

**STAFF REPORT**  
**City of Lancaster, California**

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MVB

Date: April 14, 2009

To: Mayor Parris and City Council Members

From: Beverly Glode, Director of Human Resources and Risk Management

Subject: **Approval of Third Party Claims Administrator Services Contract Extension**

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**Recommendation:**

Approve a three-year agreement extension for Carl Warren & Company as the City's Third Party Administrator for liability claims; authorize the City Manager to execute said agreement.

**Fiscal Impact:**

This agreement includes an increase in hourly rate and other associated services. The costs are as follows:

**2009-2010**

\$53.00 per hour, \$.55 per mile, \$2.00 per print for standard photographs, telephone at 8% of services, \$.25 per photocopy, stenographic at \$4.50 per page and office expense at 18% of services, plus a one time file set-up fee of \$53.00 (one hour service rate.)

**2010-2011**

\$54.00 per hour, \$.55 per mile, \$2.00 per print for standard photographs, telephone at 8% of services, \$.25 per photocopy, stenographic at \$4.50 per page and office expense at 18% of services, plus a one time file set-up fee of \$54.00 (one hour service rate.)

**2011-2012**

\$55.00 per hour, \$.55 per mile, \$2.00 per print for standard photographs, telephone at 8% of services, \$.25 per photocopy, stenographic at \$4.50 per page and office expense at 18% of services, plus a one time file set-up fee of \$55.00 (one hour service rate.)

**Background:**

The City of Lancaster entered into a professional services agreement with Carl Warren & Company to provide for administration of liability claims and suits received from individuals who believe the City has responsibility for damage to property or persons.

Carl Warren & Company administers claims for more than 175 cities and more than 350 public entities. They are the claims administrators for approximately 25% of the public

entities in California. Carl Warren & Company manages claims from their inception to final resolution either at the claims or litigation level.

Staff has discussed the rates and services with representatives of the company. The City has always maintained a very favorable association with Carl Warren & Company and believes it is in the best interest of the City to maintain the stability of this relationship.

**Attachment:**

Liability Claims Administration Service Agreement.