

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
12	03/13/17	Open	Action	03/06/17

Subject: Ratifying the Release of a Request for Quote for General Liability Claims and Workers' Compensation Claims Audit Services; and Delegate Authority to the General Manager/CEO to Award a Contract for General Liability Claims and Workers' Compensation Claims Audit Services.

ISSUE

Whether or not to Ratify the Release of a Request for Quote for General Liability Claims and Workers' Compensation Claims Audit Services and Delegate Authority to the General Manager/CEO to Award a Contract for General Liability Claims and Workers' Compensation Claims Audit Services.

RECOMMENDED ACTION

Adopt Resolution No. 17-03-_____, Ratifying the Release of a Request for Quote for General Liability Claims and Workers' Compensation Claims Audit Services; and Delegate Authority to the General Manager/CEO to Award a Contract for General Liability Claims and Workers' Compensation Claims Audit Services.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$ 24,000
Budget Source:	Operating	Next FY:	\$ 26,000
Funding Source:	Local	Annualized:	\$ 26,000
Cost Cntr/GL Acct(s) or	CC 47	Total Amount:	\$ 135,000
Capital Project #:	GL 630003		
Total Budget:	\$ 135,000		

General Liability Claims Audit Budget Estimate is \$55,000 for a 5-year term
Workers' Compensation Claims Audit Budget Estimate is \$75,000 for a 5-year term

DISCUSSION

RT has used the services of Consultants to perform annual audits of its general liability claims and workers' compensation claims programs. The services include, but are not limited to, assessing RT's loss and expense reserves and determining the need for future loss reserves; evaluating open and closed claims files to determine the validity and accuracy of transactions; and, meeting with RT staff and making recommendations for improving the claims processing. Historically, two separate contracts have been awarded to auditing consulting firms because they generally have expertise in either general liability claims or workers' compensation claims services but not both.

The two most current contracts for general liability claims and workers' compensation claims have expired and new contracts need to be awarded in order for the auditing work to begin on April 1st

Approved:

Presented:

Final 03/08/17

General Manager/CEO

Chief Counsel

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March

13,

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in order to meet RT's timeline requirement for the reports to be completed before Finance completes its fiscal year (FY18) budget.

Procurement solicited proposals from two known firms using a Request for Quote (RFQ) as the solicitation method; a common procurement method for contracts in value from \$5,000 to \$100,000. The two known firms are Bickmore and Farley Consulting Services, LLC. Both of these firms have the knowledge and expertise to complete audits for both types of claims. For efficiencies sake, Procurement used the RFQ procurement method to obtain proposals by combining the two types of claims services into one solicitation package but did not foresee that the total amount of the contract would be above the General Manager/CEO's award authority of \$100,000. The evaluation of the proposals is underway at the time of this writing.

Staff therefore requests that the Board Ratify the Release of a Request for Quote for General Liability Claims and Workers' Compensation Claims Audit Services and Delegate Authority to the General Manager/CEO to Award a Contract for General Liability Claims and Workers' Compensation Claims Audit Services. Contract award will be to the Proposer offering the proposal most advantageous to RT.

RESOLUTION NO. 17-03-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

March 13, 2017

RATIFYING THE RELEASE OF A REQUEST FOR QUOTE FOR GENERAL LIABILITY CLAIMS AND WORKERS' COMPENSATION CLAIMS AUDIT SERVICES; AND DELEGATE AUTHORITY TO THE GENERAL MANAGER/CEO TO AWARD A CONTRACT FOR GENERAL LIABILITY CLAIMS AND WORKERS' COMPENSATION CLAIMS AUDIT SERVICES

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board hereby ratifies the release of a Request for Quote for General Liability Clams Audit and Workers' Compensation Claims Audit Services.

THAT, the Board hereby delegates authority to the General Manager/CEO to award a Contract for General Liability Clams Audit and Workers' Compensation Claims Audit Services.

THAT, the Board hereby authorizes and directs the General Manager/CEO to execute the agreement with the selected Consulting firm.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary