

# CITY OF STOCKTON



## REQUEST FOR PROPOSALS (RFP) PUR 23-025 WORKER COMPENSATION THIRD PARTY CLAIMS ADMINISTRATOR

PROPOSALS WILL BE RECEIVED UNTIL THE HOUR OF 2:00 PM, THURSDAY,  
MAY 18, 2023 IN THE OFFICE OF THE CITY CLERK, FIRST FLOOR, CITY HALL,  
425 NORTH EL DORADO STREET, STOCKTON, CALIFORNIA 95202-1997

**REQUEST FOR PROPOSALS (RFP)**  
**WORKER COMPENSATION THIRD PARTY CLAIMS ADMINISTRATOR**

*\*Dates and Times are Subject to Change\**

<b>RFP INFORMATION</b>	
<b>PUR-23-025</b>	
Contact	Patricia Monesi
Email Address	<a href="mailto:stocktonbids@stocktonca.gov">stocktonbids@stocktonca.gov</a>
Pre-Submittal Meeting	There is no Pre-Submittal Meeting.
MANDATORY/OPTIONAL Site Tour	There is no Site Tour.
RFP Submittal Electronic Mail	<a href="mailto:city.clerk@stocktonca.gov">city.clerk@stocktonca.gov</a>
Due Date for Questions and Clarifications	April 20, 2023: 2:00 pm
Due Date for Response to Questions/Clarifications	May 03, 2023.
RFP Submittal Due Date & Time	May 18, 2023; 2:00 pm  Proposal shall be electronically delivered to the email address above at or before the hour stated. Proposals arriving after the opening deadline will not be accepted.
Short-List Interviews (if applicable)	TBD

## NOTICE INVITING PROPOSALS

NOTICE IS HEREBY GIVEN that sealed proposals will be received no later than **Thursday, May 18, 2023, at 2:00 pm (local time)** by the City of Stockton, California for WORKER COMPENSATION THIRD PARTY CLAIMS ADMINISTRATOR – PUR 23-025 in strict accordance with the specifications.

The City of Stockton, herein after referred to as the “City”, is requesting proposals from firms or individuals, herein after referred to as “Proponent” to provide administration services to the City’s self-insured Workers’ Compensation Program. The City is seeking a 3<sup>rd</sup> party administrator to provide full-service claims management for new and existing claims as well as support services.

Each sealed proposal shall be marked "PROPOSAL" and shall indicate the project name, number, and proposal opening date, and shall be mailed or delivered to the address below at or before the hour stated. Each Proponent must be licensed in accordance with applicable California State Law.

**Proposal forms and specifications are available on the City’s website at <https://www.stocktonca.gov/services/business/bidflash/default.html>.** Proposals must be electronically delivered to [city.clerk@stocktonca.gov](mailto:city.clerk@stocktonca.gov). Proponents will only be identified as responding to the RFP; no proposals will be opened or read aloud.

The City reserves the right to reject any/or all proposals received and re-advertise.

For questions about this project, please contact Patricia Monesi at [stocktonbids@stocktonca.gov](mailto:stocktonbids@stocktonca.gov) or (209) 937-8350.

ELIZA GARZA, CMC, CITY CLERK  
CITY OF STOCKTON

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## 1.0 BACKGROUND/SUMMARY

The City of Stockton wishes to consider proposals to enter an Agreement with a qualified Third-Party Administrator (TPA) to provide administration of the City's self-insured Workers' Compensation Program which will include new and existing claims. As a self-insured employer, the City has the option of contracting with a TPA to provide full-service claim management, cost control, safety consulting services, and actuarial services for the Workers' Compensation Program. The City has the propensity for higher claim volume due to the higher risk in day to day operations. The TPA would provide the City the ability to assess and recommend programs which would be the greatest benefit to the City thus creating a safer work environment, controlling premiums and managing the outcome of claims.

