



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Human Resources



**Date:** March 26, 2014

**Board Meeting Date:** April 22, 2014

**Special Notice / Hearing:** None

**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Donna Vaillancourt, Human Resources Director  
Scott Johnson, Deputy Director, Human Resources

**Subject:** Agreement with Keith A. Hillegass Company for General Liability and Auto Liability

**RECOMMENDATION:**

Adopt a Resolution authorizing an agreement, with Keith A. Hillegass Company to provide Third Party Administrative services for the County's General Liability and Auto Liability Claims for the term of May 1, 2014 through May 1, 2017 with two one-year options to extend the agreement, in an amount not to exceed \$560,000

**BACKGROUND:**

Keith A. Hillegass Company has served as the County's Third Party Administrator since 1978 and has effectively administered the General and Auto Liability claims. Because of their long standing relationship with the County, they are very familiar with County history, protocols and personnel. Keith A. Hillegass Company also provides subrogation services to the County. Their familiarity with the County allows them to provide a more global approach to claims investigation and handling.

**DISCUSSION:**

Keith A. Hillegass Company in their role as the County's Third Party Administrator will continue to investigate accidents or incidents that may have resulted in a claim or lawsuit being filed against the County.

The Human Resources Department requests your Board to authorize the Human Resources Director or the Director's designee to execute amendments to the agreement which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the agreement term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

The Contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other agreement provisions that are required by

County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits. County Counsel has reviewed and approved the Resolution and Agreement as to form.

Approval for this Agreement contributes to Shared Vision 2025 outcome of Collaborative Community by developing and fostering partnerships that promote regional solutions to enhance organizational efficiencies and effectiveness.

**PERFORMANCE MEASURE(S):**

<b>Measure</b>	<b>FY 2011-12 Actual</b>	<b>FY 2012-13 Actual</b>	<b>FY 2013-14 Projected</b>
Number of General Liability Claims	103	90	90
Number of Auto Liability Claims	52	66	60
Cost of General Liability Claims	\$105,271	\$65,744	\$60,000
Cost of Auto Liability Claims	\$54,425	\$110,854	\$54,000

**FISCAL IMPACT:**

There is no impact to Net County Cost. All costs associated with this contract are fully covered by the General Liability Trust Fund. Keith A. Hillegass Company proposes no changes to the current annual contract fee of \$112,000.00 per year on a flat basis. The annual contract fee will remain constant each year for the duration of the three year contract period with San Mateo County.

**Exhibit A**

1.	General Description of RFP	Third Party Administrator for General and Auto Liability
2.	List key evaluation criteria	<ul style="list-style-type: none"> <li>-- Individual qualifications and training</li> <li>--Clarity, approach and completeness of program proposal</li> <li>--Program design</li> <li>--Consistency with requested services described in this RFP</li> <li>--Cost effectiveness and budget</li> <li>--Experience with providing similar services</li> <li>--Prior experience and demonstrated competence including technical ability in conducting comparable programs</li> <li>--Proposed work plan, timeframes and approach/methodology to completing the contract.</li> <li>--Cost and ability to complete the work within acceptable time periods.</li> <li>--Demonstrated ability to work effectively with elected officials, management and employees and employee organizations</li> <li>--Demonstrated ability to communicate effectively in non-technical, easily understood language both verbally and in concise written form</li> <li>--Working familiarity with local governments</li> <li>--References</li> <li>-- CMS Medicare Set Aside compliant</li> </ul>
3.	Where advertised	County Internet
4.	In addition to any advertisement, list others to whom RFP was sent	AIMS CIA Hillegass TriStar Carl Warren York
5.	Total number sent to prospective proposers	6
6.	Number of proposals received	6
7.	Who evaluated the proposals	James and Gable  County Review +Selection Committee: Scott Johnson, Steve Rossi, Faiza Steele
8.	In alphabetical order, names of proposers (or finalists, if applicable) and location	AIMS CIA Hillegass TriStar Carl Warren York