



## Legislation Details (With Text)

**File #:** 13-0205 **Version:** 1 **Name:** 3/18/Resolution to Approve a Three Year Professional Services Agreement (with an Additional Two Year Option) with Hylant Group for Property, Casualty and Automotive Third Party Claims Administration Services Not to Exceed \$52,000 for Fiscal Year 2014

**Type:** Resolution **Status:** Passed

**File created:** 3/18/2013 **In control:** City Council

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**Title:** Resolution to Approve a Three Year Professional Services Agreement (with an Additional Two Year Option) with Hylant Group for Property, Casualty and Automotive Third Party Claims Administration Services (Not to Exceed \$52,000.00 for Fiscal Year 2014)

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Date	Ver.	Action By	Action	Result
3/18/2013	1	City Council	Approved	Pass

Resolution to Approve a Three Year Professional Services Agreement (with an Additional Two Year Option) with Hylant Group for Property, Casualty and Automotive Third Party Claims Administration Services (Not to Exceed \$52,000.00 for Fiscal Year 2014)

The resolution before you is to approve a professional services agreement with Hylant Group for property, casualty and automotive third party claims administration services. The current contract with Hylant Group expires April 16, 2013. Funding for this project is budgeted and available in the Risk Fund.

Request for Proposals (RFP) #846 was issued January 18, 2013. Three responses were received. A review panel consisting of the Treasurer and the Risk Specialist reviewed the responses. The three respondents were ASU Group (ASU), Mackinaw Administrators, and Hylant Group (Hylant). Prior to scoring cost proposals, both reviewers scored Hylant the highest, followed by ASU and Mackinaw.

RFP #846 asked respondents to submit pricing on per claim and per year bases. Below is a table representing the bids of the three qualified respondents:

	Annual	Per Claim	Per Claim Annual Total Based on 88 claims/yr
Hylant	\$55,000.00	\$50-\$575.00	\$30,000.00
Mackinaw	NA	\$75-\$850.00	\$47,000.00
ASU	\$35,000.00	\$450-\$750.00	\$53,000.00

After scoring the cost proposals, both reviewers total scores ranked Hylant the highest, followed by ASU and Mackinaw. The recommendation of the selection committee is to award the contract to Hylant on a per claim basis. The Insurance Board has reviewed the recommendation of staff and concurs with their conclusions.

The proposed agreement includes a fee structure for services, which consists of a per claim fee of \$575.00 for general liability claims, \$300.00 for property claims and \$50.00 for non-investigated claims. Although we expect the annual cost to be near \$30,000.00, the not to exceed amount of \$52,000.00 includes a contingency that could accommodate a major increase in claims (up to 150 per year) to handle any unforeseen events. The contract includes an option to extend the agreement at the discretion of the City for two years at the conclusion of the initial term.

Passage of this Resolution is recommended.

Prepared by: Matthew V. Horning, Treasurer

Reviewed by: Tom Crawford, Chief Financial Officer

Approved by: Steven D. Powers, City Administrator

Whereas, The City must secure adequate property, casualty and automotive third party claims administration services;

Whereas, The City currently has a contract which expires April 16, 2013 to provide said services through the Hylant Group;

Whereas, The City issued RFP #846 and determined Hylant Group to be the most qualified respondent;

Whereas, The Insurance Board has reviewed the RFP results and recommends selection of Hylant Group; and

Whereas, Hylant Group received human rights and living wage approval on April 19, 2012;

RESOLVED, That City Council approve a Professional Services Agreement with Hylant Group and authorizes the expenditures not to exceed \$52,000.00 per fiscal year for the life of the contract, subject to the availability of funding beyond Fiscal Year 2014; and

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the Agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this Resolution, including the authority to approve and execution of the two year option at the conclusion of the initial term.