

CITY OF ELK GROVE



Request for Proposals

For

General Liability Claims Adjusting and Administration Services

**City Clerk's Office
City of Elk Grove
8401 Laguna Palms Way
Elk Grove, CA 95758**

Proposals Due by 2:00 p.m. on Monday, March 24, 2025

Introduction:

The City of Elk Grove (City) is accepting proposals from qualified Consultants for General Liability Claims Adjusting and Administration Services in accordance with the included specifications, terms, and conditions shown in this Request for Proposals (RFP). Prospective respondents are advised to read this information over carefully prior to submitting a proposal.

If opting for written hard-copy submission, one signed original, three hard copies, and one USB Flash Drive copy of the proposal must be submitted to and received by the Office of the City Clerk by 2:00 p.m. on Monday, March 24, 2025. Proposal shall be submitted in a sealed envelope or package clearly marked "Proposal to Provide General Liability Claims Adjusting and Administration Services" and addressed to:

**OFFICE OF THE CITY CLERK
CITY OF ELK GROVE
8401 Laguna Palms Way
Elk Grove, CA 95758**

Electronic Submission:

As an alternative to written proposals, proposals may be submitted electronically in pdf form, and emailed to City Clerk Jason Lindgren at cityclerk@elkgrovecity.org, with a copy to Jim Ramsey, Risk Program Manager, at jramsey@elkgrovecity.org, prior to the "Proposals Due" time and date stated above. Submittals in pdf format must be fully ADA compliant. Large files may be sent using a cloud-based system such as Dropbox. Consultants shall be responsible for ensuring that proposals submitted electronically are received by the City Clerk prior to the deadline. Proposals that are not received prior to the deadline shall not be considered by the City, even if the late submission is due to a technical or other error, including, without limitation, the City's inability to open or access the electronic file. If the proposing Consultant does not receive confirmation from the City Clerk that the proposal has been received, Consultant should assume the transmission failed and either resubmit or arrange for another method of delivery. Consultants are also encouraged to contact the City Clerk to confirm receipt of their proposal prior to the deadline.

Proposals shall not be accepted by fax.

Questions regarding this RFP are to be directed by e-mail to: Jim Ramsey, Risk Program Manager, jramsey@elkgrovecity.org. Such contact shall be for clarification purposes only. The City must receive all questions no later than 12:00 p.m. (noon) on Tuesday, March 18, 2025. Material changes, if any, to the scope of services or proposal procedures shall only be transmitted by written addendum and posted to the City website. Addendums and answers to submitted questions will be available via the City of Elk Grove website under "Notice" for the RFP announcement.

Late Proposals:

Proposals arriving after the specified date and time shall not be considered, nor shall late proposals be opened. Each Consultant assumes responsibility for timely submission of its proposal.

Withdrawal or Modifications of Proposals:

Any proposal may be withdrawn or modified by a written request signed by the Consultant and received by the City Clerk prior to the final time and date for the receipt of proposals. Once the deadline is past, Consultants are obligated to fulfill the terms of their proposal.

Proposal Acceptance and Rejection:

The City reserves the right to accept any proposal, to reject any and all proposals, and to call for new proposals, or dispense with the proposal process in accordance with the Elk Grove Municipal Code.

Proposal Evaluation and Award:

Evaluation shall be made based on the criteria noted in Attachment A: Evaluation and Selection Criteria. A contract may be awarded to the responsible Consultant who best meets the City's needs by demonstrating the competence and professional qualifications necessary for the satisfactory performance of the required services, and shall not necessarily be based on the lowest priced proposal, except as otherwise provided by law, taking into consideration

adherence to the included specifications. A contract may be awarded to the next responsible Consultant if the successful Consultant refuses or fails to execute the contract. All Consultants that were not selected by the City shall be notified in writing. Nothing herein shall obligate the City to award a contract to any responding Consultant. Any contract awarded will be non-exclusive, and the City reserves the right to seek services from other sources, in the City's sole discretion.

Register with the California Secretary of State:

Unless Consultant is a sole proprietorship, Consultant must be registered and in good standing with the California Secretary of State within 14 days following notification of the City's intent to award a contract to Consultant and prior to execution of a final contract. Failure to timely register with the Secretary of State may result in the City awarding the contract to another Consultant. Additional information regarding the registration process may be found on the Secretary of State's website at: <https://bizfileonline.sos.ca.gov>.

Disclosure of Submitted Materials:

After selection and execution of the contract(s), (or prior thereto if required by law) all information and materials provided in each submittal received is subject to disclosure through a public records request pursuant to the California Public Records Act, or otherwise as may be required by law. The City, in its sole discretion, may release any submitted materials, regardless of whether such materials are marked by respondents as confidential or otherwise as protected.

Waiver of Irregularities:

The City retains the right, in its sole discretion, to waive any irregularities in proposals that do not comply with the strict requirements of this RFP, and the City reserves the right to award a contract to a Consultant submitting any such non-compliant proposal, all in the City's sole discretion.

Local Vendor Preference:

A bid or proposal from a local vendor for commodities, equipment, and general services will be tabulated as if it were five (5%) percent below the figure actually set forth in the bid or proposal, up to a maximum preference of Fifty Thousand and no/100th (\$50,000.00) Dollars per bid or proposal, to account for the financial advantages accruing to the City by the award of a bid to a local vendor. Bids or proposals submitted in response to this RFP will be evaluated on the basis of a local preference of five (5%) percent of the bid or proposal price.

"Local vendor" means a person or legal entity which has a place of business (other than a post office box) within the City and has a valid, current business license issued by the City. To qualify as a local vendor for the purposes of Section 3.42.230 of this Code, the vendor shall submit with its bid or proposal a completed City-provided affidavit that documents the following: 1) the business has a facility with a City of Elk Grove address, 2) the business has, during at least one (1) year immediately preceding the submission of the bid or proposal, attributed sales tax to the City of Elk Grove, and 3) the business has had a City of Elk Grove business license for at least one (1) year prior to the submission of the bid or proposal. The affidavit can be obtained by accessing the Request for Proposal and Bids section of the City website, <https://www.elkgrovecity.org/purchasing/local-vendor-preference>.

Validity of Pricing:

Consultants are required to provide a fee structure including the hourly rate of the principals to be assigned to the matter, and proposed cost (line item descriptions and pricing), and expense reimbursements levels, and total costs. No cost increases shall be passed onto the City after the proposal has been submitted. No attempt shall be made to tie any item or items contained in this RFP with any other business with the City; each proposal must stand on its own.

No Guarantee of Usage:

Any quantities listed in this RFP are estimated or projected and are provided for tabulation and information purposes only. No guarantee of quantities is given or implied by the City. Consultant must furnish the City's needs as they arise.

Demonstrations:

When required, the City may request full demonstrations prior to award. When such demonstrations are requested, the Consultant shall respond promptly and arrange a demonstration at a convenient location. Failure to provide a

demonstration as specified by the City may result in rejection of a proposal.

Use of Other Governmental Contracts:

The City reserves the right to reject any part or all of any proposals received and utilize other available governmental contracts.

Qualification/Inspection:

Proposals will only be considered from Consultants normally engaged in providing the types of services specified herein. By responding to this RFP, the Consultant consents to the City's right to inspect the Consultant's facilities, personnel, and organization at any time, or to take any other action necessary to determine Consultant's ability to perform. The City reserves the right to reject proposals where evidence or evaluation is determined to indicate inability to perform. The City reserves the right to interview any or all responding Consultants and/or to award a contract without conducting interviews.

Payment Terms:

Payment shall be made as set forth in the contract attached hereto as Attachment C. In submitting proposals under these specifications, Consultants should take into account all discounts, both trade and time, allowed in accordance with the payment terms.

Performance:

It is the intention of the City to acquire services as specified herein from a Consultant that will give prompt and convenient service.

Term of Contract:

The term of the contract will be for a specific period of time, commencing upon execution. The City anticipates the contract to be for a term of three years with three one-year extensions, at the option of the City. The City reserves the right to set the term for a period deemed to be in the best interest of the City, and terminate the contract as set forth therein.

Amendments:

If, in the course of the performance of the contract, Consultant or the City proposes changes to the services provided, and informal consultation with the other party indicates that a change in the terms and conditions of the contract may be warranted, Consultant or the City may request a change in the contract. The parties to the contract will meet to discuss and negotiate the required documents. Upon completion of those negotiations, the negotiated documents will be submitted to the City for approval. Upon approval by the City, an amendment to the contract will be approved by all parties for the change to be implemented. An amendment shall not render ineffective or invalidate any unaffected portions of the Contract. Nothing in this section obligates the City to agree to any change order or other amendment, and the City may withhold such agreement in its sole discretion.