## 2.0 SCOPE OF SERVICES

To provide a third-party claims administrator (Proponent) in delivering claims adjusting services and related activities to City of Stockton (City). The following performance standards establish the minimum requirements and level of service. The Proponent agrees that all duties and responsibilities contained within the performance standards will be provided to the City at no additional cost unless otherwise specifically noted herein and agreed to by both parties.

### 1. Caseload

The Proponent's Examiner shall have a caseload not to exceed one hundred and twenty-five (125) open indemnity claims, which includes future medical claims (weighted as 2:1). The Claims Supervisor shall not carry a caseload.

The Proponent shall provide a computer-generated monthly caseload report to City for all Examiners handling City claims. The report shall include all clients and claims each Examiner is handling and shall be provided to City electronically within ten (10) business days of closure of the previous month.

### 2. Claim File Set Up

The Proponent shall provide a 24-hour telephonic claim reporting service for City staff use to report new workers' compensation claims.

Upon receipt of the Employer's Report of Occupational Injury or Illness or Application for Adjudication of Claim, the Proponent shall prepare an individual claim file within one (1) business day for each claim. Preparation of the claim file shall include entering each new claim into the computer system and establishing appropriate initial reserves. Initial reserves will be set based on the facts known at the time the case is entered into the computer and clearly documented in the claim's activity record. The file shall be available to the City, including its representatives, claims auditors, and agents, for inspection and contain all medical and factual information on each reported claim.

### 3. Coverage

The Proponent shall verify coverage was provided on the date of injury or illness in accordance with the City program dates and governing documents. If applicable, the Proponent shall exercise due diligence in joining applicable co-defendants. All activity to verify coverage and to join co-defendants shall be clearly documented in the claim's activity record.

### 4. Index Bureau and Electronic Data Exchange System

The Proponent shall subscribe to the Index Bureau, Electronic Data Exchange System, (EDEX), and other recommended organizations in order to obtain background history on individual claims. Costs to subscribe to these services shall be included in the pricing structure. The Examiner shall request a report from the Index Bureau, EDEX, or other recommended organizations on all new indemnity claims. Subsequent requests should be made every six (6) to twelve (12) months thereafter on all active indemnity claims.

### 5. Employer Contact

The Proponent shall request the Employer's Report of Occupational Injury or Illness form within one (1) business day when or if notification of any injury or illness by any source is received first.

If the Division of Workers' Compensation (DWC) Form 1, has not been received by the Proponent within two (2) business days after receiving the Employer's Report of Occupational Injury or Illness, the Examiner will contact the City to ensure the DWC Form 1 was given to the employee within one (1) business day of knowledge of the injury. If a DWC Form 1 has not been given to the injured employee, the Proponent shall immediately send the DWC Form 1 directly to the employee.

The Proponent shall contact the City within one (1) business day of receipt of notice of a claim by any source to conduct an initial and meaningful investigation. Such contact with the City shall be clearly documented in the claim's activity record.

When a claim reaches or exceeds \$100,000 in total incurred value, the Proponent shall report to the City every ninety (90) calendar days regarding the status of the claim. The claim status report will be provided to the City's Workers' Compensation Program Manager. Such report shall include a current status of the claim, the Examiner's plan of action for the future handling of the claim, and the current paid to date and total incurred amounts listed by indemnity (broken down by Temporary Disability (TD) and Permanent Disability (PD)), vocational rehabilitation, medical, and expense categories.

The Examiner shall provide on-site file reviews with each City Department as outlined below:

- More than 25 open claims – monthly

- 5-25 open claims - Quarterly
- Less than 5 open claims – Teleconference
- Other periodic on-site file reviews will be scheduled based upon the needs of the City.

Return phone calls to the City shall be accomplished within one (1) business day.

#### 6. Employee Contact

In all non-litigated, lost time cases, where the employee has not returned to work, communication shall be established with the injured employee within one (1) business day of receipt of notice of claim. Such contact will continue as often as necessary, but at least monthly. Such contact with the employee shall be clearly documented in the claim's activity record.

Return phone calls to employees shall be accomplished within one (1) business day.

All correspondence from employees shall be responded to within five (5) calendar days of receipt.

