



Monterey County

1441 Schilling Place,
Ceyenne Room
Salinas, CA 93901

Board Report

Legistar File Number: A 19-327

October 01, 2019

Introduced: 8/16/2019

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

Approve and authorize the Contracts/Purchasing officer to sign renewal and Amendment No. 2 to the 2016 Professional Service Agreement with Bickmore Actuarial, Inc. to provide actuarial analysis for workers' compensation and general liability self-insurance programs, safety consulting, claims consulting and enterprise risk management consulting services by extending the term by three years, retroactive from July 1, 2019 through June 30, 2022 and increasing compensation amount not to exceed \$90,000 for a total compensation not to exceed \$182,000.

RECOMMENDATION:

It is recommended that the Board of Supervisors approve and authorize the Contracts/Purchasing officer to sign Renewal and Amendment No. 2 to the 2016 Professional service agreement with Bickmore Actuarial, Inc. to provide actuarial analysis for workers' compensation and general liability self-insurance programs, safety consulting, claims consulting and enterprise risk management consulting services by extending the term by three years, retroactive from July 1, 2019 through June 30, 2022 and increasing compensation by amount not exceed \$90,000 for a total compensation not to exceed \$182,000.

SUMMARY/DISCUSSION:

Bickmore Actuarial, Inc. ("Bickmore") operates as a risk management and actuarial consulting company. Under the existing contract, Bickmore Actuarial Inc. has provided assistance in actuarial analysis of workers' compensation, general liability and associated self-insurance programs, including estimation of outstanding liabilities, projected aggregate costs, departmental cost allocations, and related actuarial projects.

Bickmore was founded in 1984 and is privately held. Bickmore is ranked as the largest independent risk consulting firm in the western United States and is the second largest independent JPA management firm in the nation. Bickmore currently provides actuarial services to 35 individual counties (e.g. including the County of Monterey). Bickmore also provides professional actuarial services to CSAC-EIA, a self-insured public entity risk pool which provides primary and excess insurance coverages to over 200 counties, cities, special districts, smaller risk pools, and other public entities in the State of California. The company's services include non-brokerage risk management administration, litigation management, health and benefits actuarial, employment practice liability and human resources consulting and training, ergonomic training and consulting, workers' compensation programs, return-to-work programs, risk control and safety, finance management and accounting, and feasibility studies.

The majority of the work for Monterey County consists of actuarial studies and cost allocation formulation. The proposed terms of Amendment No.2 extend the current contract for three-year

period and increase the total dollar amount by \$90,000 for a total sum not to exceed \$182,000, is based upon the historical needs of the County, yet provides flexibility to address unanticipated spikes in the County's need for services.

The renewal is necessary because, due to organizational changes in the County Counsel's Office, the proposed amendment was not able to be processed before the contract expired.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved as to form; Contracts/Purchasing and the Office of the Auditor-Controller as to fiscal terms; and Risk management for insurance and indemnity provisions.

FINANCING:

This amendment will be funded from the General Liability - Internal Service Fund (475-1210-COU003-8408) and the Workers' Compensation - Internal Service Fund (476-1210-COU004-8409).

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiative(s):

- ☐ **Economic Development** - Through collaboration, strengthen economic development to ensure a diversified and healthy economy.
- ☒ **Administration** - Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.
- ☐ **Health & Human Services** - Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for health choices and healthy environments in collaboration with communities.
- ☐ **Infrastructure** - Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.
- ☐ **Public Safety** - Create a safe environment for people to achieve their potential, leading business and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by:


Satinder Kaur, Sr. Risk and Benefits Analyst

Approved by:


Leslie J. Girard, Acting County Counsel - Risk Manager

Attachments: Bickmore - Agreement
Bickmore - Amendment 1
Bickmore - Amendment 2

**RENEW AND AMENDMENT #2
TO AGREEMENT BETWEEN
COUNTY OF MONTEREY & BICKMORE ACTUARIAL, INC.**

THIS AMENDMENT is made to the AGREEMENT for the provision of annual actuarial analysis of Workers' compensation and general liability self-insurance programs, safety consulting, claims consulting and Risk Management Services by and between **Prime Actuarial LLC dba Bickmore Actuarial Inc.**, hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County."

WHEREAS, the County and CONTRACTOR entered into the original AGREEMENT on March 7th, 2016 and;

WHEREAS, the AGREEMENT was amended by the parties on May 21, 2018 by Amendment No.1 to increase the amount of the AGREEMENT by \$2,000 and to add Workers' Compensation self-insured retention (SIR) study to scope of services. The study was conducted to determine if the current self-insured retention of \$400,000 is adequate.

