



Legislation Details (With Text)

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File created: 9/21/2021 **In control:** Board of Supervisors

On agenda: 12/14/2021 **Final action:** 12/14/2021

Title: Human Resources Department, Risk Management Division, recommending the Board:
 1) Make a finding in accordance with County Ordinance 3.13.030 that it is appropriate to contract with George Hills for third party general liability claims management under Agreement 536 because "(B) specialty skills and qualifications not expressly identified in County classifications are involved in the performance of the work"; and
 2) Approve and authorize the Chair to sign Amendment II to Agreement 536 (275-S1611) with George Hills for third party general liability claims management to increase the total not-to-exceed amount by \$605,000, to cover monthly billing rates for an additional three years, for a total not-to-exceed amount of \$1,629,116 and extend the term to December 31, 2024.

FUNDING: General Liability Program Fund.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - C#536 AMD II PE, 2. B - C#536 AMD II BLUE ROUTE, 3. C - C#536 George Hills Amd I FE, 4. D - C#536 George Hills FE, 5. Executed Agreement C#536

Date	Ver.	Action By	Action	Result
12/14/2021	1	Board of Supervisors	Approved	Pass

Human Resources Department, Risk Management Division, recommending the Board:
 1) Make a finding in accordance with County Ordinance 3.13.030 that it is appropriate to contract with George Hills for third party general liability claims management under Agreement 536 because "(B) specialty skills and qualifications not expressly identified in County classifications are involved in the performance of the work"; and
 2) Approve and authorize the Chair to sign Amendment II to Agreement 536 (275-S1611) with George Hills for third party general liability claims management to increase the total not-to-exceed amount by \$605,000, to cover monthly billing rates for an additional three years, for a total not-to-exceed amount of \$1,629,116 and extend the term to December 31, 2024.

FUNDING: General Liability Program Fund.

DISCUSSION / BACKGROUND

In accordance with Board Policy Number C-17, departments are required to obtain authorization from the Board of Supervisors to utilize any contract for services that exceed \$100,000. The Human Resources Department Risk Management Division is requesting the Board approve and authorize Amendment II with George Hills to increase the not-to-exceed amount by \$605,000 for a total not-to-exceed amount of \$1,629,116 and extend the term to December 31, 2024. Amendment II will extend the current term of the agreement, January 1, 2019 through December 31, 2021, by three years to expire on December 31, 2024, and make subrogation services available to the department if needed. In conjunction with the term extension is the addition of \$605,000 to the total contract cost to cover the \$15,000 monthly billing rate outlined in the amendment as well as the subrogation services. The

current agreement states a monthly billing rate that increases annually by an average of 2%. The \$15,000 monthly billing rate outlined in the amendment for 2022 is the same rate from 2021. Amendment II instates a 3% increase beginning in 2023.

George Hills has been engaged to provide claims administration services for the general liability program for the Risk Management Division of the Human Resources Department. The Contractor agrees to perform as the administrator of the County's self-insured liability claims program. They will provide a senior adjuster and a back-up adjuster, adequate technical and clerical staff, equipment, and software necessary to provide the claims administration services to County's account. In the event the County chooses to engage subrogation services, the County may authorize the Consultant to appear in small claims court on behalf of the County.

Contractor will manage and administer liability claims during the term of this agreement. Contractor shall investigate, evaluate, process, manage, and resolve bodily injury, personal injury, and property damage claims and potential claims for money damages asserted by third parties against the County, its officers, agents, or employees for which County, its officers, departments, commissions, or related agencies, or any of its employees is alleged to be legally responsible. Contractor will coordinate, consult, and fully cooperate with County personnel in the administration of those claims.

ALTERNATIVES

The Board could choose not to approve the amendment and Risk Management could use another vendor.

PRIOR BOARD ACTION

December 15, 2015 Legistar Item 15-1431: Board approval of the initial agreement

December 8, 2020 Legistar Item 20-1475: Board approval of Amendment I to Agreement #536

OTHER DEPARTMENT / AGENCY INVOLVEMENT

CAO, County Counsel. The Auditor-Controller has been notified.

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

Funding for the amendment is included in the General Liability Program Fund.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Clerk of the Board to obtain the Board Chair's signature on Amendment II to Agreement 536 and return a copy of the fully executed amendment to Chief Administrative Office, Central Fiscal Services, attention: Gina De Martini-Kuhns.

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

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Risk Manager