Service and support:

Consultants shall explain how all on-going service and support shall be handled by the Consultant and the City of Elk Grove.

Records:

The Consultant shall maintain complete and accurate records with respect to labor costs, material expenses, and other such information required by City that relates to the performance of services under the contract. The Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of the services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible and in a form acceptable to the City, which the City may specify and change from time to time. The Consultant shall provide free access to the representatives of City or its designees, at reasonable times, to such books and records, shall give City the right to examine and audit said books and records, shall permit City to make transcripts there from as necessary, and shall allow inspection of all work, data, documents, proceedings, and activities related to the contract. Such records, together with supporting documents, shall be maintained for City's inspection for a period of at least three (3) years after receipt of final payment.

(See next page for Guidelines for Proposal)

Guidelines for Proposal

The following guidelines are provided for standardizing the preparation and submission of proposals. The intent is to assist respondents in the preparation of their submissions and to assist the City by simplifying the review process providing standards for comparison of submissions.

Statements submitted in response to this RFP shall include a complete response to the requirements in this section in the order presented. Statements should be a straightforward delineation of the respondent's capability to satisfy the intent and requirements of this RFP, and should not contain redundancies and conflicting statements.

Follow proposal submission requirements and deadlines on Page 2 of this RFP as well as the following requirements.

Printed proposals shall be printed double sided, submitted on 8-1/2" x 11" recycled paper, with easy-to-read font size and style. Pages shall be numbered, tabbed, and bound (spiral / comb / three ring binder). Tabbed dividers should separate and identify the response items described below.

Electronically submitted proposals shall be in pdf format and fully ADA compliant, with easy-to-read font size and style, and bookmarked for each section, identifying the response items described below.

Proposals shall contain the following information in the order listed:

1. Introductory letter

The introductory letter should be addressed to:

Jim Ramsey,
Risk Program Manager / ADA Coordinator
City of Elk Grove
8401 Laguna Palms Way
Elk Grove, CA 95758

The letter shall include the Consultant's name submitting the proposal, their mailing address, telephone number, and contact name. The letter shall address the Consultant's understanding of the project based on this RFP and any other information the Consultant has gathered. Include a statement discussing the Consultant's interest and qualifications for this type of work. A principal of the firm authorized to legally bind the firm shall sign the letter.

2. Table of Contents

The Consultant shall insert a comprehensive table of contents denoting sections three through ten of the proposal as indicated below.

3. Qualifications and Experience

Describe the Consultant's capability for undertaking and performing the work, including any professional licenses and certificates held by the Consultant. List types and locations of similar work performed by the Consultant in the last five (5) years that best characterizes the quality and past performance. Include names and current phone numbers for contact on work quality and performance. References may be contacted as part of the selection process. Include qualifications of each key team member. Describe claims adjuster(s) and senior personnel's experience, including experience with public entity clients with sworn peace officers and public property exposure, including accessibility/disability issues. Please note who, if known, is planned to be assigned as the City's claim adjuster. Describe what third party audits are in place to ensure the security of sensitive information. Describe your current presence in the greater Sacramento and Northern California region. If an assigned claims adjuster is not based within reasonable driving distance of Elk Grove, please include details on claim response times and costs.

4. Work Plan

The work plan must state the Consultant's ability to meet each specification as outlined in this document. The work plan should address the items of work described in this RFP. The plan should be simple, easy to

read and follow, and address and satisfy the objectives and specifications as listed in the Scope of Work in this RFP.

5. Conflict of Interest Statement

Any activities or relationships of the Consultant that might create a conflict of interest for the Consultant or the City, and, if such activities or relationships exist, a description of the facts, legal implications, and possible effects sufficient to permit the City to appreciate the significance of the conflict and to grant any conflict waiver, if appropriate and necessary.

6. Supportive Information/References

This section may include graphs, charts, photos, resumes, references, and any other relevant information in support of the Consultant's qualifications.

7. Pending Litigation

Describe in detail any recent, current, or pending litigation, where the consultant is a defendant, arising from the Consultant's operations of Claim Adjustor and Administrator Services. Attach additional descriptive material, if necessary.

8. Fee

This section should include the cost for requested services outlined in the Scope of Work. Consultants shall clearly describe and outline fees for the services to be provided for each task of the project. Fees should be linked to the tasks of the work plan as provided in Section 4, Work Plan. Upon completion of each task, the Consultant will notify the City and request payment for the products and services by submitting an invoice and a brief description of work performed during the billing period. Upon receipt of the invoice, the City will review in a timely manner the products and services noted, verify completion, and authorize payment. No cost increases shall be passed onto the City after the proposal has been submitted. No attempt shall be made to tie any item or items contained in this RFP with any other business with the City. The pricing schedule in Attachment B should be used as a guide.

9. Secretary of State

Consultant shall acknowledge their understanding of needing to be registered with the California Secretary of State as noted in the RFP language above.

10. Professional Services Contract:

Attached to the RFP (Attachment D) is a copy of the City's standard Professional Services Contract (Contract). The City's standard Contract may be modified, in the City's sole discretion, to address the specific provisions of this RFP and Consultants should note that any specifications or other requirements specific to this RFP shall be included in the Contract and Contract's exhibits following an award of the Contract. Please review the Contract carefully and note in your proposal any exceptions or alterations to the Contract. Alterations or changes to the Contract that are not in the Consultant's response shall not be allowed after the selection of the Consultant. This includes alterations, exceptions, or changes to the insurance and indemnity provisions. By requiring these requests up front, the City can compare all respondents on an equal basis. However, the City reserves the right, in its sole discretion, to accept or reject any and all proposed changes to the City's standard Contract. The insurance requirements that appear in the attached Contract specifically apply to this RFP. For reference they are summarized below.

TYPE	SINGLE LIMIT / OCCURRENCE	AGGREGATE	ENDORSEMENTS***
General Liability	\$1,000,000	\$1,000,000	Additional Insured Waiver of Subrogation Primary and Non-Contributory
Automobile Liability	\$1,000,000	\$1,000,000	Additional Insured

Work Comp Employer's Liability	Statutory \$1,000,000 each		Waiver of Subrogation
Professional Liability/Errors and Omissions	\$2,000,000	\$2,000,000	Requirement extends 1 year past contract expiration

*****Must be actual endorsements, "Comments" on Certificates of Liability are unacceptable.**

This is a summary only. Please refer to the insurance section and/or exhibit of this contract for specific requirements.

(See next page for Scope of Work)

SCOPE OF WORK

General Overview

This RFP solicits Consultants to provide an array of general liability claims adjusting and administration services to the City. Respondents to this RFP must demonstrate an understanding of the professional services required, the capacity to deliver these services, and the ability to tailor services to address specific issues and situations.

Background

The City of Elk Grove was incorporated on July 1, 2000 and has a population of about 178,000. The City is a general law city and has approximately 480 employees. This includes five elected officials, three council appointed employees, approximately 311 administrative and support personnel, and approximately 169 sworn peace officers. The City provides police, public works, planning, building and permits, code enforcement, and animal shelter and animal control services staffed by City employees. The City does not provide parks and recreation, fire protection services, jail services, gas distribution, electricity distribution, or water distribution and treatment services. The City contracts out its garbage collection, and transit services are wholly owned and operated by Sacramento Regional Transit District.

The Risk Management Division is part of the City Manager's Office and consists of one Risk Manager / ADA Coordinator. The Risk Management Division oversees the liability program, property program, worker's compensation program, contractor insurance compliance program, safety and CalOSHA compliance program, ADA compliance program, and recovery of damage to City property. The City currently handles most aspects of claim processing using a contracted Third-Party Administrator (TPA) as expert Claims Administrators, on the scene adjusters, initial and small settlement negotiations, Small Claims Court representation, file backup, and sending of notices. While litigated claims, attorney management, and claims expense payments, including settlements, are currently handled by City staff, the City's Claims Administrator must be able to handle those tasks if directed to do so on a case by case basis.

The City is self-insured with a current Self-Insured Retention (SIR) of \$250,000 and excess coverage provided by PRISM Risk, a joint powers authority.

