



Agenda Item No. (6)

To: Finance-Auditing Committee/Committee of the Whole  
Meeting of June 25, 2020

From: Kelli L. Vitale, Director Risk Management and Safety  
Kellee J. Hopper, Deputy General Manager, Administration and Development  
Joseph M. Wire, Auditor-Controller  
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE EXECUTION OF THE SECOND AMENDMENT RELATIVE  
TO PROFESSIONAL SERVICES AGREEMENT NO. 2018-D-059,  
INSURANCE ADVISOR AND BROKERAGE SERVICES, WITH USI  
INSURANCE SERVICES**

### **Recommendation**

The Finance-Auditing Committee recommends that the Board of Directors authorize the General Manager to execute the Second Amendment relative to Professional Services Agreement No. 2018-D-059, *Insurance Advisor and Brokerage Service*, with USI Insurance Services (USI), San Francisco, CA, to extend the agreement for an additional one-year term, with two additional one-year options, in a total not-to-exceed amount of \$222,872, for the Golden Gate Bridge, Highway and Transportation District's Marine and Property Insurance Programs, effective November 1, 2020, with the understanding that there are sufficient funds in the FY 20/21 District Division Operating Budget and future years will be budgeted accordingly.

This matter will be presented to the Board of Directors at its June 26, 2020, meeting for appropriate action.

### **Summary**

On March 26, 2020, the Golden Gate Bridge, Highway and Transportation District (District) terminated its contract with Alliant Insurance Services, Inc., (Alliant) for Marine and Property Insurance Programs due to Alliant's untimely submission of the marine general liability insurance renewal quote. As a result of the untimely quote, the District sought special ratification to renew the policy, which the District's Board of Directors approved at its February 28, 2020 meeting.

Because USI has provided outstanding service under its existing contract with the District for the Casualty Program, and because it was the second highest ranked proposer for the contract originally held by Alliant for the Marine and Property Insurance Programs, on April 2, 2020 the General Manager executed a First Amendment to the Professional Services Agreement with USI to include the Marine and Property Insurance Programs for the period of May 1, 2020, through October 31, 2020.

Extending the Marine and Property Insurance Programs by one year, with two additional one-year options, aligns with the term of USI’s already existing contract for the Casualty Program.

USI’s total cost for both the Marine and Property Programs for the one-year term with options is \$62,900 less than Alliant’s cost for the same period. Therefore, amending the contract with USI to extend the Marine and Property Insurance Programs will result in a cost savings for the District.

***Contract History***

<b>CONTRACT INITIAL AWARD AND AMENDMENTS TO-DATE</b>			
<b>Type</b>	<b>Date Approved</b>	<b>Description</b>	<b>Amount</b>
Contract Award	October 2018	Initial Award	\$411,120
First Amendment	March 2020	Add Marine and Property Programs for the period of May 1, 2020 through October 31, 2020	\$35,700
Second Amendment	Pending	Extend Marine and Property Programs for an additional one-year, with two additional one-year options	\$222,872
<b>Total</b>			<b>\$669,692</b>

**Fiscal Impact**

Sufficient funds for the Marine and Property Insurance Programs are included in the FY 20/21 District Division Operating Budget and future years will be budgeted accordingly.