



## EXECUTIVE DECISION DOCUMENT

<b>GENERAL MANAGER APPROVAL:</b> DocuSigned by: <i>Michael Jones</i> 47000790F2D7483...		<b>GENERAL MANAGER ACTION REQ'D:</b> Execute a Change Order to Agreement No. 6M2067 - AON Risk Insurance Services West, Inc.		
<b>DATE:</b> 4/10/2025		<b>BOARD INITIATED ITEM:</b> No		
<b>Originator/Prepared by:</b> Steven Shatz <b>Dept:</b> Insurance	<b>General Counsel</b>	<b>Controller/Treasurer</b>	<b>District Secretary</b>	<b>BARC</b>
<b>Signature/Date:</b> DocuSigned by: <i>Steven Shatz</i> A203A86E1A6F45A...	DocuSigned by: <i>Amelia Sandpiper</i> 2528C067C44147D...	Signed by: <i>Joseph L. Beach</i> 7D9A7C6E7348456...	[ ]	DocuSigned by: <i>Pamela Herlihy</i> 38824D65B87245E...

### Change Order - Agreement No. 6M2067 - AON Risk Insurance Services West, Inc.

#### PURPOSE

To obtain Board authorization for the General Manager to execute a Change Order to Agreement No. 6M2067 ("Agreement") to AON Risk Insurance Services West, Inc., to extend the term of the Agreement to December 31, 2025. No additional funding is required.

#### DISCUSSION:

The Risk & Insurance Management Department uses an insurance broker to place insurance and provide other related services for an OCIP (Owner Controlled Insurance Program) that is primarily used for the District's Communication Based Train Control Project.

Agreement No. 6M2067 is scheduled to expire on June 30, 2025.

In anticipation of the expiration of the Agreement, Staff began the Request for Proposals (RFP) process. RFP 6M2113 was advertised on January 23, 2025 and a pre-proposal meeting with interested parties was held on February 3, 2025. Proposals were due on March 4, 2025. Unfortunately, no proposals were received. Staff conducted a subsequent survey of the interested parties to assess why no proposals were submitted. Staff learned, in part, that potential proposers found the estimated total of \$1.8 million dollars for the term insufficient for the level of work.

Staff intends to modify the RFP to consider responses of the survey, with an expected award from the new RFP to be made in November 2025.

As Staff reissues the RFP for these services, it is necessary to extend the Agreement with the

current broker, AON Risk Insurance Services West, Inc. to December 31, 2025 to ensure broker coverage on our existing OCIP projects. Staff is not seeking any additional money to add to the Agreement.

**FISCAL IMPACT:**

There is no fiscal impact to the District. There are enough funds from the original agreement remaining to fund an additional six months of service.

**ALTERNATIVE:**

To not extend this Agreement, would cause AON to stop coverage for the CBTC project and would leave the District without a broker and claims administrator during the new RFP process. It is expected that the incumbent or new broker will take over the OCIP effective January 1, 2026.

**RECOMMENDATION:**

It is recommended that the Board adopt the following motion.

**MOTION:**

The General Manager is authorized to execute a Change Order to Agreement No. 6M2067 with AON Risk Insurance Services West, Inc., to extend the term of the Agreement to December 31, 2025.