WHEREAS, the County and CONTRACTOR wish to renew, amend and extend this contractual term through June 30, 2022, by the way of Amendment No. 2 and increase total compensation for this three-year period by \$90,000, from \$92,000 to \$182,000.

NOW THEREFORE, the County and CONTRACTOR hereby agree to renew and amend the AGREEMENT in the following manner:

1. Section 2., "PAYMENTS BY THE COUNTY" shall be amended by removing, "The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$90,000." and replacing it with **"The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$182,000."**
2. Section 3., "TERM OF AGREEMENT" shall be amended by removing "The term of this Agreement is from July 1, 2016 to June 30, 2019" and replacing it with **"The term of this Agreement is from July 1, 2016 to June 30, 2022."**
3. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.
4. A copy of the original AGREEMENT executed by the County on March 7th, 2016 shall be attached.

IN WITNESS WHEREOF, the parties have executed the AMENDMENT on the day and year written below.

MONTEREY COUNTY

Contracts/Purchasing Officer

Dated: _____

Approved as to Fiscal Provisions: _____

Deputy Auditor/Controller

Dated: _____

Approved as to Liability Provisions: _____

Risk Management

Dated: _____

Approved as to Form: _____

Deputy County Counsel

Dated: _____

CONTRACTOR

By: _____

Signature of Chair, President, or
Vice-President

MIKE HARRINGTON, PRESIDENT
Printed Name and Title

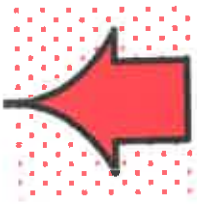
Dated: _____

By: _____

(Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer) *

Nina Gali, VP, Secretary
Printed Name and Title

Dated: _____



*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

**AMENDMENT #1
TO AGREEMENT BETWEEN
COUNTY OF MONTEREY & BICKMORE RISK SERVICES, INC.**

THIS AMENDMENT is made to the AGREEMENT for the provision of annual actuarial analysis of Workers' compensation and general liability self-insurance programs, safety consulting, claims consulting and Risk Management Services by and between Bickmore Risk Services, Inc., hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County".

WHEREAS, the County and CONTRACTOR entered into the original AGREEMENT on March 7th, 2016 and

WHEREAS, the County and CONTRACTOR wish to amend the AGREEMENT to increase the amount of the AGREEMENT by \$2,000 and to add Workers' Compensation self-insured retention (SIR) study to scope of Services.

NOW THEREFORE, the County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. Section 2., "PAYMENTS BY THE COUNTY" shall be amended by removing, "The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$90,000." and replacing it with "The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$92,000."
2. Section 4., "SCOPE OF SERVICE AND ADDITIONAL PROVISIONS" shall be amended by adding Exhibit A-1, to include Workers' Compensation SIR study.
3. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.
4. A copy of the original AGREEMENT executed by the County on March 7th, 2016 shall be attached.

IN WITNESS WHEREOF, the parties have executed the AMENDMENT on the day and year written below.

MONTEREY COUNTY

6/28/15
For Contracts/Purchasing Officer

W/C. Schaner
Deputy Purchasing Agent
County of Monterey

Dated: 6/8/15

Approved as to Fiscal Provisions:

[Signature]
Deputy Auditor/Controller

Dated: 6-6-18

Approved as to Liability Provisions:

[Signature]
Risk Management

Dated: 5-21-18

Approved as to Form:

[Signature]
Deputy County Counsel

Dated: _____

CONTRACTOR

By: [Signature]
Signature of Chair, President, or
Vice-President

John Brockschmidt SVP Pooling
Printed Name and Title

Dated: 5/31/15

By: [Signature]
(Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer)*

Jeffrey Grubbs VP Pooling
Printed Name and Title

Dated: 5/31/18

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

**COUNTY OF MONTEREY STANDARD AGREEMENT
(NOT TO EXCEED \$100,000)**

This Agreement is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

Bickmore, a California Corporation
(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION.

- 1.01 The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibit A in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide Annual actuarial analysis of workers' compensation and general liability self-insurance programs.

2.0 PAYMENT PROVISIONS.

- 2.01 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement is not to exceed the sum of \$ 90,000.00.

3.0 TERM OF AGREEMENT.

- 3.01 The term of this Agreement is from July 1, 2016 to June 30, 2019, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and CONTRACTOR may not commence work before County signs this Agreement.
- 3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS.

- 4.01 The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

5.0 PERFORMANCE STANDARDS.

- 5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.
- 5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- 5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS.

- 6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided herein. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.
- 6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.
- 6.03 Invoice amounts shall be billed directly to the ordering department.
- 6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7.0 TERMINATION.

- 7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.
- 7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of

CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

- 7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION.

- 8.01 Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the County. The Contractor shall reimburse the County for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the Contractor is obligated to indemnify, defend and hold harmless the County under this Agreement.

9.0 INSURANCE REQUIREMENTS.

9.01 Evidence of Coverage:

Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 Qualifying Insurers:

All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

- 9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Business Automobile Liability Insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

(Note: any proposed modifications to these insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

9.04 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of

three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY.

- 10.01 **Confidentiality.** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by

CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

- 10.02 County Records. When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.
- 10.03 Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.
- 10.04 Access to and Audit of Records. The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
- 10.05 Royalties and Inventions. County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11.0 NON-DISCRIMINATION.

- 11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS.

- 12.01 If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall

be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 INDEPENDENT CONTRACTOR

- 13.01 In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

14.0 NOTICES

- 14.01 Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
Steve Mauck, Risk Manager	
Name and Title	Name and Title
188 W. Alisal St., 3rd Floor Salinas, CA 93901	
Address	Address
(831) 755-5295	
Phone	Phone

15.0 MISCELLANEOUS PROVISIONS

- 15.01 **Conflict of Interest.** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.
- 15.02 **Amendment.** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

- 15.03 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 15.04 Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.
- 15.05 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 15.06 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 15.07 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 15.08 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.09 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 15.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12 Non-exclusive Agreement. This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 15.13 Construction of Agreement. The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

- 15.15 Authority. Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 15.16 Integration. This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.
- 15.17 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

~~-----This section left blank intentionally-----~~

16.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: *Debra Wicks*
Contracts/Purchasing Officer

Date: 7 March 2016

By: _____
Department Head (if applicable)

Date: _____

Approved as to Form¹

By: *Ray Brewer*
County Counsel

Date: 3/3/16

Approved as to Fiscal Provisions

By: *[Signature]*
Auditor/Controller

Date: 3/4/16

APPROVED AS TO FISCAL PROVISIONS/
COUNTERPARTY/INDEMNITY/
INSURANCE LANGUAGE

By: *[Signature]*
Risk Management

Date: 3/18/16

CONTRACTOR

Bickmore, a California Corporation
Contractor's Business Name*

By: *[Signature]*
(Signature of Chair, President, or Vice-President)*

John P. Alltop, Senior Vice-President
Name and Title

Date: 3/24/16

By: *[Signature]*
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)*

Rob Kramer, Secretary
Name and Title

Date: 2/29/16

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

¹Approval by County Counsel is required

²Approval by Auditor/Controller is required

³Approval by Risk Management is required only if changes are made in sections 7 or 8

EXHIBIT-A
To Professional Service Agreement
by and between
COUNTY OF MONTEREY, hereinafter referred to as "County"
AND
BICKMORE, hereinafter referred to as "CONTRACTOR"

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

I. Actuarial Services

- Calculate program funding levels for the 2016-17, 2017-18 and 2018-19 program years at the expected level as well as at various confidence levels.
- Determine appropriate rates for claims incurred during the 2016-17, 2017-18, and 2018-19 program years at the expected level as well as at various confidence levels.
- Estimate required funding for the programs' outstanding losses and loss adjustment expenses for all preceding fiscal years as of June 30, 2016, June 30, 2017 and June 30, 2018. The outstanding losses and loss adjustment expenses are to be stated at the expected level as well as various confidence levels.
- Provide each of the estimates specified above on both discounted and full value bases.
- Provide a statement of compliance with GASB 10 and 30.
- Estimate the program's cash flow requirements for a given number of fiscal years, separately identified for each accident year.
- Allocate program costs for 2016-17, 2017-18, and 2018-19 to individual County departments, based upon a specified weighting of historical experience and exposure.
- Allocate Lakes bond payments to departments, for both properties and loss settlement.

All written reports required under this Agreement must be delivered to Steve Mauck, Risk Manager, County's Contract Manager.

II. Risk, Claims, Loss Control and Safety Consulting Services

- *Service Summary:* Bickmore will provide Risk, Claims, Loss Control and Safety Consulting services as requested by Risk Management. The scope of services will include, but not limited to operational auditing, on-site review and gap analysis; key risk performance indicator identification and analysis; and enterprise dashboard and balance scorecard development.
 - *Project Duration/Weekly Commitment:* The Bickmore Consultant schedule and services are to be agreed upon in advance by both parties. Specific site days and work hour agreements will be coordinated with the County Safety Officer, and the Risk Manager.
 - *Job Duties/Reporting Relationships:* The County Risk Manager communicates with the Bickmore Consultants to develop work plans on an ongoing and continuing basis as needed and directed by the Risk Manager. The Bickmore Safety and Loss Control Consultants must also communicate with Safety Officer to develop work plans on an ongoing and continuing basis as needed and directed by the Safety Officer to receive direction and ask questions on specific job assignments.

- **Project Coordination:** A weekly phone call will be scheduled as needed with Bickmore and the County to review progress of the Bickmore Consultants and to discuss any additional Risk, claims, Loss Control and Safety support that may be required by the County from Bickmore.

B. PAYMENT PROVISIONS

B.1 COMPENSATION/PAYMENT

County shall pay an amount not to exceed \$30,000 per year for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

I. Actuarial Services

CONTRACTOR agrees to complete the necessary scope of work identified below in order to complete the annual actuarial services utilizing the project component in an amount not to exceed \$20,000 per year.

<u>Project Component</u>
General Liability Study (6/30 Data)
General Liability Allocation Study
Lakes Properties Bond Allocation Study
Lakes Loss Bond Allocation Study
Workers' Compensation Study (6/30 Data)
Workers' Compensation Allocation Study

It is agreed that there will be at least one personal visit as part of the fees outlined above. Should other services beyond the scope of work outlined above be required, parties must meet and mutually agree upon scope, timeframe and fee.

The target delivery date for the draft reports is within four (4) weeks of receipt of complete data.

II. Risk, Claims, Loss Control and Safety Consulting Services

Bickmore will provide monthly invoices (not to exceed \$10,000 annually) on a time and materials basis, subject to the *not to exceed* amount, for project period duration. Agreed hourly rate for services shall not exceed:

<u>Project Component</u>	<u>Hourly Rate</u>
Risk Management, Claims, Loss Control, and Safety	\$ 180.00

NOTE: All fees and costs stated herein shall include all applicable tax and be billed monthly.

III. Travel

County agrees to pay necessary travel and per diem expense, but all such expenses must be billed within the contracted "not to exceed" amount as described above. Travel must be approved in advance by the County and conform with County of Monterey published travel and expense guidelines before being billed.

If County approves travel reimbursement, CONTRACTOR shall receive compensation for travel expenses as per the "County Travel Policy". A copy of the policy is available online at www.co.monterey.ca.us/auditor/policies.htm To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

B.2 CONTRACTORS BILLING PROCEDURES

NOTE: Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

**AMENDMENT #1
TO AGREEMENT BETWEEN
COUNTY OF MONTEREY & BICKMORE RISK SERVICES, INC.**

THIS AMENDMENT is made to the AGREEMENT for the provision of annual actuarial analysis of Workers' compensation and general liability self-insurance programs, safety consulting, claims consulting and Risk Management Services by and between Bickmore Risk Services, Inc., hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County".

WHEREAS, the County and CONTRACTOR entered into the original AGREEMENT on March 7th, 2016 and

WHEREAS, the County and CONTRACTOR wish to amend the AGREEMENT to increase the amount of the AGREEMENT by \$2,000 and to add Workers' Compensation self-insured retention (SIR) study to scope of Services.

NOW THEREFORE, the County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. Section 2., "PAYMENTS BY THE COUNTY" shall be amended by removing, "The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$90,000." and replacing it with "The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$92,000."
2. Section 4., "SCOPE OF SERVICE AND ADDITIONAL PROVISIONS" shall be amended by adding Exhibit A-1, to include Workers' Compensation SIR study.
3. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.
4. A copy of the original AGREEMENT executed by the County on March 7th, 2016 shall be attached.

IN WITNESS WHEREOF, the parties have executed the AMENDMENT on the day and year written below.

MONTEREY COUNTY


For Contracts/Purchasing Officer

W. J. Schomer
Deputy Purchasing Agent
County of Monterey

Dated:

6/8/18

Approved as to Fiscal Provisions:


Deputy Auditor/Controller

Dated:

6-6-18

Approved as to Liability Provisions:


Risk Management

Dated:

5-21-18

Approved as to Form:


Deputy County Counsel

Dated:

CONTRACTOR

By:


Signature of Chair, President, or
Vice-President

John Brockschmidt SVP Pooling
Printed Name and Title

Dated:

5/31/18

By:


(Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer)*

Jeffrey Grubbs, VP. Pooling
Printed Name and Title

Dated: 5/31/18

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