

COMMISSION MEMORANDUM

DATE: November 30, 2016

TO: Port Commission

FROM: John Wolfe, Chief Executive Officer

via: Don Esterbrook, Deputy Chief Executive Officer

Project Manager: Lou Paulsen, Director, Strategic Operations Projects and Risk Management

SUBJECT: Property and Casualty Insurance Brokerage Services Agreement
Notice of Amendment

A. PURPOSE

This memorandum requires no action and is issued in accordance with the requirements of RCW 53.19.060(2), which provides:

An amendment or amendments to personal service contracts, if the value of the amendment or amendments, whether singly or cumulatively, exceeds fifty percent of the value of the original contract must be filed with the commission and made available for public inspection prior to the proposed starting date of services under the amendments (*emphasis added*).

B. BACKGROUND

In early 2013, the Port of Tacoma undertook a competitive process resulting in the selection of Alliant Insurance Services as the Port's property and casualty insurance broker.

On April 4, 2013, the Port Commission authorized an insurance brokerage services agreement with Alliant Insurance Services. Specifically, the Commission authorized an initial service term of 3½-years commencing June 30, 2013 and concluding December 31, 2016, and providing for up to two, 2-year extensions. The original contract amount was \$228,145.50.

C. NOTICE OF AMENDMENT

To meet its continuing insurance needs, the Port is exercising the first of the two aforementioned 2-year contract extensions. The total cost of the 2-year contract extension is \$143,941, which is within the CEO's authority as provided under Master Policy Resolution 2016-05-PT.

The extension constitutes an amendment to the original contract equal to 63% of the original contract value. Therefore, in accordance with the requirements of RCW 53.19.060(2), this memorandum and a copy of the contract amendment have been posted to the Port of Tacoma website at <http://www.portoftacoma.com/contracts>. The posting will be removed after January 1, 2017.

Please contact Lou Paulsen at 253.383.9449 should questions arise.