



Suspension of Competition Acquisition Request

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1. Fully describe the product(s) and/or service(s) being requested.
A third-party administrator is needed to assist in the administration of third-party general liability claims, including investigations, recorded statements, and securing reports (including but not limited to law enforcement reports, medical reports and records, and legal reports) to determine liability and damages, negotiate settlements within specified authority, and recommend claims for rejection. The County is also in need of administration of first-party property claims and recovery of monies through subrogation.
2. Identify the selected vendor and contact person; include the address, phone number and e-mail address for each.
George Hills Company
Attn: John Chaquica
P.O. Box 278
Rancho Cordova, CA 95741
916-859-4800
3. What is the total cost of the acquisition? If an agreement, state the total cost of the initial term and the amounts for potential renewal terms.
The maximum compensation payable to the Contractor under this Agreement is One Hundred and Seventy-Five Thousand Dollars and No Cents (\$175,000.00) for each one-year period, beginning September 6 of one year and ending on September 5 of the following year, that this Agreement is in effect. The maximum compensation payable to the Contractor for the initial term of this Agreement, September 6 2022, through September 5, 2024, is Three Hundred and Fifty Thousand Dollars and No Cents (\$350,000.00). If this Agreement is extended for one additional one-year period, September 6, 2024, through September 5, 2025, then the total maximum compensation payable to the Contractor is Five Hundred Twenty-Five Thousand Dollars and No Cents (\$525,000.00). If this Agreement is extended for a second one-year period, September 6, 2025, through September 5, 2026, then the total maximum compensation payable to the Contractor is Seven Hundred Thousand Dollars and No Cents (\$700,000.00).
4. Identify the unique qualities and/or capabilities of the service(s) and/or product(s) that qualify this as a Suspension of Competition acquisition.
The County has the the need to provide timely administration of General Liability Tort Claims, first-party property claims, and subrogation services. George Hills was brought on as the County's Third Party Administrator for liability claims on September 13, 2021, and continues to administer the County's liability claims. In order to fill the gaps left by the shortage of County staff sufficiently experienced in the administration of liability claims, and due to the ongoing administration and knowledge of County claims, George Hills Company, Inc. has demonstrated the ability to meet the requirements of the requested services and has the ability to provide the additional requested services immediately.
5. Identify from Administrative Policy #34 what circumstances constitute a Suspension of Competition.
 - In an emergency when goods or services are immediately necessary for the preservation of the public health, welfare, or safety, or for the protection of County property.
 - When the contract is with a federal, state, or local governmental agency.
 - When the department head, with the concurrence of the Purchasing Agent, finds that the cost of preparing and administering a competitive bidding process in a particular case will equal or exceed the estimated contract amount or \$2,500 whichever is more.
 - When a contract provides only for payment of per diem and travel expenses and there is to be no payment for services rendered.
 - When obtaining the services of expert witnesses for litigation or special counsel to assist the County.
 - When in unusual or extraordinary circumstances, the Board of Supervisors or the Purchasing Agent/Purchasing Manager determines that the best interests of the County would be served by not securing competitive bids or issuing a request for proposal.
6. Explain why the unique qualities and/or capabilities described above are essential to your department.
The Division of Risk Management has historically self-administered their General Liability Program, However, with the increased number of claims overall, increased number of litigated claims, and increased complexity of claims, the program has been difficult to maintain as such. The County currently has approximately 200 general liability tort claims, with roughly 40% of claims litigated. Litigated claims are, by nature, much more complex and present far higher liability to the County. The County is in need of experienced adjusters that have decades of experience in the administration of public entity tort claims to help to reduce liability incurred as a result of these claims. The same applies to the administration of first-party property claims and subrogation services. Historically, this type of experience has been difficult to find in the local employment pool.

7. Provide a comprehensive explanation of the research done to verify that the recommended vendor is the only vendor with the unique qualities and/or capabilities stated above. Include a list of all other vendors contacted, what they were asked, and their responses.

George Hills Company, Inc. was selected based on their 30-plus years of experience handling public entity liability claims. Prior to the engagement with George Hills, the County had contracted the services of Carl Warren & Company through a previous Suspension of Competition process. Another firm, Ken Minas, was considered as part of that process, but was not selected based on their lack of availability. No other firm was able to provide the required experience and immediate availability that has been required for continuity of services with administration of the County of Fresno's general liability claims. Based on the aforementioned reasons and upon the recommendation of an outside Risk Management consultant, George Hills was brought in to act as the Third Party Administrator for the County's general liability program in September of 2021. Subsequently, George Hills has the institutional knowledge of the County's current claims, the specialized experience to administer the County's claims in a fiscally responsible manner, and the ability administer the County's claims without any gap.

jmthompson 8/4/2022 4:01:15 PM

Requested By:

Principal Human
Resources Analyst

Title

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I approve this request to suspend competition for the service(s) and/or product(s) identified herein.

hmagill 8/4/2022 4:15:40 PM

Department Head Signature

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gcornuelle 8/5/2022 7:11:31 AM

Purchasing Manager Signature

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