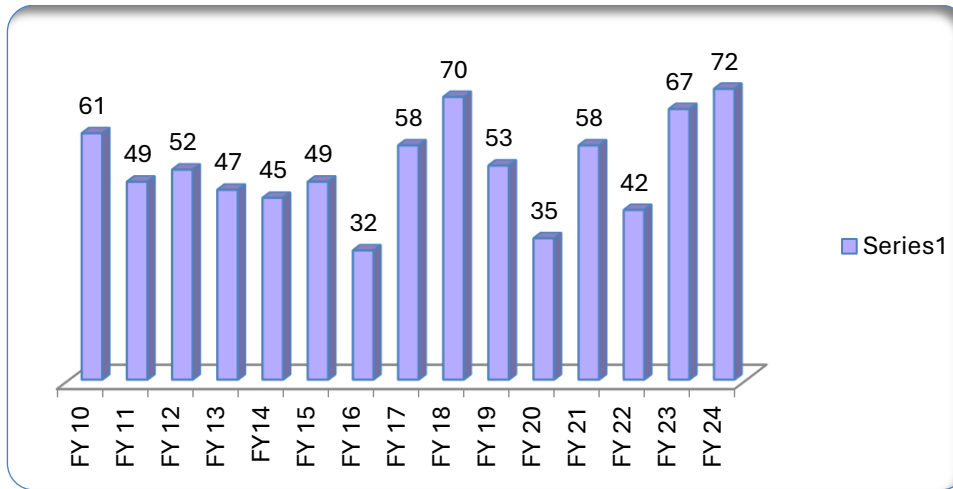
Consultant shall highlight and call out how they utilize technology or innovation to track, streamline, or ensure available data for City's use and efficient claims processing.

TPA Fee History

Over the last three years the City has spent approximately \$43,000 annually in TPA fees. The City has paid this as hourly fees and per task fees.

Claim History

The following chart shows the City's General Liability claims history since Fiscal Year 2010.



The total number of open claims is approximately sixty (61). Approximately twenty-two (22) of those claims are litigated. The City's redacted Loss Run is available upon request to the City's Risk Program Manager via email at jramsey@elkgrovecity.org. It will not include open-litigated case information.

Claims Management

Successful Respondents shall meet the following standards relating to Claims Management for the City of Elk Grove. Activities denoted "as directed" or "at the direction" shall only be performed on a claim-by-claim basis when directed by the City.

- 1) General Claims Administration Guidelines
Adhere to all PRISM Liability Claims Administration Standards, including future amendments (See Attachment G).
- 2) Claims Receipt and Set up
Upon receipt of claims or reports of incidents that may lead to claims from the City, Claims Administrator shall enter the pertinent claims information regarding the incident into its Risk Management Information System (RMIS). Claims Administrator shall establish and maintain a claim file, which may be fully digital, in which all documentation related to the claim shall be kept. All claim files that the Claims Administrator maintains for the City belong to the City of Elk Grove. Files may be requested at any time by the City, during normal business hours, from the Claims Administrator and must be submitted to the City upon request.
- 3) Governmental Claims Handling
Upon receipt of a governmental claim filed with the City, in conjunction with and as directed by the City, Claims Administrator shall evaluate the claim for compliance with California Government Code including sufficiency and timeliness, and shall provide recommendations within seven (7) days to the City for response and further handling of the claim. At the direction of the City, Claims Administrator shall generate and send any notices, tenders, and any other required communications to appropriate parties using generally accepted means of transmittal including, but not limited to, US Mail tracking.
- 4) Investigation
As directed by the City, Claims Administrator shall perform the investigation(s) necessary to determine the City's legal liability and verify the damages arising from the incident. The investigation shall include, but not be limited to: police reports; emergency response to the scene; interviews and recorded statements from claimants, employees and witnesses; photographs; diagrams; securing official reports, medical records, City

reports and records, property damage estimates, receipts, arranging independent medical examinations, property damage appraisals, and other expert inspections. Initial investigations with recommended actions shall be completed within a reasonable period of time not to exceed thirty (30) calendar days.

5) Documentation

The Claims Administrator shall maintain all documents, notes, and other claims-related information in an organized manner in the claims file. All claim handling activity (adjusters' notes) shall be entered into the RMIS and a copy shall be maintained in the claim file. Reports and correspondence prepared by Claims Administrator shall be generated and stored in the RMIS with copies kept in the claim file. Each file shall have a current face sheet generated from the RMIS.

6) Reporting

The Claims Administrator shall provide regular written status reports to the City which shall reflect the procedural status of the claim, recent claims handling activity, updated evaluations, significant events/changes, recommendations and further activity planned. At a minimum, Claims Administrator shall provide an opening report acknowledging receipt of the claim; a comprehensive captioned report and a closing report.

7) Reserving

The Claims Administrator, in conjunction with the City, shall establish reserves for each claim in the RMIS within thirty (30) days of receipt, reflecting the most probable outcome. Separate reserves shall be maintained for third party Bodily Injury and Property Damage, allocated claims expense, and Legal. Reserves will be reviewed every ninety (90) calendar days with the City. Reserves shall be adjusted as potential exposure changes. Reserves shall reflect PRISM reserving standards.

8) Diary

The Claims Administrator shall establish and maintain appropriate diaries in the RMIS on all open files to assure timely review.

9) Litigation Management

At the direction of the City the Claims Administrator shall, upon receipt of a summons and complaint served on the City, in consultation with the City Attorney, promptly assign defense of the City to counsel who are acceptable to the City and possess the experience and expertise in the area of law which is the subject of the lawsuit. At the direction of the City the Claims Administrator shall closely monitor defense counsel activities, assess defense counsel's performance against the approved litigation plan and budget; review and approve payment of legal bills; participate in decisions regarding changes in the litigation plan, retention of experts, etc.; attend pertinent arbitrations; participate in settlement negotiations including attendance at all mediations and settlement conferences; and attend Small Claims Court actions.

10) Medicare Secondary Payer Reporting

The Claims Administrator shall comply with the mandatory reporting requirements of Section 111 ("Medicare Secondary Payer - MSP") of the Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA) effective July 1, 2009 on behalf of the City. As part of their proposal, Consultant shall list any subcontractors it uses for MSP reporting and explicitly note all fees and charges that will be passed onto the City.

11) Reporting to Excess Carriers

At the direction of the City, the Claims Administrator shall identify claims and promptly report them to the City's excess carriers pursuant to the carriers reporting requirements.

12) Settlements/Authority

At the direction of the City, Claims Administrator shall actively participate in all settlement negotiations within the authority granted by the City, and shall secure all appropriate releases, dismissals and other closing documents for the claims file.

13) On Call / Emergency Response

Claims Administrator shall remain on call 24 hours a day, seven (7) days a week to respond to accidents and conduct on-scene investigations. The Claims Administrator shall provide the City contact information, including cell phone numbers, in order to insure accessibility. Historically, adjusters have been directed by the City to respond to accident scenes or to conduct on-scene investigations once or twice per year on average. Please ensure all costs associated with in-person investigations are addressed in the pricing schedule, including but not limited to mileage, driving time, meals, flight cost, transportation cost, etc.

14) Claims Review Meetings

At the direction of the City, Claims Administrator shall attend meetings and make presentations to the City Council and/or Executive Leadership Team in order to request settlement authority, discuss coverage issues, provide updates on large open claims, and participate in claims review meetings 2 to 4 times per year with the Risk Management Division, City Manager, and City Attorney. Historically, this has been no more than 4 times per year total. Consultant shall address in their proposal the positions of Consultant staff who typically attend claims review meetings (ie: Claims Adjuster, Claims Supervisor, and Customer Service Manager).

15) Existing Claims

The Claims Administrator shall accept existing claim files for the City from the Risk Management Division and former TPA.

16) Cost/Benefit Consciousness

The Claims Administrator shall balance comprehensiveness with economy. The extent of investigation and adjustment services shall be directed by the City and determined, in part, by the dollar and public relations impact that individual claims present to the City. Exceptions to this policy due to extraordinary circumstances shall be handled at the direction of the City.

17) RMIS

The Claims Administrator shall provide and maintain a RMIS which shall record the City's claims data including but not limited to accident detail information, claimant/injury information, reserves, payment history, self-insured retentions, recoveries, cause, vehicle/employee identification information, and a calendaring system that notifies adjusters of important dates associated with claims and suits.

18) RMIS Access

The Claims Administrator shall provide on-line read-only access to the RMIS for the City. On-line users shall have the ability to produce a wide variety of reports from the RMIS. Claims Administrator shall provide the necessary training for on-line users.

19) Loss Reports

The Claims Administrator shall produce and distribute to the City monthly detailed loss reports within seven (7) days of month-end generated from the RMIS including but not limited to new claims in previous month, claims closed in previous month, check register for previous month, full loss run open/closed, and all open claims. All reports shall be provided in searchable PDF format and the full loss run shall be provided in searchable PDF format and Excel format. Claims Administrator shall provide other periodic reports as requested by the Risk Management Division.

20) Billing

a) Consultants shall address in their proposal any specific billing regimen including but not limited to minimum billing times (ie: 1/10th of an hour) and combining of activities (ie: "Initial File Set Up" instead of listing detailed activities that includes). The City will not be responsible for inefficiencies of action and the billing thereof. Examples of inefficiencies include, but are not limited to:

- i) The City is billed for thirty minutes for an administrative assistant to send an email to the adjuster letting the adjuster know that the claim file was ready for their review.
- ii) The City is billed for time an adjuster sought internal assistance with the RMIS when encountering a problem entering the claim.
- iii) The City is billed for 4 hours of drive time from an adjuster domiciled 50 miles away due to traffic.

