

RESOLUTION NO. 2022-76

AUTHORIZING CONTRACT NO. 2022-044 WITH AON RISK SERVICES NORTHEAST, INC. TO PROVIDE PROPERTY AND CRIME INSURANCE BROKER SERVICES IN AN AMOUNT NOT TO EXCEED \$243,000.00 FOR THE BASE THREE YEARS, AND IN AMOUNTS NOT TO EXCEED \$85,050.00 AND \$89,300.00 FOR EACH OPTION YEAR, RESPECTIVELY, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$417,350.00 FOR THE FIVE-YEAR PERIOD (GENERAL FUND, RISK MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Authority is seeking the services of a commercial insurance broker in the areas of property and crime risk assessment, insurance placement, and support; and

WHEREAS, such services are available from Aon Risk Services Northeast, Inc., located at 950 Main Avenue, Suite 1600, Cleveland, Ohio 44113, to provide property and crime insurance broker services for a period of three years with two, one-year options; and

WHEREAS, Aon Risk Services Northeast, Inc. offered to provide property and crime insurance broker services in an amount not to exceed \$243,000.00 for the base three years, and in amounts not to exceed \$85,050.00 and \$89,300.00 for each option year, respectively, for a total contract amount not to exceed \$417,350.00 for the five-year period; and

WHEREAS, the General Manager, Chief Executive Officer deems the offer of Aon Risk Services Northeast, Inc., as negotiated, to be in the best interest of the Authority and recommends acceptance thereof 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 of Aon Risk Services Northeast, Inc. to provide property and crime insurance broker services for a period of three years with two, one-year options be and the same is hereby accepted.

Section 2. That the General Manager, Chief Executive Officer of the Authority be and she is hereby authorized to enter into a contract with Aon Risk Services Northeast, Inc. to provide property and crime insurance broker services for a period of three years, with the authority to exercise each of the option years.

Section 3. That said contract will be funded through the General Fund, Risk Management Department budget, in an amount not to exceed \$243,000.00 for the base three years, and in amounts not to exceed \$85,050.00 and \$89,300.00 for each option year, respectively, for a total contract amount not to exceed \$417,350.00 for the five-year period.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon funding for future years, compliance by the contractor to the Specifications and Addenda, if any, the Affirmative Action Plan adopted by the Board of Trustees, bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

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

Adopted: August 23, 2022



\_\_\_\_\_  
President

Attest:



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Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b> <b>CONTRACT:</b> PROPERTY AND CRIME BROKER SERVICES  <b>VENDOR:</b> AON RISK SERVICES NORTHEAST, INC.  <b>AMOUNT:</b> NTE \$243,000.00 FOR THE BASE THREE YEARS, AND AMOUNTS NTE \$85,050.00 AND \$89,300.00 FOR EACH OPTION YEAR, RESPECTIVELY, FOR A TOTAL CONTRACT AMOUNT NTE \$417,350.00	<b>Resolution No.:</b> 2022-76
	<b>Date:</b> August 18, 2022
	<b>Initiator:</b> Risk Management Department
<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 a contract for property and crime insurance broker services for a period of three years with two, one-year options for renewal.
  
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority is seeking the services of a commercial insurance broker to assist in an all-risk property insurance program, which includes assets consisting of real and personal property and rolling stock, and a crime insurance program. This includes risk management services such as risk assessment, loss exposure analyses, insurance program marketing and placement, claims management, and ongoing program support services.
  
- 3.0 **PROCUREMENT BACKGROUND:** The Request for Proposal (“RFP”) was posted on the GCRTA Procurement website and advertised in the local newspapers. Ten (10) interested parties downloaded the solicitation and five (5) proposals were received on May 10, 2022. After evaluation by a panel of Authority employees in accordance with established Procurement Department policies and procedures, the proposal of Aon Risk Services Northeast, Inc. to provide property and crime insurance broker services, was determined to be the most advantageous to the Authority, price and all other factors considered. After negotiations, an amount not to exceed \$243,000.00 for the base three years, and in amounts not to exceed \$85,050.00 and \$89,300.00 for each option year, respectively, for a total contract amount not to exceed \$417,350.00 for the five-year period, was agreed upon.  
  
 A cost analysis has been performed and the Procurement Department has determined the price to be fair and reasonable to the Authority.
  
- 4.0 **AFFIRMATIVE ACTION/ DBE BACKGROUND:** All Affirmative Action requirements have been met. A 7% DBE goal was established for this procurement. Aon Risk Services has committed to achieving the DBE participation goal through the utilization of The Rutledge Group (African American male-owned) in the amount of \$29,215.00 or 7%.
  
- 5.0 **POLICY IMPACT:** Does not apply.
  
- 6.0 **ECONOMIC IMPACT:** The contract will be funded through the General Fund, Risk Management Department budget, in an amount not to exceed \$243,000.00 for the base three years, and in amounts not to exceed \$85,050.00 and \$89,300.00 for each option year, respectively, for a total contract amount not to exceed \$417,350.00 for the five-year period. This is approximately 10% below the budgeted amount for these services.

- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would delay the identification of the Authority's property and crime insurance needs, risking the Authority not having proper property and crime insurance coverages.
- 8.0 RECOMMENDATION: This procurement was discussed by the Board of Trustees at the August 9, 2022 Audit, Safety Compliance and Real Estate Committee meeting. It is recommended that the offer of Aon Risk Services Northeast, Inc. be accepted and the resolution passed authorizing the General Manager, Chief Executive Officer to enter into a contract.
- 9.0 ATTACHMENTS: None.

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



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General Manager, Chief Executive Officer