



Legislation Details (With Board Report)

File #: 18-1193 **Name:** Board Report Amend. #6, Marsh USA
Type: General Agenda Item **Status:** Agenda Ready
File created: 12/5/2018 **In control:** Board of Supervisors
On agenda: 12/11/2018 **Final action:**
Title: Approve and authorize the Contracts/Purchasing Officer to sign Renewal and Amendment No. 6 to professional services agreement with Marsh USA, Inc. dba Marsh Risk and Insurance Services, for casualty insurance brokerage service, by increasing compensation in an amount not to exceed \$120,000 for a total compensation amount not to exceed \$840,000 and extending the term of the Agreement by one year, effective July 1, 2018 through June 30, 2019.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. BD RPT_Marsh Amend6_12-11-18.DOCX, 3. BD RPT_Marsh Agreement_12-11-18, 4. BD RPT_Marsh_AgreementAmendment 6_12-11-18, 5. Marsh_PSA Exhibit-A to AgrmntAmendment (REVISED VIA SUPPLEMENT), 6. 47. Completed Board Order

| Date | Ver. | Action By | Action | Result |
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|------|------|-----------|--------|--------|

Approve and authorize the Contracts/Purchasing Officer to sign Renewal and Amendment No. 6 to professional services agreement with Marsh USA, Inc. dba Marsh Risk and Insurance Services, for casualty insurance brokerage service, by increasing compensation in an amount not to exceed \$120,000 for a total compensation amount not to exceed \$840,000 and extending the term of the Agreement by one year, effective July 1, 2018 through June 30, 2019.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve and authorize the Contracts/Purchasing Officer to sign Amendment No. 6 to the 2012 professional services agreement with Marsh USA, Inc. dba Marsh Risk and Insurance Services, for casualty insurance brokerage service, by increasing compensation in an amount not to exceed \$120,000 for a total compensation amount not to exceed \$840,000 and extending the term of the Agreement by one year, effective July 1, 2018 through June 30, 2019.

SUMMARY/DISCUSSION:

Marsh Risk and Insurance Services is a global leader in insurance brokering and Risk Management. They help clients obtain appropriate insurance coverage, manage risk and risk avoidance. They also assist in coverage negotiations and disputes.

The County issued of a Request for Proposals for insurance and brokerage services and Marsh was the selected broker. The resulting Agreement was approved July 1, 2012, with a termination date of June 30, 2013. The yearly cost in the original contract was \$120,000 and each subsequent amendment has retained this same compensation.

Renewal and Amendment No.1 to No. 5 renewed and amended the Agreement and increased the term of the

agreement each year from July 1, 2012 to June 30, 2018. It also increased the total not to exceed amount of compensation each year by \$120,000 for a total amount of \$720,000.

Amendment No. 6 will increase the term of the Agreement by another year period, which will expire on June 30, 2019; and will increase the amount of possible annual compensation to be paid by the County by \$120,000, for a total amount, not to exceed \$840,000. There are no other substantive changes to the subject agreement other than those stated previously. The delay in amending this agreement was caused by continuing discussions with Marsh over included services and commission compensation.

Risk Management anticipates entering a new contract for these services in FY 2019-2020.

OTHER AGENCY INVOLVEMENT:

The attached Renewal and Amendment No. 6 has been reviewed and approved by County Counsel as to legal form and Risk Management for insurance and indemnity provisions.

FINANCING:

This contract will be paid from the General Liability (GL) - Internal Service Fund (ISF) The total cost of this contract shall not exceed \$840,000 and the increased contract amount of the amendment has been included on the FY 2018-2019 budgets, for budget unit 475-1210-COU003-8408 GL-ISF (\$60,000/year); and budget unit 476-1210-COU004-8409 WC-SIF (\$60,000/year).

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Mark a check to the related Board of Supervisors Strategic Initiatives

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by:

Satinder Kaur, Sr. Risk & Benefit Analyst

Approved by:

Charles J. McKee, County Counsel

Attachments:

- Board Report
- Marsh- Original Agreement

Marsh - Amend. No. 6
Marsh Amended Exhibit A