#### 7. Compensability

The compensability determination (accept claim, deny claim, or delay acceptance pending the results of additional investigation) and the reasons for such determination shall be made and clearly documented in the file within five (5) business days of the receipt of the notification of the loss. Delay of benefit notices shall be mailed in compliance with the Division of Industrial Relations' (DIR) guidelines. Copies of benefit notices shall be maintained in the applicable claim file. The Proponent shall obtain authority from the City to delay or deny a claim. The City's authorization will be clearly documented in the applicable claim file or in the claim's activity record.

A final compensability decision shall not be extended beyond ninety (90) calendar days from the City's knowledge of the claim.

#### 8. Investigations

The Proponent shall promptly initiate investigation of issues identified as material to potential litigation. The City shall be alerted to the need for an outside investigation as soon as possible and the Examiner shall appoint an investigator who is acceptable to the City. The City shall be kept informed on the scope and results of all investigations. All activities shall be clearly documented in the claim's activity record.

#### 9. Reserves



Reserves shall be established based on the facts of the claim and the probable cost of each claim in accordance with Office of Self Insurance (OSIP) Regulation §15300. A reserve rationale for each reserve change shall be clearly documented in the file notes. All reserve categories shall be reviewed on a regular basis but not less than at least every thirty (30) calendar days. The use of a paper or electronic reserve worksheet is required on all claims and shall be maintained in the applicable claim file.

#### 10. Payments

City of Stockton has established a zero-balance account, which shall at all times contain sufficient funds to enable the Proponent to make timely payments of claims, allocated loss expenses, and other amounts the Proponent will be authorized to make on behalf of City. To comply with the positive pay requirements, the Proponent shall electronically submit the information required by City's financial institution with each check run. The submissions shall be at no additional cost to the City.

#### 11. Collections

All collections will be logged and posted to the file but shall be sent to City's office with accompanying support for deposit. The support shall list the date the collection was posted to the claim file. No City refunds or other collections shall be deposited by the Proponent in any Proponent or client accounts.

#### 12. Provision of Benefits

The Proponent shall provide all compensation and medical benefits in a timely manner and in compliance with the statutory requirements of the California Labor Code. Proponent shall compute and pay temporary disability benefits to injured employees based upon earnings information and authorized disability periods. Proponent shall compute the daily differential between average weekly wage and temporary partial or temporary total disability and report that daily differential to the City on the 1<sup>st</sup> and 16<sup>th</sup> days of each month on any claims where temporary total or temporary partial disability was paid during the preceding pay period. The Proponent shall review, compute, and pay all informal ratings, death benefits, Findings and Awards, life pensions, or Compromise and Release settlements. However, all such benefits shall be paid from the City's established zero-balance account that will be linked to the City's "positive pay" account.

#### 13. Initial Indemnity Payment

The initial indemnity payment or voucher shall be issued and mailed to the injured employee together with a properly completed DWC benefit notice within fourteen (14) calendar days of the first day of disability. Copies of benefit notices will be maintained in the applicable claim file.

Late payments must include the self-imposed 10% penalty in accordance with Labor Code Section 4650.

#### 14. Subsequent Indemnity Payments

All indemnity payments or vouchers subsequent to the first payment will be verified, except for those payments where permanent disability is expected beyond ninety (90) calendar days in which case those payments will be verified in ninety (90) day increments. All disability payments will be issued in compliance with Labor Code Section 4651.

Late payments must include the self-imposed 10% penalty in accordance with Labor Code Section 4650.

Copies of benefit notices issued with subsequent benefits will be maintained in the applicable claim file.

#### 15. Medical Administration

The Proponent, absent a Medical Provider Network (MPN), shall select a panel of general practitioners, specialists, hospitals, and emergency treatment facilities to which injured employees should be referred and regularly review and update the panel.

The physician's office shall be contacted within three (3) calendar days of notice of all new claims to conduct an initial investigation as to the medical aspects of the claim and discuss the City's return-to-work goals. Such contact shall continue as needed during the continuation of temporary disability to assure that treatment is related to a compensable claim and clearly documented in the claim's activity record.

