

RESOLUTION NO. 2019-76

AUTHORIZING AN INCREASE TO CONTRACT NO. 2019-98 WITH AON PROPERTY RISK CONSULTING, INC. TO PROVIDE ADDITIONAL FORENSIC INSURANCE INVESTIGATION SERVICES IN AN AMOUNT NOT TO EXCEED \$97,220.00 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$197,220.00 (GENERAL FUND, INTERNAL AUDIT DEPARTMENT BUDGET)

WHEREAS, the Authority required forensic insurance investigation services on confidential matters; and

WHEREAS, the Ohio Revised Code, Section 306.43(H)(6) provides that competitive bidding is not required when the purchase substantially involves services of a personal, professional, highly technical, or scientific nature, including but not limited to the services of an attorney, physician, surveyor, appraiser, investigator, court reporter, adjuster, advertising consultant, or licensed broker, or involves special skills or proprietary knowledge required for the serving of specialized equipment owned by the reginal transit authority; and

WHEREAS, an offer was received from Aon Property Risk Consulting, Inc., with an office located at 199 Water Street, New York NY 10038; and

WHEREAS, a small purchase contract was placed with Aon Property Risk Consulting, Inc. to provide forensic insurance investigation services, at negotiated bill rates, in an amount not to exceed \$100,000.00; and

WHEREAS, due to unanticipated volume of services required, there is a need for additional forensic insurance investigation services in the amount of \$97,220.00, which will result in a new total contract amount not to exceed \$197,220.00; and

WHEREAS, the Interim CEO, General Manager/Secretary-Treasurer deems it is in the best interest of the Authority to obtain these additional services from Aon Property Risk Consulting, Inc.; and

WHEREAS, said increase will exceed the Interim CEO, General Manager-Secretary-Treasurer's small purchase authority, requiring approval by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the offer from Aon Property Risk Consulting, Inc. to provide additional forensic insurance investigation services is hereby accepted.

Section 2. That the Interim CEO, General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to amend Contract No. 2019-98 with Aon Property Risk Consulting, Inc., to provide these additional services.

Section 3. That said increase shall be payable from the General Fund, Internal Audit Department budget, in an amount not to exceed \$97,220.00, for a total contract amount not to exceed \$197,220.00.

Section 4. That all other terms and conditions of the original contract remain unchanged.

Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: July 16, 2019

  
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
Interim CEO, General Manager/Secretary-Treasurer




<b>TITLE/DESCRIPTION:</b> <b>CONTRACT:</b> INCREASE TO CONTRACT 2019-98 FOR ADDITIONAL FORENSIC INSURANCE INVESTIGATION SERVICES <b>VENDOR:</b> AON PROPERTY RISK CONSULTING, INC. <b>AMOUNT:</b> AMOUNT NTE \$97,220.00 FOR TOTAL CONTRACT AMOUNT NTE \$197,220.00	<b>Resolution No.:</b> 2019-76
	<b>Date:</b> July 11, 2019
	<b>Initiator:</b> Internal Audit
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will allow the Authority to enter into an increase to sole source Contract No. 2019-98 with Aon Property Risk Consulting, Inc. to provide additional forensic insurance investigation services on confidential matters.
  
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority deemed it necessary to hire a qualified firm to provide forensic insurance investigation services on confidential matters. The Ohio Revised Code, Section 306.43(H)(6) provides that competitive bidding is not required when the purchase substantially involves services of a personal, professional, highly technical, or scientific nature, including but not limited to the services of an attorney, physician, surveyor, appraiser, investigator, court reporter, adjuster, advertising consultant, or licensed broker, or involves special skills or proprietary knowledge required for the serving of specialized equipment owned by the regional transit authority.
  
- 3.0 **PROCUREMENT BACKGROUND:** On October 9, 2018, the Authority entered into a sole source small purchase contract with Aon Property Risk Consulting, Inc. to provide forensic insurance investigation services on confidential matters, at negotiated bill rates for a total contract not to exceed \$100,000.00. Due to the unexpected demand for additional services, an increase in an amount not to exceed \$97,220.00 is now required. This amount exceeds the small purchase limit, thereby, requiring Board authorization. This change order was reviewed and approved by the Change Order Committee.  
  
 A price analysis was performed and the Procurement Department has determined that the offer from Aon Property Risk Consulting, Inc., to provide these additional services, is fair and reasonable to the Authority.
  
- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** No Affirmative Action review or DBE participation goal was considered for the proposed contract increase because the additional forensic analysis and investigation represent a continuation of specialized and confidential work already in process.
  
- 5.0 **POLICY IMPACT:** Does not apply.
  
- 6.0 **ECONOMIC IMPACT:** The contract will be funded through the General Fund, Internal Audit Department budget in an amount not to exceed \$97,222.00 for a total contract amount not to exceed \$197,220.00.
  
- 7.0 **ALTERNATIVES:** Reject this change order. Rejection of this contract increase will prevent the contractor from continuing to provide these services and impact the ability for the Authority to include their costs in the reimbursement claims.

- 8.0 RECOMMENDATION: It is recommended that the contract increase be accepted and the resolution passed authorizing the Interim CEO, General Manager/Secretary-Treasurer to modify the contract.
- 9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.

  
Interim CEO, General Manager/Secretary-Treasurer