

MOTION NO. M2017-43
Contract Amendment for Risk Management Information System

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	04/06/2017	Final Action	Brian McCartan, Executive Director of Finance and Information Technology Jason Weiss, Chief Information Officer

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with Marsh ClearSight LLC to provide software subscription for a risk management information system in the amount of \$27,525, for a total authorized contract amount not to exceed \$225,261.

KEY FEATURES SUMMARY

- Sound Transit currently has a contract with Marsh ClearSight LLC for a software subscription and support services for the CS Stars risk management information system (RMIS).
- The RMIS is an information system that assists in consolidating claims, policy, and exposure information and providing the tracking and management reporting capabilities to enable the user to monitor and control the overall cost of risk management.
- The original contract was executed under the CEO's authority in the amount of \$197,736.
- The requested funds would allow Sound Transit to exercise a one-year option for continued services through April 2018.
- The Risk Management and IT divisions are currently working toward the competitive procurement of a new RMIS.

BACKGROUND

After a competitive procurement, Sound Transit executed a contract with Marsh ClearSight LLC in April 2010 to establish a software system for risk management and insurance claims information. This system aids the agency in tracking insurance policies, claims and incidents.

Risk Management software provides an overall solution for managing incidents and insurance claims (e.g. property and casualty), policy and premium management, and cost of risk exposure analysis. Sound Transit needs to continue to use the existing software until the new/replacement software is procured, to insure business continuity. Without this software:

- Sound Transit is not able to effectively manage the costs of risk, as the agency cannot effectively document, store, retrieve, and quickly manipulate claims data, or track incident reports.
- Sound Transit cannot analyze risks & exposures and other insurance and risk management related information.

The existing contract expires April 2017 and Risk Management will continue to need this software until the new solution has been selected and installed. This action would allow for one additional year of access to the system and related support, which provides updates, patches and other support to ensure that the system is secure and up to date.

FISCAL INFORMATION

The proposed action seeks to add \$27,525 additional contract authority to purchase a software subscription for a RMIS system. Budget authority for the 2017 portion of the original Marsh ClearSight contract was budgeted in the Finance and Information Technology (FIT) Department. This request will use the FIT budget for all Marsh ClearSight software subscription purchases.

This action is within the adopted budget and sufficient monies remain after approval of this action to fund the annual fees for the software subscription.

Finance and Information Technology

(in thousands)

	2017 Annual Operating Budget	Actuals to Date	This Action	Actuals to Date Plus Action	Remaining Annual Operating Budget
Salaries and Benefits	\$20,981	\$2,604	\$	\$2,604	\$18,377
Services	17,281	1,681	28	1,708	15,573
Materials and Supplies	1,582	151		151	1,431
Utilities	953	92		92	861
Insurance	7,482	1,026		1,026	6,456
Miscellaneous	509	86		86	423
Leases and Rentals	415	62		62	353
Total Annual Operating Budget	\$49,203	\$5,702	\$28	\$5,729	\$43,474

Contract Spending Plan	Prior Year Spending	Forecast 2017 Spending	Future Expenditures	Total
Marsh ClearSight, LLC	\$198	\$28	\$	\$225

Contract Detail	Board Approved Contract Value	Contract Actuals to Date	Proposed Action	Proposed Revised Board Approved Contract Value
Marsh ClearSight, LLC				
Services	\$198	\$175	\$28	\$225
Contingency	-	-	-	-
Contract Amount - Total	\$198	\$175	\$28	\$225
Percent Contingency	0%	0%	0%	0%

Notes:

Actuals to date reflect expenses thru February 28, 2017.

Budget for this item is located on page 29 of the Adopted 2017 Budget.

SMALL BUSINESS/DBE PARTICIPATION

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Goals for participation were not established by Sound Transit for this procurement.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one month delay would impact the use of the system from the vendor.

ENVIRONMENTAL REVIEW

Jl 3/31/2017

LEGAL REVIEW

AJP 3/31/2017

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A motion of the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with Marsh ClearSight, LLC to provide software subscription for a risk management information system in the amount of \$27,525, for a total authorized contract amount not to exceed \$225,261.

BACKGROUND:

Sound Transit currently has a contract with Marsh ClearSight LLC for a software subscription and support services for the CS Stars risk management information system (RMIS). The RMIS is an information system that assists in consolidating claims, policy, and exposure information and providing the tracking and management reporting capabilities to enable the user to monitor and control the overall cost of risk management.

After a competitive procurement, Sound Transit executed a contract with Marsh ClearSight LLC in April 2010 to establish a software system for risk management and insurance claims information. This system aids the agency in tracking insurance policies, claims and incidents. The requested funds would allow Sound Transit to exercise a one-year option for continued services through April 2018.

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MOTION:

It is hereby moved by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with Marsh ClearSight LLC to provide software subscription for a risk management information system in the amount of \$27,525, for a total authorized contract amount not to exceed \$225,261.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on April 6, 2017.



Paul Roberts
Operations and Administration Committee Chair

ATTEST:



Kathryn Flores
Board Administrator