- b) Consultants shall address in their proposal whether or not the City will be billed for Consultant staff time and or travel for Claims Review Meetings as described above in Section 14 Scope of Work.
- c) The Claims Administrator shall provide comprehensive monthly billing for its services to the City. Such billing shall be itemized by claimant's name, showing itemized charges, using a separate sheet for each claim (for inclusion into the City's claim file). One summary invoice showing all claims, and the total monthly charge for each claim, with all claims totaled altogether showing that's month's overall charges to the city, and submitted to:

City of Elk Grove
Risk Management
8401 Laguna Palms Way
Elk Grove, CA 95758

21) Trust Account

The City may set up a trust account for payment of claims, outside vendors, legal costs and other claims related-allocated expenses except Claims Administrator adjusting fees and costs. Claims Administrator shall monitor and manage the trust account including reconciliation and requests for replenishment. The Claims Administrator shall provide the Risk Management Division a monthly accounting of the trust account. The City currently does not utilize this option, but this section is included for future flexibility.

Miscellaneous Services

1. At the direction of the City, Claims Administrator shall accept all City digital and physical claim files from City's current TPA for supporting open claims and archiving closed claims.
2. The Claims Administrator shall accept electronic data from City's current TPA detailing the City's individual claim files, and incorporate that data into Claims Administrator's RMIS.
3. The Claims Administrator shall cooperate with file and program audits with City's JPAs, state agencies, and City designated auditors.

(See next page for Attachments)

ATTACHMENTS

Attachment A: Evaluation and Selection Criteria

Evaluation Criteria

The following represent the principle selection criteria, which will be considered during the evaluation process:

Firms Qualifications, Experience, and References: Experience in performing work of a closely similar nature and size; experience working with public agencies; strength, stability, experience, and technical competence; assessment by client references.

Qualifications and Experience of Personnel and Staffing: Qualifications and experience of proposed personnel for requested services.

Work Plan: Depth of Consultants understanding of City's requirements; overall quality and logic of work plan.

Quality and Responsiveness of the Proposal: Completeness of response in accordance with the RFP instructions.

Rates and Fees: Reasonableness and competitiveness of the rates and fees proposed; adequacy of data in support of figures quoted, basis on which rates and fees are quoted.

Review and Selection Process

Staff will evaluate the merits of the proposals received in accordance with the evaluation factors stated in this RFP and formulate a recommendation. For each evaluation criteria, proposals will be evaluated on their relative strengths, deficiencies, and weaknesses.

Attachment C: Payment

1. The Claims Administrator shall provide a comprehensive monthly billing invoice for its services to the City. Such billing shall be itemized by claimant's name using a separate sheet for each claim (for inclusion into the City's claim file) and submitted to:

City of Elk Grove
Risk Management
8401 Laguna Palms Way
Elk Grove, CA 95758

Upon receipt of the invoice, the City will review in a timely manner the services noted, verify completion, and authorize payment. No cost increases shall be passed onto the City after the proposal has been submitted. No attempt shall be made to tie any item or items contained in this RFP with any other business with the City.

CITY OF ELK GROVE



CONSULTANT CONTRACT FOR
Consultant Name
Consultant Services Provided

Attachment D: Sample Contract

CONTRACT FOR SERVICES

THIS CONTRACT is made on _____, 2025, by and between City of Elk Grove, a municipal corporation (the “City”) and _____, a _____ (the “Consultant”), collectively referred to as the “Parties.”

WITNESSETH

WHEREAS, Consultant has presented a proposal to provide services, which services are identified in the Scope of Work attached hereto and incorporated herein by this reference as **Exhibit A**, and by reason of its qualifications, experience, and facilities, is duly authorized to perform the type of services contemplated herein; and,

WHEREAS, City desires to hire Consultant to perform the Scope of Work pursuant to the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, City and Consultant agree to as follows:

1. SCOPE OF SERVICES

A. Consultant shall do all work, attend all meetings, produce all reports and carry out all activities necessary to complete the services described in the Scope of Work. This Contract and its exhibits shall be known as the “Contract Documents.” Terms set forth in any exhibits shall be deemed to be incorporated in all Contract Documents as if set forth in full therein. In the event of conflict between terms contained in these Contract Documents, the more specific term shall control.

B. Consultant agrees it has satisfied itself by its own investigation and research regarding the conditions affecting the work to be done and labor and materials needed, and that its decision to execute this Contract is based on such independent investigation and research.

2. TERM OF CONTRACT

A. This Contract shall be effective as of the date executed by the Parties and approved as to form by the City Attorney and shall terminate at 11:59 p.m. on _____, unless earlier terminated pursuant to Section 11 of this Contract. Notwithstanding any other provision of this Contract, the City Manager shall be authorized to modify the Scope of Work and/or extend the termination date of this Contract (including, as necessary, modification of the Scope of Work and/or Schedule of Performance as to time of performance) by a writing signed by the City Manager and the Consultant prior to the initial termination or any extended termination date.

3. SCHEDULE FOR PERFORMANCE

City and Consultant agree that time is of the essence and Consultant agrees that services shall be undertaken and completed in accordance with the schedule of performance (the “Schedule of Performance”), attached hereto and incorporated herein by reference as **Exhibit B**. Deviations from the time schedule stated in the Schedule of Performance may be made with the written approval of City Manager, or the City Manager’s authorized representative. Consultant’s failure to complete work in

Attachment D: Sample Contract

accordance with the Schedule of Performance may result in delayed compensation as described in Section 4.

4. COMPENSATION

A. Consultant shall be paid as set forth in **Exhibit C**, "Compensation and Method of Payment," attached hereto and incorporated herein by reference, for the actual fees, costs and expenses for the time and materials required and expended, and approved by City, but in no event shall total compensation under this Contract exceed _____ (\$_____), without City's prior written approval. Said amount shall be paid upon submittal of an invoice showing completion of the tasks, including the services rendered, the costs incurred for materials, the person(s) rendering performed services, the amount of time spent by such person(s), and the applicable hourly rate.

B. If Consultant's performance is not in conformity with the Scope of Work or Schedule of Performance, payments may be delayed or denied, unless otherwise agreed to by City in writing.

C. If the work is halted at the request of City, compensation shall be based upon the proportion that the work performed bears to the total work required by this Contract, subject to Section 11.

5. NOTICES

A. Consultant shall transmit invoices and any notices to City, with copy (excepting invoices) to City Attorney, as follows:

City of Elk Grove
Attn: Risk Management
8401 Laguna Palms Way
Elk Grove, California 95758

City of Elk Grove
Attn: City Attorney's Office
8401 Laguna Palms Way
Elk Grove, California 95758

Consultant shall serve the City notice in writing by certified mail prior to a change of address. The notice shall include the new address where notices and communications related to the Agreement may be sent, the point of contact for the Agreement, and include the point of contact's phone number and email address.

B. City shall transmit payments on invoiced amounts, and any notices required by this Contract to Consultant as follows:

6. PROFESSIONAL SERVICES

Consultant agrees that services shall be performed and completed in the manner and according to the professional standards observed by a competent practitioner of the profession in which Consultant and its subcontractors or agents are engaged. Consultant shall not, either during or after the term of this Contract, make public any reports or articles, or disclose to any third party any information, confidential or otherwise, relative to the work of City or the operations or procedures of City without the prior written

Attachment D: Sample Contract

consent of City.

Consultant further agrees that it shall not, during the term of this Contract, take any action that would affect its impartiality or professionalism due to City whether perceived or actual.

7. INDEPENDENT CONTRACTOR

It is understood and agreed that Consultant (including Consultant's employees) is an independent contractor, and that no relationship of employer-employee exists between the Parties hereto.

A. Consultant's assigned personnel shall not be entitled to any benefits payable to employees of City.

B. City is not required to make any deductions or withholdings from the compensation payable to Consultant under the provisions of the Contract and is not required to issue W-2 Forms for income and employment tax purposes for any of Consultant's assigned personnel.

C. Consultant, in the performance of its obligation hereunder, is only subject to the control or direction of City as to the designation of tasks to be performed and the results to be accomplished.

D. Any third-party person(s) employed by Consultant shall be entirely and exclusively under the direction, supervision, and control of Consultant.

E. Consultant hereby indemnifies and holds City harmless from any and all claims that may be made against City based upon any contention by any third party that an employer-employee relationship exists by reason of this Contract.

8. AUTHORITY OF CONSULTANT

Consultant shall possess no authority with respect to any City decision and no right to act on behalf of City in any capacity whatsoever as agent, or to bind City to any obligations whatsoever.

