

STAFF REPORT

DATE: December 13, 2021
TO: Sacramento Regional Transit Board of Directors
FROM: Brent Bernegger, VP, Finance/CFO
SUBJ: AWARD CONTRACT FOR INSURANCE BROKER SERVICES TO ALLIANT INSURANCE SERVICES, INC.

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approving the Contract will provide Sacramento Regional Transit District (SacRT) with insurance broker services for a three-year term for an amount not to exceed \$463,000, with a SacRT option to renew for two additional one-year terms.

FISCAL IMPACT

The contract for broker services is for a 3-year term. The Fiscal Year (FY) 2022 amount is fully budgeted and future Fiscal Years will be included in the respective Operating budgets.

| | |
|------------------------------|---------------|
| FY22 January through June | \$ 75,000 |
| FY23 July through June | 152,000 |
| FY24 July through June | 156,500 |
| FY25 July through December | <u>79,500</u> |
| Total Contract Consideration | \$463,000 |

DISCUSSION

The current contract for Insurance Broker Services with Alliant Insurance Services, Inc. (Alliant) expires on December 30, 2021. SacRT requires the expertise of a broker that evaluates SacRT's coverage needs, markets, obtain quotes, and evaluates insurers' financial status using specifications approved by SacRT. Upon approval of costs and coverages by SacRT's Board of Directors, the broker places and services SacRT's policies for excess property, excess liability, excess workers' compensation, boiler and machinery, employment practices liability and employee dishonesty, cyber liability, as well as providing other customary brokerage support services.

Staff released the RFP on October 22, 2021, with a proposal evaluation conference conducted on November 19, 2021. Qualifying criteria included the Proposer's response

to understanding the contract scope and requirements, staffing and experience, contract work plan, and competitiveness of pricing. After review and evaluation of the written proposals, staff determined that oral interviews were not required. The Selection Committee determined Alliant to be the most-qualified proposer with scoring as follows:

| Proposer | Alliant | A.J. Gallagher |
|------------------------------|----------------|-----------------------|
| Total Scoring Points: | 98.45 | 58.98 |

While both Proposals demonstrated qualified and competitive staffing and experience, Alliant was selected as the most responsive and cost-efficient Broker proposal, demonstrating ability and knowledge with assessing, marketing, and structuring insurance products specific to transit and SacRT's business requirements.

The insurance broker contract payment structure is based on an annual retainer fee basis. Alliant's 3-year price of \$463,000 has been deemed fair and reasonable and falls within the established budget.

RESOLUTION NO. 21-12-0142

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

December 13, 2021

AWARD CONTRACT FOR INSURANCE BROKER SERVICES TO ALLIANT INSURANCE SERVICES, INC.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Contract for Insurance Broker Services by and between the Sacramento Regional Transit District, therein "SacRT," and Alliant Insurance Services, Inc, therein "Contractor," whereby Contractor agrees to provide specified insurance broker services for an amount not to exceed \$463,000 for a 3-year term, with a SacRT option to extend for up to 2 additional years, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute the foregoing Contract.

STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary