



Legislation Details (With Text)

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Title:	CONSIDER APPROVING THE ONE-YEAR EXTENSION TO THE AGREEMENT BETWEEN THE CITY AND CARL WARREN & COMPANY AGREEMENT AS THE CITY'S GENERAL LIABILITY THIRD-PARTY LIABILITY ADMINISTRATOR (CITY COUNCIL)				
Sponsors:					
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Attachments:	1. Exhibit 1 - Carl Warren & Company 2014 Agreement, 2. Exhibit 2 - Amendment No. 3 - Carl Warren & Company, 3. File Summary				

Date	Ver.	Action By	Action	Result
7/17/2018	1	City Council		

Report to Mayor and City Council

Tuesday, July 17, 2018

Consent

SUBJECT:

CONSIDER APPROVING THE ONE-YEAR EXTENSION TO THE AGREEMENT BETWEEN THE CITY AND CARL WARREN & COMPANY AGREEMENT AS THE CITY'S GENERAL LIABILITY THIRD-PARTY ADMINISTRATOR (CITY COUNCIL)

I. SUMMARY

Carl Warren & Company, has provided services to the City as its third-party liability adjuster for many years. They have been rewarded the City contract in multiple RPFs. City's current amendment of the original contract with Carl Warren ended June 30, 2018 and provides the option to exercise another one-year extension to continue their services.

II. RECOMMENDATION

WAIVE further reading and APPROVE the final one-year extension to the agreement between the City and Carl Warren & Company, as the City's General Liability Third-Party Administrator.

III. ALTERNATIVES

TAKE any action deemed appropriate.

IV. BACKGROUND

Staff is requesting approval to exercise the right to extend the term of the current agreement with Carl Warren & Company, General Liability Third Party Administrator (TPA) (Exhibit 1) for the third and final one (1) year extension. Section 7.7 of the current agreement includes language which allows City terminate the contract, with or without cause, upon notice to the provider. Staff has advised Carl Warren that the City will conduct an Request for Proposal (RFP) for the General Liability TPA claims services in FY18-19. Once the RFP process is completed, if necessary, City will have the General Liability TPA files immediately transferred from Carl Warren without an interruption of business.

This decision will allow the City to have business continuity for Risk Management General Liability TPA services and will allow Carl Warren to satisfy their SSAE 16 financial audit requirement which, for revenue recognition purposes, requires them to have an active contract in-force at renewal. Section 3.4 of the attached agreement allows the City to extend the term of the contract. Carl Warren has agreed to waive the six-month notice to extend the requirement of Section 3.4. As the RFP comes together, City will have the option to terminate at will which places City in a more stable position than a month-to-month option.

V. FISCAL IMPACT

There is no new fiscal impact.

VI. EXHIBITS

1. Carl Warren & Company Contract Amendment No. 3 (pgs. 3-29)
2. Amendment No. 3 - Carl Warren & Company (pgs. 30-35)

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