9. CONFLICT OF INTEREST

Consultant certifies that it has disclosed to City any actual, apparent, or potential conflicts of interest that may exist relative to the services to be provided pursuant to this Contract. Consultant agrees to advise City of any actual, apparent or potential conflicts of interest that may develop subsequent to the date of execution of this Contract. Consultant further agrees to complete any statements of economic interest if required by either City ordinance or State law.

10. AMENDMENTS, CHANGES OR MODIFICATIONS

Amendments, changes or modifications in the terms of this Contract may be made at any time by mutual written agreement between the Parties hereto and shall be signed by the persons authorized to bind the Parties.

11. TERMINATION

A. This Contract may be terminated by City, provided that City gives not less than thirty (30) calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate.

Attachment D: Sample Contract

Upon termination, City shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not, and in accordance with Section 15, Property of City.

B. City may temporarily suspend this Contract, at no additional cost to City, provided that Consultant is given written notice (delivered by certified mail, return receipt requested) of temporary suspension. If City gives such notice of temporary suspension, Consultant shall immediately suspend its activities under this Contract. A temporary suspension may be issued concurrent with the notice of termination provided for in subsection A of this section.

C. Notwithstanding any provisions of this Contract, Consultant shall not be relieved of liability to City for damages sustained by City by virtue of any breach of this Contract by Consultant, and City may withhold any payments due to Consultant until such time as the exact amount of damages, if any, due City from Consultant is determined.

D. In the event of termination, Consultant shall be compensated as provided for in this Contract, except as provided in Section 11C. Upon termination, City shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not, and in accordance with Section 15, Property of City.

12. FUNDING

Consultant agrees and understands that renewal of this Contract in subsequent years is contingent upon action by City Council consistent with the appropriations limits of Article XIII B of the California Constitution and that the City Council may determine not to fund this Contract in subsequent years.

13. NOTICE TO PROCEED

Prior to commencing work under this Contract, Consultant shall receive a written "Notice to Proceed" from City. A Notice to Proceed shall not be issued until all necessary bonds and insurances have been received. City shall not be obligated to pay Consultant for any services prior to issuance of the Notice to Proceed.

14. EXTENSIONS OF TIME

Consultant may, for good cause, request extensions of time to perform the services required hereunder. Such extensions must be authorized in advance by City, in writing, and at City's sole discretion. Such extensions, if authorized, shall be incorporated in written amendments to this Contract or the attached Scope of Work in the manner provided in Section 10.

15. PROPERTY OF CITY

A. It is mutually agreed that all materials prepared by Consultant under this Contract shall become the property of City, and Consultant shall have no property right therein whatsoever. Immediately upon termination, City shall be entitled to, and Consultant shall deliver to City, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not, and other such materials as may have been prepared or accumulated to date by Consultant in performing this Contract which is not Consultant's privileged information, as defined by law, or Consultant's personnel information, along with all other property belonging exclusively to City which is in Consultant's possession. Publication of the information derived from work performed or data obtained in connection with services rendered under this Contract must be approved in writing by City.

Attachment D: Sample Contract

B. Additionally, it is agreed that the Parties intend this to be a contract for services and each considers the products and results of the services to be rendered by Consultant hereunder to be work made for hire. Consultant acknowledges and agrees that the work (and all rights therein, including, without limitation, copyright) belongs to and shall be the sole and exclusive property of City without restriction or limitation upon its use or dissemination by City.

C. Nothing herein shall constitute or be construed to be any representation by Consultant that the work product is suitable in any way for any other project except the one detailed in this Contract. Any reuse by City for another project or project location shall be at City's sole risk.

16. COMPLIANCE WITH LAW

Consultant shall comply with all applicable laws, ordinances, and codes of federal, State and local governments, and shall commit no trespass on any public or private property in performing any of the work authorized by this Contract.

17. REPRESENTATIONS

A. Consultant agrees and represents that it is qualified to properly provide the services set forth herein, in a manner which is consistent with the generally accepted standards of Consultant's profession.

B. Consultant agrees and represents that the work performed under this Contract shall be in accordance with applicable federal, State and local law.

C. Consultant shall designate a project manager who at all times shall represent Consultant before City on all matters relating to this Contract. The project manager shall continue in such capacity unless and until he or she is removed at the request of City, is no longer employed by Consultant, or is replaced with the written approval of City, which approval shall not be unreasonably withheld.

D. Consultant shall provide corrective services without charge to City for services which fail to meet the above professional and legal standards, and which are reported to Consultant in writing within sixty (60) calendar days of discovery. Should Consultant fail or refuse to perform promptly its obligations, City may render or undertake performance thereof and Consultant shall be liable for any expenses thereby incurred.

18. APPROVAL OF STAFF MEMBERS

A. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff assigned to perform the services required under this Contract. Consultant shall notify City of any changes in Consultant's staff to be assigned to perform the services required under this Contract and shall obtain the approval of the City Manager of a list of all proposed staff members who are to be assigned to perform services under this Contract prior to any such performance.

19. ASSIGNMENT AND SUBCONTRACTING

A. Except as expressly authorized herein, Consultant's obligations under this Contract are not assignable or transferable, and Consultant shall not subcontract any work, without the prior written approval of City. However, claims for money due or which become due to Consultant from City under this Contract

Attachment D: Sample Contract

may be assigned to a financial institution or to a trustee in bankruptcy, without such approval. Notice of any assignment or transfer whether voluntary or involuntary shall be furnished promptly to City.

B. Consultant shall be as fully responsible to City for the negligent acts and omissions of its contractors and subcontractors, and of persons either directly or indirectly employed by them, in the same manner as persons directly employed by Consultant.

20. MATERIALS CONFIDENTIAL

All of the materials prepared or assembled by Consultant pursuant to performance of this Contract are confidential and Consultant agrees that they shall not be made available to any individual or organization without the prior written approval of City or except by court order. If Consultant or any of its officers, employees, or subcontractors does voluntarily provide information in violation of this Contract, City has the right to reimbursement and indemnity from Consultant for any damages caused by Consultant releasing the information, including, but not limited to, City's attorney's fees and disbursements, including without limitation experts' fees and disbursements.

21. LIABILITY OF CONSULTANT—NEGLIGENCE

Consultant shall be responsible for performing the work under this Contract in a manner which is consistent with the generally-accepted standards of Consultant's profession and shall be liable for its own negligence and the negligent acts of its employees, agents, contractors and subcontractors. City shall have no right of control over the manner in which the work is to be done but only as to its outcome and shall not be charged with the responsibility of preventing risk to Consultant or its employees, agents, contractors or subcontractors.

22. INDEMNITY AND LITIGATION COSTS

To the fullest extent permitted by law, Consultant shall indemnify, protect, defend, and hold harmless City, its officers, officials, agents, employees and volunteers from and against any and all claims, damages, demands, liability, costs, losses and expenses, including without limitation, court costs and reasonable attorneys' and expert witness fees, arising out of any failure to comply with applicable law, any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise arising out of the performance of the work described herein, to the extent caused by a negligent act or negligent failure to act, errors, omissions, recklessness or willful misconduct incident to the performance of this Contract on the part of Consultant, except such loss or damage which was caused by the sole negligence, or willful misconduct of City, as determined by a Court of competent jurisdiction. Unless and until such judicial determination is made, or as otherwise agreed by the parties, Consultant shall remain obligated to defend, indemnify, and hold harmless City, its officers, officials, employees, volunteers, and agents pursuant to this Contract. The provisions of this section shall survive termination or suspension of this Contract.

In any contract that Consultant enters into with any subcontractor in any capacity related to any and all duties under this Contract, there must be an indemnification provision identical to the one provided in this Section applicable to the subcontractor requiring the subcontractor to assume the defense, indemnify and save harmless City to the same extent as Consultant. Consultant's failure to include such an

Attachment D: Sample Contract

indemnification provision in any contract with a subcontractor shall constitute a material breach of this Contract. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, and save harmless City as prescribed under this Section.

23. EVIDENCE OF INSURANCE COVERAGE

Prior to commencement of any work under this Contract, Consultant shall provide and maintain in effect during the term of this Contract evidence of insurance coverage as set forth in **Exhibit D**, attached hereto and incorporated herein by reference. These insurance requirements are summarized as follows:

TYPE	SINGLE LIMIT / OCCURRENCE	AGGREGATE	ENDORSEMENTS***
General Liability	\$1,000,000	\$1,000,000	Additional Insured Waiver of Subrogation Primary and Non-Contributory
Automobile Liability	\$1,000,000	\$1,000,000	Additional Insured
Work Comp Employer’s Liability	Statutory \$1,000,000 each		Waiver of Subrogation
Professional Liability/Errors and Omissions	\$2,000,000	\$2,000,000	Requirement extends 1 year past contract expiration

***Must be actual endorsements. Typed statements on Certificates of Liability are unacceptable.

This is a summary only. Please refer to the insurance section and/or exhibit of this contract for specific requirements.

