

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

| | | |
|-----------------------------------|---|---------------------------|
| FOR THE PURPOSE OF APPROVING A |) | RESOLUTION NO. 91-1531 |
| REQUEST FOR PROPOSAL DOCUMENT |) | |
| FOR INSURANCE ADJUSTING SERVICES |) | Introduced by Rena Cusma, |
| GENERAL LIABILITY AND AUTO CLAIMS |) | Executive Officer |
| AND WAIVING THE REQUIREMENT FOR |) | |
| COUNCIL APPROVAL OF THE CONTRACT |) | |
| AND AUTHORIZING THE EXECUTIVE |) | |
| OFFICER TO EXECUTE THE CONTRACT |) | |
| SUBJECT TO CONDITIONS |) | |

WHEREAS, Section 2.04.033 (b) of the Metro Code requires the Council to approve any contract which commits the District to expenditure of revenue or appropriations not otherwise provided for in the current fiscal year budget; and "A" or Multi-year Request for Bid or Request for Proposals; and

WHEREAS, the contract for Insurance Adjusting Services requires Council approval, and the Request for Proposal document has been filed with the Council Clerk; now therefore,

BE IT RESOLVED, That the Council of the Metropolitan Service District 1) approves the Request for Proposal for Insurance Adjusting Services attached as Exhibit A hereto and authorizes immediate release for response by vendors or proposers; and 2) subject to the conditions in Exhibit B attached hereto waives the requirement for Council approval of the contract and authorizes the Executive Officer to execute the contract if the conditions are met.

ADOPTED by the Council of the Metropolitan Service District this 26 day of November, 1991.



Tanya Collier, Presiding Officer



*Request
for Proposal*

**For Adjusting Services for
Liability and Casualty Claims**

November 1991

METRO

*Finance & Management Information
Department
Risk Management Division
2000 SW First Avenue
Portland, OR 97201-5398*

REQUEST FOR PROPOSALS
FOR ADJUSTING SERVICES

I. INTRODUCTION

The Risk Management Division of the Metropolitan Service District (Metro) is requesting proposals for insurance adjusting services for general liability and auto claims. Proposals will be due on Friday, December 20, 1991, in Metro's business offices, attention R. Scott Moss, Risk Manager, 2000 S.W. First Avenue, Portland, OR 97201. Details concerning the project and proposals are contained in this document.

II. BACKGROUND/HISTORY

Currently, Metro owns and operates the Metro Washington Park Zoo and is responsible for disposal of the regions' solid waste. In the fall of 1990 Metro opened the new Oregon Convention Center, which along with the Memorial Coliseum, Civic Stadium and the Centers for the Performing Arts, are operated by Metro under the Metropolitan Exposition-Recreation Commission.

In July 1986, the Metro Council adopted Resolution No. 86-670 directing the Executive Officer to prepare, administer and maintain a self-insurance and risk management program. With this direction and a recommendation from a recent actuarial study, in July of 1991 Metro developed a new Risk Management Division to administer the property, auto, general liability, and workers' compensation insurance coverage for the agency.

III. PROPOSED SCOPE OF WORK/SCHEDULE

Metro is seeking proposals from qualified adjusting firms to do the following:

- A. Investigate approximately 30 general liability and five (5) auto liability claims annually. Occasionally, the adjusting firm may be asked to investigate medical malpractice claims and errors and omissions claims.
- B. Evaluate the liability of Metro. This should be done in coordination with Risk Management.
- C. Establish reserves for open claims.
- D. Negotiate claims settlements within and/or subject to granted authority.
- E. Report claims activities to Metro.

- F. Recommend appropriate loss control techniques when problem areas are discovered.

IV. QUALIFICATION/EXPERIENCE

Senior Adjuster: A minimum of five years experience in handling general liability and auto claims. Experience should include adjusting claims with serious bodily injuries and property damage and claims involving litigation. Strong knowledge and experience with public entities and the Oregon Tort Claims Act.

V. PROJECT ADMINISTRATION

All the work of the adjuster will be coordinated through the Risk Manager. Other principle contacts will be the Risk Analyst and the division's Administrative Secretary.

