



## Legislation Text

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File #: 2022-395, Version: 1

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**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.