

BUDGET AND FINANCE COMMITTEE REPORT relative to authority to extend the contract term of a Broker Services Agreement with Willis Insurance Services of California, Inc.

Recommendation for Council action:

APPROVE and AUTHORIZE the City Administrative Officer (CAO) to execute, Restated and Amended Agreement C-120779 with Willis Insurance Services of California, Inc., for a new term from July 1, 2012 through June 30, 2016 with an option to extend for two additional years and annual compensation not to exceed \$165,000, for broker services for the City's Property and Liability Insurance Program, subject to the approval of the City Attorney.

Fiscal Impact Statement: The CAO reports that funding in the amount of \$165,000 is available in the Insurance and Bonds Premium Fund for the 2015-16 fiscal year. This action complies with the Financial Policies in that budgeted funds are being used for a budgeted purpose, and there will be no additional impact to the General Fund.

Community Impact Statement: None submitted.

### SUMMARY

At its regular meeting of June 22, 2015, the Budget and Finance Committee considered the CAO's report relative to a proposed Restated and Amended Broker Services Agreement with Willis Insurance Services of California, Inc. (Willis) to extend the term for up to three additional years (one additional year through June 30, 2016 plus an option for up to two additional years). The annual fee paid to Willis is unchanged at \$165,000. Willis markets and administers the insurance program for MICLA-financed property and assists the City in managing claims, coordinating loss control services, collecting premiums and promptly forwarding payments to the insurer. The extension of this contract is needed as a result of the Da Vinci fire. After consideration and having offered an opportunity for public comment, the Budget and Finance Committee recommended to approve the CAO's recommendation.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	ABSENT
KORETZ:	YES
BLUMENFIELD:	YES
BONIN:	ABSENT

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