VI. PROPOSAL INSTRUCTIONS

A. Submission of Proposals

Five copies of the proposal shall be furnished to Metro addressed to:

Mr. R. Scott Moss
Risk Manager
Metropolitan Service District
2000 S.W. First Avenue
Portland, OR 97201

B. Deadline

Proposals will not be considered if received after 5:00 p.m., Friday, December 20, 1991. Postmarks are not acceptable.

C. RFP as Basis for Proposals

This Request for Proposals represents the most definitive statement Metro will make concerning information upon which proposals are to be based. Any verbal information which is not contained in this RFP will not be considered by Metro in evaluating the proposals. All questions relating to the RFP, or the project must be submitted in writing to R. Scott Moss, Risk Manager. Any questions which in the opinion of Metro warrant a written reply or RFP amendment will be furnished to all parties receiving a copy of this RFP. Metro will not respond to questions received after Wednesday, December 11, 1991.

D. Subconsultants; Disadvantaged Business Program

A subconsultant is any person or firm proposed to work for the prime consultant on this project. Metro does not wish any subconsultant selection to be finalized prior to contract award. For any task or portion of a task to be undertaken by a subconsultant, the prime consultant shall not sign up a subconsultant on an exclusive basis.

In the event that any subconsultants are to be used in the performance of this agreement, consultant agrees to make a good faith effort, as that term is defined in Metro's Disadvantaged Business Program (Section 2.04.160 of the Metro Code) to reach the goals of subcontracting seven percent of the contract amount to Disadvantaged Businesses and three percent of the contract amount to Women Businesses. Consultant shall contact Metro prior to negotiating any subcontracts. Metro reserves the right, at all times during the period of this agreement, to monitor compliance with the terms of this paragraph and Metro's Disadvantaged Business Program.

VII. PROPOSAL CONTENTS

The proposal must be in the following format.

- A. Name, address, telephone number, and short history of the company. (one page)
- B. Name, education, experience of Adjuster. (one page)
- C. Fees for services.
- D. List all public and private entities and clients of Metro's size (present and past) for which the proposed adjuster has adjusted claims. Please include contact person's name and telephone number.
- E. Describe your claims handling philosophy.
- F. Describe special services available to Metro.
- G. Insurance Certificates
- H. Sample Reports

VIII. FEES FOR SERVICES

The adjuster may indicate the fee for service in the following ways (please indicate the fee for the next three years):

- A. Hourly rate
- B. A single rate to handle each claim.

IX. GENERAL PROPOSAL/CONTRACT CONDITIONS

- A. Limitation and Award - This RFP does not commit Metro to the award of a contract, nor to pay any costs incurred in the preparation and submission of proposals in anticipation of a contract. Metro reserves the right to accept or reject any or all proposals received as the result of the request, to negotiate with all qualified sources, or to cancel all or part of this RFP.
- B. Contract Type - Metro intends to award a personal services contract with the selected firm for this project. A copy of the standard contract form, which the successful firm will be required to execute, is attached.
- C. Billing Procedures - Proposers are informed that the billing procedures of the selected firm are subject to the review and prior approval of Metro before reimbursement of services can occur. A monthly billing, accompanied by a progress report, will be prepared by consultant for review and approval.
- D. Validity Period and Authority - The proposal shall be considered valid for a period of at least ninety (90) days and shall contain a statement to that effect. The proposal shall contain the name, title, address, and telephone number of an individual or individuals with authority to bind any company contacted during the period in which Metro is evaluating the proposal.

X. EVALUATION OF PROPOSALS

- A. Evaluation of Procedure - Proposals received that conform to the proposal instruction will be evaluated. The evaluation will take place using the evaluation criteria identified in the following section. The evaluation process will result in Metro developing a short list of the firms who, in its opinion, are most qualified. Interviews with these firms may be requested prior to the final selection of one firm.

B. Evaluation Criteria - Proposals submitted that conform to the instructions provided in this RFP will be evaluated on the following criteria:

1. General (20 points)

Organization of proposal. Response to purpose and scope of work.

2. Personnel (25 points)

Experience and qualifications of adjuster. Knowledge of Oregon Tort Claims Act.

3. Cost of Service (25 points)

4. Response from References (10 points)

5. Experience and Qualification of Firm (10 points)

Experience and qualifications of firm. Previous history and experience with similar types of government agencies and/or special districts, in particular with the Oregon Tort Claims Act. Accessibility of firm.

6. Sample Reports (10 points)

Contract No. _____

PERSONAL SERVICES AGREEMENT

THIS AGREEMENT dated this _____ day of _____ 1991, is between the METROPOLITAN SERVICE DISTRICT, a municipal corporation, hereinafter referred to as "METRO," whose address is 2000 S.W. First Avenue, Portland, OR 97201-5398, and _____, hereinafter referred to as "CONTRACTOR," whose address is _____, _____, for the period of _____, 19__, through _____, 19__, and for any extension thereafter pursuant to written agreement of both parties.

W I T N E S S E T H :

WHEREAS, This Agreement is exclusively for Personal Services;
NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

CONTRACTOR AGREES:

1. To perform the services and deliver to METRO the materials described in the Scope of Work attached hereto.
2. To provide all services and materials in a competent and professional manner in accordance with the Scope of Work.
3. All applicable provisions of ORS chapters 187 and 279, and all other terms and conditions necessary to be inserted into public contracts in the State of Oregon, are hereby incorporated as if such

provisions were a part of this Agreement, including but not limited to ORS 279.310 to 279.320. Specifically, it is a condition of this Agreement that CONTRACTOR and all employers working under this Agreement are subject employers that will comply with ORS 656.017 as required by 1989 Oregon Laws Chapter 684.

4. To maintain records relating to the Scope of Work on a generally recognized accounting basis and to make said records available to METRO at mutually convenient times.

5. To indemnify and hold METRO, its agents and employees harmless from any and all claims, demands, damages, actions, losses and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Agreement, with any patent infringement arising out of the use of CONTRACTOR'S designs or other materials by METRO and for any claims or disputes involving subcontractors.

5a. The CONTRACTOR shall purchase and maintain at the CONTRACTORS' expense, the following types of insurance covering the CONTRACTOR, its employees and agents.

A. Broad form comprehensive general liability insurance covering personal injury, property damage, and personal injury with automatic coverage for premises and operations and product liability. The policy must be endorsed with contractual liability coverage.

B. Automobile bodily injury and property damage liability insurance.

Insurance coverage shall be a minimum of \$100,000 per person, \$500,000

per occurrence, and \$50,000 property damage. If coverage is written with an annual aggregate limit, the aggregate limit shall not be less than \$1,000,000.

METRO, its councilors, departments, employees, and agents shall be named as an ADDITIONAL INSURED. Notice of any material change in policy cancellation shall be provided to METRO thirty (30) days prior to the change.

5b. The CONTRACTOR shall comply with ORS 656.017 for all employees who work in the State of Oregon for more than 10 days. The CONTRACTOR shall provide METRO with certification of workers' compensation insurance including employer's liability.

6. To comply with any other "Contract Provisions" attached hereto as so labeled.

7. CONTRACTOR shall be an independent contractor for all purposes, shall be entitled to no compensation other than the compensation provided for in the Agreement. CONTRACTOR hereby certifies that it is the direct responsibility employer as provided in ORS 656.407 or a contributing employer as provided in ORS 656.411. In the event CONTRACTOR is to perform the services described in this Agreement without the assistance of others, CONTRACTOR hereby agrees to file a joint declaration with METRO to the effect that CONTRACTOR services are those of an independent contractor as provided under Chapter 864 Oregon Laws, 1979.

METRO AGREES:

1. To pay CONTRACTOR for services performed an amount to be determined.

2. To provide full information regarding its requirements for the Scope of Work.

BOTH PARTIES AGREE:

1. That METRO may terminate this Agreement upon giving CONTRACTOR five (5) days written notice without waiving any claims or remedies it may have against CONTRACTOR.

2. That, in the event of termination, METRO shall pay CONTRACTOR for services performed and materials delivered prior to the date of termination; but shall not be liable for indirect or consequential damages.

3. That, in the event of any litigation concerning this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and court costs, including fees and costs on appeal to an appellate court.

4. That this Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any condition, be assigned or transferred by either party.

5. That this Agreement may be amended only by the written agreement of both parties.

CONTRACTOR NAME

METROPOLITAN SERVICE DISTRICT

By: _____

By: _____

Date: _____

Date: _____

APPROVED AS TO FORM:

By: _____

Date: _____

EXHIBIT B

CONDITIONS FOR WAIVER OF COUNCIL APPROVAL

The Council of the Metropolitan Service District waives the requirement for the Council approval of the Insurance Adjusting Services contract, subject to the following conditions:

1. The amount of the three-year contract shall not exceed \$40,000.
2. The service provided shall conform in all material respects to the specifications set out in the Request for Proposal for an Insurance Adjusting Services provider.

