



COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles

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Gloria Molina
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Commissioners

Cordé D. Carrillo
Acting Executive Director

May 12, 2009

Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

ADOPTED

Community Development Commission

2-D MAY 12, 2009

SACHI A. HAMAI
EXECUTIVE OFFICER

**APPROVE CONTRACT AWARD FOR PROVISION OF
LIABILITY CLAIMS INVESTIGATION AND MANAGEMENT SERVICES
(ALL DISTRICTS) (3-VOTE)**

SUBJECT

This letter recommends approval of a one-year Contract with Corvel Inc., with option of renewal for two additional years, to provide liability claims, investigation and management services to the Commission on an as-needed basis.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the Contract award for provision of liability claims, investigation and management services is not subject to the California Environmental Quality Act (CEQA) because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.
2. Approve and authorize the Acting Executive Director to execute a one-year Contract with Corvel Inc., and all related documents, for the provision of liability claims, investigation and management services for the Commission on an as-needed basis, to be effective following approval as to form by County Counsel and execution by all parties; and authorize the Acting Executive Director to use for this purpose up to \$75,000 in risk management funds included in the Commission's requested Fiscal Year 2009-2010 budget.
3. Approve and authorize the Acting Executive Director to execute amendments to the Contract, following approval as to form by County

Counsel, to extend the time of performance for an additional two years, in one-year increments, at a cost of \$82,000 for the second year and \$90,000 for the third year, using funds to be approved through the annual budget process, and to increase the amount of compensation by up to ten percent for unforeseen costs, using the same source of funds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action to award a Contract for the provision of liability claims investigation and management services. The Contractor will administer and supervise, with the assistance of the Commission's Risk Management unit, all necessary claims adjusting functions for the Commission's general liability claims procedures for damages and/or injury to the public.

FISCAL IMPACT / FINANCING

There is no impact on the County general fund. The Contract costs will be paid with funds included in the Commission's proposed Fiscal Year 2009-2010 budget. The costs of the second and third year of the Contract will be \$82,000 and \$90,000 respectively, using funds to be requested through the Commission's annual budget process.

A ten percent contingency is being set aside for unforeseen costs in each year, using the same source of funds. The maximum aggregate amount for all three years of the Contract, if fully extended, including contingency, will be \$271,700.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed Contract will provide the Commission with liability claims investigation and management services, on an as-needed basis. Corvel Inc. is subject to the requirements of the Greater Avenues for Independence (GAIN) or the General Relief Opportunity for Work (GROW) programs implemented by the County of Los Angeles.

ENVIRONMENTAL DOCUMENTATION

The approval of this Contract for provision of liability claims, investigation and management services is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. The action is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS

On August 18, 2008, the Commission issued a Request for Proposal based on standard procurement policies, to identify a vendor to provide liability claims investigation and management services for the Commission.

Notices were mailed to 46 contractors identified from the Commission's vendor list. Advertisements also appeared in the Los Angeles Times and, the County Web Web Site

On September 10, 2008, three vendors submitted proposals, which were evaluated and scored by a committee of Commission staff. The proposal submitted by Corvel, Inc. received the highest score and is being recommended for the contract award.

A summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT SERVICES AND PROJECTS

The Contract will ensure that the Commission receives adequate, timely and cost effective services for any third party liability claims received.

Respectfully submitted,


CORDE D. CARRILLO
Acting Executive Director

Attachments: 2

ATTACHMENT A

Summary of Outreach Activities

Contract for Liability Claims Investigation and Management Services

On August 18, 2008, the following outreach was initiated to identify contractors for the provision of liability claims investigation and management services for the Commission.

A. Newspaper Advertising

An announcement appeared in the following newspaper:

Los Angeles Times

The announcement was also posted on the County Website.

B. Distribution of Request for Proposal (RFP) Packets

The Commission's vendor list was utilized to mail out RFP to 46 contractors of which 14 identified themselves as businesses owned by minorities or women, (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women).

C. Pre-Proposal Conference

On August 27, 2008, a pre-proposal conference was conducted. Five firms were in attendance.

D. Proposal Evaluation Results

On September 9, 2008 a total of three proposals were received. All three proposals were reviewed and received the following scores:

Contractor Name	Total Score Received	Hourly Cost
Sam Hooper & Associates	3407.0 of 4000	\$75.00/hr
Corvel Inc.	3715.5 of 4000	\$60.00/hr
Carl Warren and Company	3151.8 of 4000	\$90.99/hr

ATTACHMENT B

Contract Summary

Contract for Liability Claims Investigation and Management Services

Project Name: Liability Claims Investigation and Management Services

Location: Commission Wide

Bid Number: CDC08-579

Bid Date: September 10, 2008

Contractor: Corvel Inc.

Services: Provision of providing liability claims investigation and management services.

Contract Documents: Attachment A – Statement of Work; Attachment B – Fee Schedule; Attachment C – Required Contract Forms; and Attachment D – Required Contract Notices.

Time of Commencement: The work to be performed under this Contract shall commence following Board approval.

Contract Sum: The maximum aggregate amount shall not exceed, in current funds, the sum of Seventy-Five Thousand Dollars and Zero Cents (\$75,000).

The total contract amount is based on estimated/anticipated hourly cost and estimated hours of service needed on an as needed yearly basis.