with respect to providing professional property & casualty insurance brokerage services and customized, cost-effective solutions regarding the management of, or recommendations for GLWA's insured and self-insured programs. The broker will competitively market and appropriately place, with financially responsible insurance companies, all necessary lines of insurance in support of various exposures.

PROJECT MANAGEMENT STATUS

Original Contract Time	3 years (08/01/2018 - 07/31/2021)
Amendment No. 1 (Renewal option 1)	1 year (08/01/2021 - 07/31/2022)
Proposed Amendment No. 2 (Renewal option 2)	1 year (08/01/2022 - 07/31/2023)
New Contract Time	5 years (08/01/2018 - 07/31/2023)

PROJECT ESTIMATE

Original Contract Price	\$600,000.00
Amendment No. 1	200,000.00
Proposed Amendment No. 2	<u>200,000.00</u>

New Contract Total \$1,000,000.00

FINANCIAL PLAN IMPACT

Summary: Sufficient funds are provided in the financial plan for this contract.

Funding Source: Operations & Maintenance (O&M) Budget

Cost Center(s): Enterprise Risk Management Insurance Fund
(883411)

Expense Type(s): Contractual Operating Services
(5910-883411.000-617900-WS7900)

Estimated Cost by Year and Related Estimating Variance: See table below.

<u>Fiscal Year</u>	<u>Amount</u>
FY 2019 Budget (Prorated)	\$ 183,333.33
FY 2020 Budget	200,000.00
FY 2021 Budget	200,000.00
FY 2022 Budget	200,000.00
FY 2023 Budget	200,000.00
FY 2024 Financial Plan (Prorated)	<u>16,666.67</u>
Financial Plan Forecast	\$1,000,000.00
Proposed Contract Amount	\$1,000,000.00
Variance (positive/ (negative))	-

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on September 14, 2022. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.