1990 & 1991 LIABILITY CLAIMS

| N | DOI | Description | Type | Department | Reserve | Paid | Total | Notes |
|---|----------|--------------------|------|--------------------|---------|--------|--------|--|
| M | 3/30/90 | Civil rights | PI | MERC/Civic Stadium | | | | Alleges economic loss and emotional distress. Claimant alleging hiring practice violation |
| L | 4/17/90 | Trip & fall | BI | Zoo | 1000 | | 1000 | Letter from attorney alleging clmt broke foot in Penguins. |
| E | 7/07/90 | Attacked by animal | BI | MERC/Coliseum | | | | Attacked by chimpanze at circus performance |
| L | 7/18/90 | Walked into door | BI | Zoo | | 262 | 262 | Walked into glass door in primate center, possible broken nose |
| P | 7/18/90 | Excess force | BI | Zoo | | | | Claimant attorney alleges injury to clmt after altercation with security |
| D | 7/21/90 | Hit by object | BI | MERC/Civic Stadium | 25000 | | 25000 | Fence fell on claimant |
| J | 8/04/90 | Trip & fall | BI | MERC/Coliseum | | | | Fell on steps, swollen leg. |
| J | 8/11/90 | Excess force | BI | MERC/Civic Stadium | | | | Alleges security used excessive force during arrest. |
| B | 8/16/90 | Excess force | BI | MERC/Coliseum | | | | Alleging hat was pulled off and trampled on |
| J | 8/16/90 | False arrest | PI | MERC/Coliseum | | | | Claimant arrested for failure to leave premises after being evicted from concert |
| K | 8/29/90 | Slip & fall | BI | MERC/Civic Stadium | 2000 | | 2000 | Alleges fell on wet walk way. |
| N | 9/06/90 | Trip & fall | BI | MERC/OCC | 7600 | | 7600 | Fell on stairs, claiming poor lighting. Claimant is volunteer for GTE, Work Comp. |
| S | 9/08/90 | Trip & fall | BI | MERC/Coliseum | | | | Missed step, fell and skinned shin, broken foot |
| T | 9/15/90 | Trip & fall | BI | MERC/Coliseum | | | | Fell when missing last step on stairway, hit head |
| V | 9/21/90 | Slip & fall | BI | MERC/OCC | | | | Getting off MAX, fell and broke fall with wrist |
| A | 9/22/90 | False arrest | PI | MERC/OCC | | 6260 | 6260 | Alleging violation of constitutional rights for ejection while distributing marijuana bill |
| F | 9/22/90 | False Arrest | BI | MERC/OCC | | 6260 | 6260 | Alleges violation of constitutional rights |
| T | 10/14/90 | Hit by object | BI | MERC/OCC | | | | Disply fell on top of claimant |
| S | 10/20/90 | Hit by puck | BI | MERC/Coliseum | | | | Claimant was hit by hockey puck |
| J | 10/20/90 | Hit by puck | BI | MERC/Coliseum | | | | Claimant hit by hockey puck |
| K | 10/27/90 | Trip & fall | BI | Zoo | 200 | | 200 | Child fell from back of cement bench, hit concrete and cut lip |
| J | 11/19/90 | Trip & fall | BI | MERC/Coliseum | | | | Claimant fell once in women's restroom, once on stairs |
| D | 11/19/90 | Excess force | BI | MERC/Coliseum | | | | Alleges skirmish broke out and teeth were knocked out by security guard |
| T | 12/10/90 | Excess force | PI | MERC/Coliseum | | | | Alleges security manhandled after he was detained for not cooperating |
| D | 1/01/91 | Civil rights | PI | MERC/Coliseum | | 500 | 500 | Claim for harrassment of security for taking pictures |
| S | 1/06/91 | Tire damage | PD | MERC/Coliseum | | 128 | 128 | Treadles spun due to icy conditions and damaged tires |
| J | 1/06/91 | Slip & fall | BI | MERC/OCC | | 2046 | 2046 | Twisted knee while getting off escalator and stepping onto marble floor |
| T | 1/17/91 | Slip & fall | BI | MERC/Coliseum | 5000 | | 5000 | Alleges slip and fall from spilled drink of floor at Poison concert. |
| C | 1/23/91 | Civil rights | PI | Zoo | 5000 | | 5000 | Claimant alleges civil rights violate in failure to be hired at Zoo. |
| S | 2/04/91 | Slip & fall | BI | MERC/Coliseum | | | | Slipped & fell due to spill on floor |
| B | 2/15/91 | Excess force | BI | MERC/Coliseum | 5000 | | 5000 | Alleges security would not allow her to walk up ramp. |
| J | 2/27/91 | Employment | PI | MERC/OCC | | | | Alleges wrongful termination as Manager of food services at OCC |
| J | 3/02/91 | Vehicle damage | PD | MERC/Coliseum | | 44 | 44 | Vehicle hit by parking lot sign. Lot operated by City Center. |
| D | 3/03/91 | Slip & fall | BI | MERC/Coliseum | 7500 | | 7500 | Slipped and fell on spilled soft drink on stairs |
| J | 3/04/91 | Slip & fall | BI | MERC/Coliseum | 1000 | | 1000 | Unreported. Alleges slip & fall on stairs |
| L | 3/10/91 | Trip & fall | BI | MERC/Coliseum | | 2611.3 | 2611.3 | Alleges trip & fall over run in doorway, injuring hip |
| T | 3/19/91 | Torn pants | PD | MERC/Coliseum | | 48 | 48 | Caught leg on open metal door, tore pants and cut leg |
| L | 3/30/91 | Vehicle damage | PD | MERC/Coliseum | | 299 | 299 | Security person's bike fell on claimant's vehicle |
| D | 4/01/91 | Vehicle damage | PD | SW/South | 480 | | 480 | Vehicle damaged in parking lot due to construction |
| R | 4/06/91 | Fell in pit | BI | SW/South | | | | Fell into pit while cleaning out pick up bed |
| D | 4/10/91 | Trip & fall | BI | MERC/Coliseum | 5000 | | 5000 | Alleges fall at Neil Young concert |

