Date: July 22, 2015
To: Board of Directors
From: Neil McFarlane
Subject: RESOLUTION 15-07-44 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH ALLIANT INSURANCE SERVICES, INC. FOR INSURANCE BROKERAGE AND RISK ADVISORY SERVICES

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors ("Board") adopt a Resolution authorizing the General Manager to execute a modification extending a contract with Alliant Insurance Services, Inc. ("Alliant") for insurance brokerage and risk advisory services.

2. Type of Agenda Item

☐ Initial Contract
☒ Contract Modification
☐ Other

3. Reason for Board Action

Board approval is required for a personal services contract which will increase the total amount of the contract in excess of 10% of the total amount originally approved by the Board.

4. Type of Action:

☒ Resolution
☐ Ordinance 1st Reading
☐ Ordinance 2nd Reading
☐ Other

5. Background

TriMet has historically used the services of an insurance broker to assist staff with the acquisition and maintenance of a variety of insurance policies, covering liability, property and casualty exposures as well as excess worker's compensation claims. In 2010, the Board authorized a five-year contract with Alliant (Resolution 10-09-49) which was the result of a competitive Request for Proposal ("RFP") process. The total contract amount which was authorized at the time, for the five-year period, was $510,000. The initial five-year term ends on September 30 of this year.
While risks related to the construction of the Portland to Milwaukee Light Rail project have been covered since project inception by a separate Owner Controlled Insurance Program (“OCIP”), as the project goes into revenue service in September, project assets and new exposures to Orange Line operations liability will be transferred to the above described agency policies.

Due to the timing of this transfer and the need for ongoing broker assistance familiar with TriMet programs, staff is recommending the extension of Alliant’s contract for an additional one-year period. A new competitive RFP process would then be planned to commence in the second quarter of 2016.

Alliant’s performance under the existing contract has been outstanding and the firm has offered to perform an additional year of service at the same compensation level as the fifth year ($108,000).

6. **Procurement Process**

As mentioned above, the initial contract was awarded as the result of a 2010 RFP process. This action does not involve a new procurement process, however TriMet will conduct a new solicitation and procurement process in 2016.

7. **Diversity**

There are not subcontracting opportunities related to this contract. Alliant’s workforce includes 20% minority employees.

8. **Financial/Budget Impact**

The proposed $108,000, sixth year fee has been budgeted for in the adopted FY15-16 budget.

9. **Impact if Not Approved**

If this Resolution is not approved, TriMet would need to quickly conduct a new RFP process for these services. Due to the transitions discussed in the Background section, this is not the recommended action.

DB/JF/pc
RESOLUTION 15-07-44

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH ALLIANT INSURANCE SERVICES, INC. FOR INSURANCE BROKERAGE AND RISK ADVISORY SERVICES

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract modification with Alliant Insurance Services, Inc. for insurance brokerage and risk advisory services ("Modification"); and

WHEREAS, the contract total amount as increased by the Modification will exceed TriMet Board of Directors ("Board") authorized amounts; and

WHEREAS, the TriMet Board, by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve personal services contracts obligating TriMet to pay in excess of $150,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Modification shall be in conformance with applicable laws.

2. That the General Manager is authorized to execute the Modification.

Dated: July 22, 2015

[Signature]
Presiding Officer

Attest:

[Signature]
Recording Secretary

Approved as to Legal Sufficiency:

[Signature]
Legal Department