Furthermore, Consultant shall certify its compliance with Labor Code Section 3700 in the form attached hereto and incorporated by reference, as **Exhibit E**.

24. EVIDENCE OF INSURANCE COMPLIANCE

Consultant or its insurance broker shall deliver the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage to City. City may designate an insurance certificate processor (“Processor”) to accept and process Consultant’s proof of insurance. Consultant shall deliver copies of the actual insurance policies, renewals, or replacements directly to City or Processor upon their request.

25. EMPLOYMENT PRACTICES

Consultant, by execution of this Contract, certifies that it does not discriminate against any person upon the basis of race, color, creed, national origin, age, sex, disability or marital status in its employment practices.

26. UNAUTHORIZED ALIENS

Attachment D: Sample Contract

Consultant hereby promises and agrees to comply with all of the provisions of the federal immigration and nationality act (8 U.S.C.A. § 1101 et seq.), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Contract, and should the federal government impose sanctions against City for such use of unauthorized aliens, Consultant hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City in connection therewith.

27. LICENSES, PERMITS, AND OTHER APPROVALS

Consultant represents and warrants to City that it has all licenses, permits, qualifications and approvals of whatsoever nature legally required for Consultant to practice its profession and perform the work described herein. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, obtain and/or keep in effect at all times during the term of this Contract any licenses, permits, and approvals which are legally required for Consultant to practice its profession at the time the services are performed.

28. RECORDS AND INSPECTION

Consultant shall maintain records, books, documents and other evidence directly pertinent to the performance of work under this Contract in accordance with generally accepted accounting principles and practices. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

29. MISCELLANEOUS PROVISIONS

A. Attorneys' Fees: In the event an action or proceeding is instituted by either party for the breach or enforcement of any provision of this Contract, the prevailing party shall be entitled to reasonable attorneys' fees and all litigation expenses, including, but not limited to expert's fees and disbursements.

B. Venue: This Contract shall be deemed to be made in, and the rights and liabilities of the Parties, and the interpretation and construction of the Contract governed by and construed in accordance with the laws of the State of California. Any legal action arising out of this Contract shall be filed in and adjudicated by a court of competent jurisdiction in the County of Sacramento, State of California.

C. Enforceability: If any term or provision of this Contract is found to be void, voidable, invalid or unenforceable by a court of competent jurisdiction under the laws of the State of California, any and all of the remaining terms and provisions of this Contract shall remain binding.

D. Time: All times stated herein or in any other Contract Documents are of the essence.

E. Binding: This Contract shall bind and inure to the heirs, devisees, assignees and successors in interest of Consultant and to the successors in interest of City in the same manner as if such parties had been expressly named herein.

F. Survivorship: Any responsibility of Consultant for warranties, insurance, indemnity, record-keeping or compliance with laws with respect to this Contract shall not be invalidated due to the expiration, termination or cancellation of this Contract.

Attachment D: Sample Contract

G. Construction and Interpretation: Consultant and City agree and acknowledge that the provisions of this Contract have been arrived at through negotiation and that each party has had a full and fair opportunity to revise the provisions of this Contract and to have such provisions reviewed by legal counsel. Therefore, any ambiguities in construing or interpreting this Contract shall not be resolved against the drafting party. The titles of the various sections are merely informational and shall not be construed as a substantive portion of this Contract.

H. Waiver: The waiver at any time by any party of any of its rights with respect to a default or other matter arising in connection with this Contract shall not be deemed a waiver with respect to any subsequent default or other matter.

I. Severability: The invalidity, illegality or unenforceability, of any provision of this Contract shall not render the other provisions invalid, illegal or unenforceable.

J. No Third-Party Beneficiary: It is expressly understood and agreed that the enforcement of these terms and conditions shall be reserved to City and Consultant. Nothing contained in the agreement shall give or allow any claim or right of action whatsoever by any third party. It is the express intent of City and Consultant that any such person or entity, other than City or Consultant, receiving benefits or services under this agreement shall be deemed as incidental beneficiary.

K. Non-Discrimination/Non-Preferential Treatment Statement: In performing this Contract, the parties shall not discriminate or grant preferential treatment on the basis of race, sex, color, age, religion, sexual orientation, disability, ethnicity, or national origin, and shall comply to the fullest extent allowed by law, with all applicable local, state, and federal laws relating to nondiscrimination.

L. Authority to Execute: The person or persons executing this Contract on behalf of Consultant warrant and represent that they have the authority to execute this Contract on behalf of their agency and further warrant and represent that they have the authority to bind Consultant to the performance of its obligations hereunder.

M. Dispute Resolution: Prior to either party commencing any legal action under this Contract, the parties agree to try in good faith, to settle any dispute amicably between them. If a dispute has not been settled after forty-five (45) days of good-faith negotiations and as may be otherwise provided herein, then either party may pursue available legal and equitable remedies against the other.

N. Force Majeure: Neither party shall be in default by reason of any failure in the performance of this Contract if such failure arises out of causes beyond its reasonable control. Such causes may include, but are not limited to, acts of God, acts of the public enemy, acts of government in either its sovereign or contractual capacity, acts of the party whose performance is not sought to be excused, fires, flood, weather, epidemics, quarantine restrictions, strikes, freight embargoes, failure of transmission or power supply, mechanical difficulties with equipment which could not have been reasonably forecasted or provided for, or other causes beyond its sole control. The party so affected will resume performance as soon as practicable after the force majeure event terminates.

30. ENTIRE AGREEMENT

This instrument and any attachments hereto constitute the entire Contract between City and Consultant concerning the subject matter hereof and supersedes any and all prior oral and written communications between the Parties regarding the subject matter hereof.

AGREED to this _____ day of _____, 20____, by the Parties as follows:

Attachment D: Sample Contract

Approved to as form:

CONSULTANT

By: _____
Attorney for Consultant

By: _____

Approved as to form:

CITY OF ELK GROVE

By: _____
Jonathan P. Hobbs, City Attorney

By: _____
Jason Behrmann, City Manager

Attest to:

By: _____
Jason Lindgren, City Clerk

Dated: _____

(See Insurance Requirements Next Page)

Attachment E: Insurance Requirements

Prior to commencement of any work under this Contract, Consultant shall provide to the City proof of, and maintain in full force and effect at all times during the term of the Contract, at its sole cost and expense, policies of insurance as set forth herein. Consultant shall comply with all reporting and other provisions of the policies of insurance as set forth herein including, but not limited to, timely reporting of claims and suits. Further, should Consultant maintain any programs of self-insurance, Consultant shall comply with the applicable fulfillment of any self-insured retentions.

1. General Liability:

- a. Comprehensive general liability insurance including, but not limited to, protection for claims of bodily injury, property damage, and personal and advertising injury liability.
- b. Coverage shall be at least as broad as Insurance Services Office Commercial General Liability coverage form CG 0001 (occurrence).
- c. Claims-made coverage is not acceptable.
- d. The limits of liability shall not be less than:

Each occurrence:	One Million Dollars (\$1,000,000)
Personal & Advertising Injury	One Million Dollars (\$1,000,000)
Aggregate:	One Million Dollars (\$1,000,000)
- e. The City, its officials, employees, agents and authorized volunteers shall be covered and specifically named as additional insured as respects liability arising out of activities performed by or on behalf of Consultant, products and completed operations of Consultant, and premises owned, occupied, or used by Consultant on a separate endorsement acceptable to the City.
- f. The insurer shall agree to waive all rights of subrogation against the City, its officials, employees, agents, and authorized volunteers for losses arising from work performed by Consultant.
- g. The policy shall contain no special limitations on the scope of coverage afforded to the City, its officials, employees, agents, or authorized volunteers.
- h. Provision or endorsement stating that for any claims related to this contract, Consultant's insurance coverage shall be primary insurance as respects the City, its officials, employees, agents, and authorized volunteers to the extent the City is an additional insured. Any insurance or self-insurance maintained by the City, its officials, employees, agents, or authorized volunteers shall be in excess of Consultant's insurance and shall not contribute with it, to the payment or satisfaction of any defense expenses, loss or judgment.