| | | | | | | | | | |
|---|----------|----------------|----|--------------------|--------|------|-------|--|--|
| D | 4/13/91 | Excess force | PI | MERC/Coliseum | | | | | Alleges assault and undue restraint by security personnel |
| D | 4/13/91 | Hit by object | BI | MERC/Coliseum | 5070.5 | 29.5 | 5100 | | Patron was struck in the back with a door on the concert |
| P | 5/04/91 | Excess force | BI | MERC/Coliseum | | | | | Alleges back injury when apprehended by security |
| M | 5/14/91 | Slip & fall | BI | MERC/Coliseum | 1000 | | 1000 | | Slipped on liquor on floor |
| R | 5/23/91 | Vehicle damage | PD | SW/South | 270 | | 270 | | Alleges vehicle damage in parking lot due to construction |
| L | 6/08/91 | Slip & fall | BI | MERC/Civic Auditor | 2500 | | 2500 | | Alleges slipped and fell on substance in row between seats |
| E | 6/08/91 | Trip & fall | BI | MERC/Coliseum | 10000 | | 10000 | | Tripped over curp during Rose Parade, fx. hip |
| D | 6/10/91 | Trip & fall | BI | MERC/Coliseum | 1000 | | 1000 | | Claim being assisted down stairs by niece, started to fall, felt pop in arm |
| D | 6/17/91 | Vehicle damage | PD | SW/South | 397 | | 397 | | Vehicle damaged in parking lot. |
| P | 7/02/91 | Hit by object | BI | SW/South | 500 | | 500 | | struck in the nose when board thrown by another patron at dump bounced off |
| L | 7/25/91 | Trip & fall | BI | MERC/OCC | 500 | | 500 | | Claimant tripped over a taped cord going down aisle |
| J | 9/12/91 | Trip & fall | BI | MERC/OCC | 3500 | | 3500 | | Claimant tripped on unmarked curb, fell and twisted ankle. |
| R | 10/16/91 | Towed car | PD | MERC/Coliseum | | | | | Alleges that car was towed, even though parking attendant did not inform him |

