



CITY OF CARSON

Legislation Text

File #: 2021-162, Version: 1

Report to Mayor and City Council

Tuesday, March 02, 2021

Consent

SUBJECT:

CONSIDER APPROVAL OF AMENDMENT NO. 2 TO DABBAH, HADDAD, SOLEIMAN APC CONTRACT AGREEMENT (CONTRACT NO. C-18-078) FOR WORKERS' COMPENSATION DEFENSE ATTORNEY SERVICES (CITY COUNCIL)

I. SUMMARY

The City is self-insured for its Workers' Compensation Program and contracts with a third party administrator ("TPA") to administer the claims. The City contracts separately with a law firm to defend against litigated claims.

On May 1, 2018, City Council awarded a three-year contract ("2018 Agreement") to the Law Offices of Dabbah, Haddad & Suleiman ("DHS") (Exhibit No. 1). The 2018 Agreement was for the period of May 2, 2018 through May 1, 2021 with two (2) optional one-year contract extensions, for a total contract sum of \$360,000. It was subsequently determined that the City and consultant had significantly underestimated the amount of litigation services that would be needed. On March 17, 2020 City Council approved Amendment No. 1 to the 2018 Agreement adding \$400,000 to the contract amount.

Staff is now asking the City Council to approve Amendment No. 2 to the 2018 Agreement, correcting a discrepancy in the firm's name in connection with the 2018 Agreement, exercising the option to extend the term by one year through May 1, 2022 and adding an additional \$200,000 to the contract sum for the extended term.

II. RECOMMENDATION

1. APPROVE Amendment No. 2 to the Contract Services Agreement by and between the City and Dabbah, Haddad, Soleiman, APC correcting a discrepancy in the firm's name, exercising the first of two one-year options to extend the term through May 1, 2022 and

adding an additional \$200,000 to the contract sum for the extended term.

2. AUTHORIZE the Mayor to execute Amendment No. 2 upon approval as to form by the City Attorney.

III. ALTERNATIVES

1. TAKE another action City Council deems appropriate.

IV. BACKGROUND

On May 1, 2018, City Council awarded a three-year contract ("2018 Agreement") to the Law Offices of Dabbah, Haddad & Suleiman ("DHS") (Exhibit No. 1). The 2018 Agreement covers the period of May 2, 2018 through May 1, 2021 with two (2) optional one-year contract extensions, for a total contract sum of \$360,000. On March 17, 2020 City Council approved Amendment No. 1 to the 2018 Agreement increasing the total contract sum to \$760,000.

When DHS took over the account in May 2018, they were assigned a litigated inventory of 51 open claims. City staff directed DHS to aggressively work the files and resolve as many of the old, complex cases as possible. These cases, which dated back to 2002, involved complex medical, legal and employment issues, requiring substantial efforts to litigate and/or negotiate favorable settlement terms. Because of their diligence, the litigated inventory is down to 28 claims, with only 5 cases remaining from the original inventory of 51 litigated cases.

Staff is now recommending that City Council approve Amendment No. 2 to the 2018 Agreement correcting a discrepancy in the firm's name, exercising the first of two one-year options to extend the term through May 1, 2022 and adding an additional \$200,000 to the contract sum for the extended term increasing the total contract sum to \$960,000. The 2018 Agreement includes a schedule of hourly rates that remain the same during the initial 3-year period as well as the two optional extension years.

V. FISCAL IMPACT

There is no fiscal impact. The cost of legal services is included in the annual self-insured workers compensation reserve budget, which is actuarially forecasted and is not changing at this time.

VI. EXHIBITS

1. Contract Services Agreement by and between the City and Dabbah, Haddad &

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| Suleiman, APC (2018 Agreement) | (pages: 4 - 32) |
| 2. Amendment No.1 to 2018 Agreement | (pages: 33 - 37) |
| 3. Amendment No. 2 to 2018 Agreement | (pages: 38 - 43) |

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