2. Automobile Liability:

- a. Automobile liability insurance providing protection against claims of bodily injury and property damage arising out of operation, maintenance, or use of hired and non-owned automobiles.
- b. Coverage shall be at least as broad as Insurance Services Office Automobile Liability coverage form CA 0001, symbols 8, and 9 (hired, and non-owned). Contractor's coverage providing symbol 1 (Any Auto) shall be satisfactory

Attachment E: Insurance Requirements

- c. The limits of liability per accident shall not be less than:

Combined Single Limit	One Million Dollars (\$1,000,000)
-----------------------	-----------------------------------
 - d. The City, its officials, employees, agents and authorized volunteers shall be covered and specifically named as additional insured.
3. Workers' Compensation:
- a. Workers' Compensation Insurance, with coverage as required by the State of California (unless Consultant is a qualified self-insurer with the State of California or is not required by California law to carry workers' compensation coverage), and Employers Liability coverage. Consultant shall execute a certificate in compliance with Labor Code Section 1861, on the form provided in Exhibit E.
 - b. Employer's Liability Coverage shall not be less than the statutory requirements.
 - c. If an injury occurs to any employee of Consultant for which the employee or his dependents, in the event of his death, may be entitled to compensation from the City under the provisions of the Acts, for which compensation is claimed from the City, there will be retained out of the sums due Consultant under this Contract, an amount sufficient to cover such compensation as fixed by the Acts, until such compensation is paid or it is determined that no compensation is due. If the City is required to pay such compensation, the amount so paid will be deducted and retained from such sums due, or to become due to Consultant.
 - d. The insurer shall agree to waive all rights of subrogation against the City, its officials, employees, agents, and authorized volunteers for losses arising from work performed by Consultant.
4. Errors and Omissions; Malpractice; Professional Liability:
- a. Errors and omissions, malpractice, or professional liability insurance sufficiently broad to respond to the duties and obligations as is undertaken by Consultant in this Contract.
 - b. The limits of liability shall not be less than:

Each occurrence or claim:	One Million Dollars (\$1,000,000)
Aggregate:	One Million Dollars (\$1,000,000)
 - c. Both occurrence and claims-made policies are acceptable. For claims-made policies, upon termination of this Contract the same insurance requirements in Section 3 of this Exhibit will apply for a one (1) year period following such termination. A "tail" policy may be purchased as an alternative to satisfy this requirement.
5. Acceptability of Insurers: Insurance is to be placed with insurers with **a Bests' rating of no less than A:VII**.
6. Any deductibles, aggregate limits, pending claims or lawsuits that may diminish the aggregate limits, or self-insured retention(s), must be declared to, and approved by, the City.
7. Consultant shall furnish the City with certificates of insurance and original endorsements or

Attachment E: Insurance Requirements

insurance binders, signed by a person authorized by the insurer to bind coverage on its behalf, evidencing the coverage required by this Contract. At the written request of the City, Consultant agrees to furnish a duplicate original or certified copy of each required policy including the declaration pages, conditions, provisions, endorsements, and exclusions.

8. The City, due to unforeseen risk or exhaustion, failure, or dilution of Consultant's insurance coverage, at its discretion, may increase the amounts and types of insurance coverage required hereunder at any time during the term of the contract by giving 30 days written notice.
9. Consultant shall serve the City notice, in writing by certified mail, within 2 days of any notices received from any insurance carriers providing insurance coverage under this Agreement that concern the suspension, voidance, cancellation, termination, reduction in coverage or limits, non-renewal, or material changes of coverage proposed or otherwise.
10. If Consultant fails to procure or maintain insurance as required by this section, and any Supplementary Conditions, or fails to furnish the City with proof of such insurance, the City, at its discretion, may procure any or all such insurance. Premiums for such insurance procured by the City shall be deducted and retained from any sums due Consultant under the contract.
11. Failure of the City to obtain such insurance shall in no way relieve Consultant from any of its responsibilities under the contract.
12. The making of progress payments to Consultant shall not be construed as relieving Consultant or its Sub-Consultants or agents of responsibility for loss or direct physical loss, damage, or destruction occurring prior to final acceptance by the City.
13. The failure of the City to enforce in a timely manner any of the provisions of this section shall not act as a waiver to enforcement of any of these provisions at any time during the term of the contract.
14. The requirement as to types, limits, and the City's approval of insurance coverage to be maintained by Consultant are not intended to, and shall not in any manner, limit or qualify the liabilities and obligations assumed by Consultant under the Contract.

Attachment F: Certificate of Compliance With Labor Code § 3700, Release and Indemnification

The undersigned, on behalf of and as the duly certified representative of Consultant, certifies as follows:

1. Consultant is aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Consultant has complied or will comply with such provisions before commencing the performance of the work of this contract. (Cal. Labor Code §§1860, 1861.)
2. Should Consultant fail to secure Workers' Compensation coverage as required by the State of California, Consultant shall release, hold harmless, defend and indemnify City of Elk Grove from and against any damage, liability, claim, cause of action and any other loss, including without limitation, court costs, reasonable attorney's fees and costs resulting from any failure to take and/or maintain Workers' Compensation insurance as required by law. The provisions of this Exhibit shall survive termination, suspension and/or completion of this Contract. It is further understood and agreed that this release and assumption of risk is to be binding on Consultant's successors, heirs and assigns.

CONSULTANT

By: _____

Date: _____

Name: _____

Title: _____



Adopted: December 6, 1985
Last Amended: July 1, 2019

**ADDENDUM B
LIABILITY CLAIMS ADMINISTRATION STANDARDS**

The following Standards have been adopted by Public Risk Innovation, Solutions, and Management (hereinafter PRISM) in accordance with Article 18(b) of the PRISM Joint Powers Agreement. It is the intent that these standards shall be followed by the Member and/or third party administrator.

I. CLAIMS INVESTIGATION

- A. Complete initial investigation answering questions such as who, what, where, when and why. Investigations shall be completed within forty-five (45) days of the Member's knowledge of claim, including statements from participants and witnesses, appropriate official reports, investigative reports, site inspections, relevant documents and photos/videos.
- B. Identify liability issues, including immunities, comparative negligence, joint tortfeasors and joint and several liability.
- C. Initiate the development of information on damages including, but not limited to:
 - 1. Property damage
 - 2. Nature and extent of injuries
 - 3. Medical costs (billed and paid)
 - 4. Lost wages (past and future)
 - 5. Other economic damages
 - 6. Non-economic damages
- D. Obtain and review relevant contracts and insurance documents, to determine whether there is any sharing or complete transfer of the risk.
 - 1. Hold-harmless and/or indemnity agreements
 - 2. Additional insured requirements
- E. Ensure proper preservation of evidence.
- F. Evaluate the need to utilize experts.
- G. Indexing.

Attachment G: PRISM Liability Claims Administration Standards

1. All bodily injury claims shall be initially reported to the Index Bureau and re-indexed on an as needed basis thereafter.

PRISM maintains a membership with the Index Bureau that members can access.

- H. Secure estimates or appraisals for damaged property.
- I. All notices (pertaining to claim insufficiency, returning late claims, claims rejections, etc.) shall be done in accordance with the relevant Governmental Code provisions.

II. PRISM REPORTING REQUIREMENTS

A. First Report

The Member shall give PRISM immediate written notice for any claims or suits which the Member becomes aware of that include injury of the following types:

- a. Death
- b. Paralysis, paraplegia, quadriplegia
- c. Loss of eye(s), or limbs
- d. Spinal cord or brain injury
- e. Dismemberment or amputation
- f. Sensory organ or nerve injury or neurological deficit
- g. Serious burns
- h. Severe scarring
- i. Sexual assault or battery including but not limited to rape, molestation or sexual abuse
- j. Substantial disability or disfigurement
- k. Any class action
- l. Any claim or suit in which PRISM is named as a defendant; or
- m. Any injury caused by lead.

Additionally, the covered party must report to PRISM an occurrence, offense, or wrongful act as follows:

As respect to the General Liability 1 Program members, this includes any occurrence, offense, or wrongful act in which the amount incurred has reached fifty (50) percent or more of their individual self- insured retention or \$500,000, whichever is lower.

As respect to the General Liability 2 Program members, this includes any occurrence, offense, or wrongful act in which the amount incurred has reached fifty (50) percent of their individual self-insured retention.

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These reporting requirements are intended to be consistent with the requirements in the current year Memorandum of Coverage (MOC). Reporting requirements specific to a loss outside the current MOC year should be verified through the MOC effective for that loss year.

Utilize the current First Report Potential Excess Liability Claims form, available through PRISM's website, and transmit to PRISM by email to liabilityclaims@prismrisk.gov.

First report forms shall, at a minimum, include the following:

- Entity name
- Entity's claim number
- Defense counsel's name and firm name
- Lead Claimant's first and last name
- Specific date of loss
- Brief description of the incident
- Established reserves for indemnity, litigation, and expense

B. Status Reports

After the First Report to PRISM, status reports, whether provided by the Member, third party administrator or defense counsel, shall be provided at a minimum of every ninety (90) days (more frequently if warranted). Status reports shall focus on changes in liability analysis, damages, and reserves.