RISK MANAGEMENT DIVISION STAFF REPORT

APPROVAL OF RESOLUTION NO. 91-1531 FOR THE PURPOSE OF REQUESTING PROPOSAL AND EXECUTING THE CONTRACT FOR ADJUSTING SERVICES ("A" CONTRACT)

Date: November 21, 1991

Presented by: Scott Moss

BACKGROUND

Metro incurs approximately 30 liability claims and five auto claims per year. The current insurance carrier does not provide adjusting services for claims under the self-insured retention of \$100,000. As a result, a professional claims adjuster is required to adjust Metro's liability claims. The following services are provided by the adjuster:

Investigate claims by taking statements from the claimant and Metro employees, reviewing police reports and medical reports, inspecting the scene of the accident, etc.

Evaluate the liability of Metro in coordination with Risk Management.

Establish reserves for open claims.

Negotiate claims settlement within granted authority.

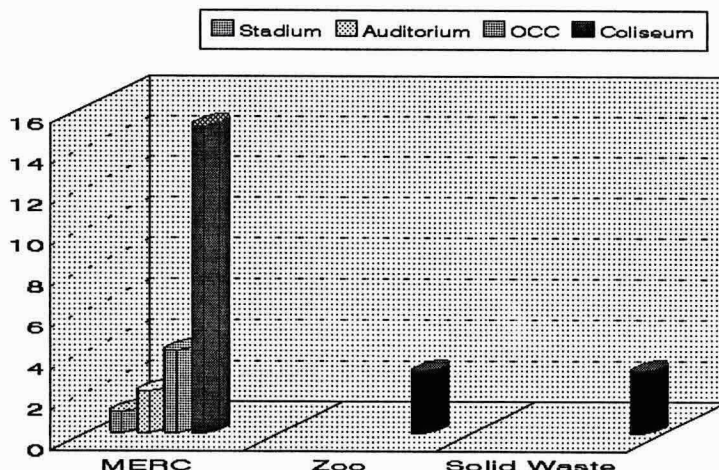
Report claims activities to Metro.

Currently, Willis Corroon (formerly Corroon & Black) provides these services. This contract expires on December 31, 1991.

A three-year contract is requested. Adjusters are requested to submit fees based on a per claim basis or hourly rate. The three-year contract is expected not to exceed \$40,000.

The graph below depicts the number of liability claims for fiscal year 1990-91.

Liability Claims
Fiscal Year 1990-91



FINANCE COMMITTEE REPORT

RESOLUTION NO. 91-1531, FOR THE PURPOSE OF APPROVING A REQUEST FOR PROPOSAL DOCUMENT FOR INSURANCE ADJUSTING SERVICES GENERAL LIABILITY AND AUTO CLAIMS AND WAIVING THE REQUIREMENT FOR COUNCIL APPROVAL OF THE CONTRACT AND AUTHORIZING THE EXECUTIVE OFFICER TO EXECUTE THE CONTRACT SUBJECT TO CONDITIONS

Date: November 21, 1991

Presented by: Councilor Devlin

COMMITTEE RECOMMENDATION: The Committee at its November 21, 1991 meeting voted unanimously to recommend Council approval of Resolution No. 91-1531. Present and voting were Councilors Devlin, Hansen, Van Bergen and Wyers.

COMMITTEE DISCUSSION / ISSUES: Scott Moss, Risk Manager, presented the staff report, and indicated the resolution authorized a three year contract for insurance adjusting services. He said Metro handled approximately 30 liability claims per year and not more than 5 automobile claims per year, and indicated an adjuster investigates claims, evaluates liability, establishes reserves, negotiates settlements and reports claims activities to the Finance and Management Information Department. He said the RFP requests the adjuster submit fees on an hourly basis or on a per claim basis.

In response to Chair Van Bergen, Mr. Moss indicated the inclusion of the hourly rate or per claim fee in the contract would assist in management of claims in the event of gain or loss of facilities. He added \$40,000 was an estimated total cost over the next three years. Mr. Moss explained medical malpractice claims could occur as 16 registered nurses and medical technicians were employed by Metro at the facilities.

Councilor Wyers asked about security training, and Mr. Moss said security personnel such as ushers and ticket takers were professionally trained in crowd control.

Chair Van Bergen suggested the reserve amounts not be included in the future.