C. Photos, diagrams, estimates, statements, contracts, medical, law enforcement and coroner's reports (where applicable), claim forms, lawsuits (including amended complaints), motions for summary judgment, demurrers, dismissals, appellate briefs and orders/rulings/judgments shall be in the claims file, and provided to PRISM, within ninety (90) days of receipt of the material.

D. Closure Reports

When a claim or suit that has been reported to PRISM is settled, dismissed or closed in any other fashion, PRISM shall be provided with the closing documents and an accounting of the final paid amounts on the exposure for indemnity, litigation, and expense within 90 days from the day the final defense bill is paid.

III. MEDICARE REPORTING

A. Proper verification of a claimant's status as to Medicare eligibility shall be completed and documented in every file involving a bodily injury. In those

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cases where the claimant does meet the eligibility requirements, mandatory reporting to the Center for Medicare and Medicaid Services (CMS) must be completed directly or through a reporting agent in compliance with State Children's Health Insurance Program (SCHIP) Section 111 of the Medicare Medicaid and SCHIP Extension Act of 2007.

IV. RESERVING

Each claim should be reviewed and evaluated according to the merits of the claim and based upon the most current and reliable information received, starting with the initial report of claim and continuing through final resolution. Delays result in understated reserves and, possibly, missed opportunities to settle.

- A. An accurate and appropriate initial indemnity reserve shall be established on all reportable claims based on facts known, upon completion of the initial investigative report or when suit is filed, whichever occurs first. In addition, separate legal and adjusting reserves shall be established.

Indemnity reserves shall reflect the most probable outcome plus exposure to plaintiff attorney's fees and costs.

Most probable outcome is the potential total amount a plaintiff could expect to receive, either through settlement or verdict, after factoring in the Member's percentage of liability. (This approach is neither the best or worst case outcome).

Factors to consider for when evaluating the potential total settlement or verdict a plaintiff could expect to receive include but are not limited to:

- Extent of injuries and/or damages
- Medical expenses
- Loss of income
- Any other related expenses
- Future anticipated expenses
- Total of both gross and out-of-pocket expenses
- Permanent injury
- Disfigurement/scarring
- Pain and suffering
- Any other intangible factors which may result in a higher or lower claim value such as jurisdiction, credibility of parties/witnesses, etc.

Percentage of liability is determined by various factors that are discovered during an investigation. Reserves shall be adjusted accordingly, as facts are developed, to properly reflect the exposure. These factors include but are not limited to:

- a. Facts of loss

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- b. Applicable laws
 - c. Defense Counsel evaluations
 - d. Jury Verdict evaluation
 - e. The extent of plaintiff's liability (comparative negligence)
 - f. The number of co-defendants and their percentage of liability
 - g. The ability of the co-defendants to respond financially to any settlement or verdict.
 - h. On cases occurring after June 3, 1986, Proposition 51 allows defendants to limit their liability on non-economic damages to their percentage of fault.
 - i. On cases involving uninsured motorist claimants the recovery is limited to economic damages in accordance with California Code of Civil Procedures sections 3333.3 and 3333.4 (Prop 213).
 - j. Any other mitigating factors
- 2. Reserves shall be set at the most probable outcome even if it exceeds the Member's Self-Insured Retention. In all litigated Excess reportable cases, the Member shall set a meaningful indemnity reserve.
 - 3. Reserves shall be evaluated for adequacy at least every ninety (90) days. All reserve changes shall be documented in a paper or electronic file providing explanation of the reason for the reserve change or notation that the current reserve is adequate and why. PRISM shall be notified of all reserve changes within thirty (30) days of the change being made.

V. DOCUMENTATION

- A. Each file shall contain information necessary to document the decisions made, including all demands, offers of settlement and settlement authority.

For those cases in which the (1) Bodily Injury claims reserved above twenty-five (25) percent of the S.I.R., (2) Property Damage claims reserved above twenty-five (25) percent of the S.I.R., and (3) All claims that meet PRISM's excess reporting requirements regardless of reserves, the following information shall be contained in each file:

- 1. Claimant(s) Information
- 2. Date of Loss
- 3. Claim Number
- 4. Facts of accident or occurrence
- 5. Witness/Participant Statement
- 6. Reserve rationale
- 7. Assessment of liability
- 8. Damages/injuries, including medical costs, lost wages, dependency, property damage estimates, total loss evaluations, loss of use claims,

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- and other damages
- 9. Index Bureau reporting
- 10. Coverage questions
- 11. Excess potential
- 12. Structured Settlement possibilities (where applicable)
- 13. Alternative Dispute Resolution
- 14. Subrogation potential (where applicable)
- 12. Governmental Code compliance and immunities
- 13. Future course of action
- 14. Next diary date
- 15. If litigated, identify counsel on both sides
- 16. Offsets or liens that may need to be considered
- 17. Medicare eligibility and reporting
- 18. Risk and insurance transfer

VI. CASE SETTLEMENT FACTORS

- A. Settlement evaluation and authority by the Member shall be documented. On cases exceeding the S.I.R., prior written settlement authority must be obtained from PRISM.
- B. The settlement shall be reasonable in light of damages, injuries, liability, and any obligations to Medicare.
- C. Settlements shall be effected in a timely manner, with consideration given to structures, statutory offers (Rule 68 or 998) where applicable, and/or alternative dispute resolution.
- D. Contributions from joint tortfeasors shall be considered.
- E. Proper releases and dismissals shall be secured and copies provided to PRISM.

VII. LITIGATED FILES

- A. Defense litigation plan shall be in the file.
- B. Defense attorney's initial evaluation and budget shall be completed and in the file within sixty (60) days of assignment. If the billed amount of attorney's fees and costs exceeds seventy-five (75) percent of the total budget, then the defense attorney shall provide an updated budget.
- C. On litigated cases, defense counsel shall also include PRISM on their mailing lists for copies of correspondence, reports, evaluations, interrogatory summaries, deposition summaries and medical summaries. Actual deposition transcripts, interrogatories, their answers to interrogatories and

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interim billings are not required.

Updated reports shall provide a summary of pertinent information based on the status of a case. Pertinent information includes, but is not limited to:

- Identified experts – what their analysis has concluded, their credibility as a witness (both plaintiff and defense), and how their testimony will/will not influence the case potential.
 - Witness deposition summaries including an evaluation of their credibility as a witness and how their testimony will/will not influence the case potential.
 - A summary of relevant documents disclosed or obtained through discovery and an analysis of their impact on the case.
 - A summary of applicable case law and immunities.
 - Updated evaluation of damages including, but not limited to, billed and paid medical bills, estimated future medical expenses, past and future wage loss estimates, and general damage estimates.
 - Analysis of liability and potential settlement/verdict value as well as suggested next steps (MSJ, Demurrer, Mediation, etc.).
- D. The defense attorney shall make proper follow-up requests for investigation.
- E. There shall be timely recommendations from defense firms regarding expert retention, settlements, and trial preparation.
- F. Defense costs shall be controlled by the Member. Depositions, retention of experts, expert costs, and other defense costs shall be approved by the Member.
- G. Litigation outcome and total costs shall be documented.
- H. There shall be timely notification to relevant employees and other parties regarding pending litigation.

No less than forty-five (45) days prior to trial, counsel shall provide a pre-trial report that discusses the following:

1. Case Summary
 - Plaintiff and any individual Defendants including counsel's opinion as to how each will be viewed by a jury
 - List of claims

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- Summary of Facts
 - Expected percipient witness testimony
 - Expected Liability Expert Testimony
 - Critical Liability Issues
 - Summary of Special and General Damages including expected damage expert testimony
 - Summary of Punitive Damages and non-monetary relief requested (if applicable)
 - Attorneys' fees and costs estimate for claims that involve the potential award of attorneys' fees
2. Evaluation
- Potential Verdict Value
 - Comparative Fault Analysis
 - Settlement Discussion summary
 - Probability of Defense Verdict

Throughout trial, a daily trial status update shall be provided to PRISM by defense counsel, the Member, or the Third-Party Administrator. This can be informal, such as an email or voicemail advising of the day's activities, impressions of witnesses, any impacting developments, and an update regarding the next day's schedule.

- I. Appropriate Dismissal Motions shall be made for failure to meet the applicable Code of Civil Procedure statutes for timely serving, conducting discovery or bringing a complaint to trial.

VIII. SUMMARY

The file shall be completely documented.

Audits conducted by the PRISM Auditor shall measure whether performance is consistent with these standards.

Following is the history of amendments to this document:

Adopted: December 6, 1985
Amended: January 23, 1987
Amended: October 6, 1995
Amended: October 1, 1999
Amended: March 2, 2007
Amended: March 5, 2010
Amended: March 2, 2012
Amended: June 1, 2012
Amended: July 1, 2019