The Proponent shall maintain contact with treating physicians to ensure employees receive proper medical treatment and are returned to full or modified employment at the earliest possible date.

The Proponent shall maintain direct contact with medical providers to ensure their reports are received in a timely manner.

The Proponent shall arrange medical evaluations when needed, reasonable, and/or requested in compliance with the current California Labor Code.

The Proponent shall ensure that medical bills are reduced to the Official Medical Fee Schedule (OMFS) and recommended rates established by the Administrative Director of Workers' Compensation. The use of a service contractor is acceptable provided approval is first obtained from the City. The City shall pay for the use and benefits of the services provided; however, fees charged by the service contractor shall have been approved by the City's Workers' Compensation Program Manager prior to the provision of and payment for services.

The City's Workers' Compensation Program Manager will approve the service contractor's fees on a monthly basis prior to payment by Proponent to the service provider. Such fees will be charged to the applicable claim file and will be paid from the medical category.

The Proponent shall provide, at City's expense, utilization review (UR) and/or professional managed care services on an as-needed basis to injured employees, provided the City's approval is obtained prior to the provision of such service. Proponent may use a service contractor, following the City Worker's Compensation Program Manager approval. Such fees will be charged to the applicable claim file and will be paid from the medical category. Establishment of the UR referral criteria shall be approved by City prior to implementation and submission to the state as part of the City's UR Plan.

#### 16. Medical Payments

Medical bills shall be reviewed by the assigned claims examiner, assistant, or supervisor for correctness, payment approval, and ensure they are paid within time limits established by Labor Code Section 4603.2. If all or part of the bill is being disputed, the Proponent shall notify the medical provider, on the appropriate form letter, within time limits established by Labor Code Section 4603.2.

#### 17. Transportation Expense

Transportation reimbursement shall be mailed within five (5) calendar days of the receipt of the claim for reimbursement. Advance travel expense payments shall be mailed to the injured employee at least ten (10) calendar days prior to the anticipated date of travel.

#### 18. Return-to-Work

The Proponent shall provide assistance to the City in coordinating return-to-work program information that is appropriate for injured employees while recovering and prior to their return to regular duties.

The Proponent shall notify the City immediately upon receipt of an employee's permanent work restrictions so that the City can determine the availability of permanent modified or alternative work. Notification shall clearly be documented in the claim's activity record within one (1) business day.

The Proponent shall consult with the City on a bi-weekly basis in those cases where the injury residuals might involve work restrictions and assist the City in the provision of modified duty when appropriate.

Should the City contract with a service partner to assist with return-to-work, the Proponent shall cooperate with the assignment of cases or the provision of information in order to help facilitate a successful return-to-work program.

19. Permanent Disability

The Proponent shall provide information and assistance to injured employees in completing the necessary forms to obtain a permanent disability rating.

The Proponent shall determine the nature and extent of permanent disability and arrange for an informal disability rating whenever possible to avoid Workers' Compensation Appeals Board (WCAB) litigation. The Proponent shall take advantage of any apportionment potential to prior claims, disabilities, and impairments. The Proponent shall also advise the City of potential credits and penalties to permanent disability benefits should the City accommodate permanent/alternative work for at least twelve (12) months.

Permanent Disability benefits shall be provided in accordance with Labor Code Section 4658. All permanent disability benefit notices shall be sent to the employee as required by the California Labor Code, Title 8 California Code of Regulations 9812. Copies of benefit notices will be maintained in the applicable claim file.

20. Vocational Rehabilitation

In accordance with all applicable California laws in place at the date of injury, the Proponent shall:

- A. Determine the Qualified Injured Worker/Non-Qualified Injured Worker status;
- B. Advise the injured worker of his/her right to rehabilitation benefits;
- C. Provide appropriate vocational rehabilitation benefits;
- D. Control rehabilitation costs;
- E. Attempt to secure the prompt conclusion of vocational rehabilitation benefits; and
- F. Provide notification to the Proponent should work restrictions require a permanent or modified accommodation.

21. Diary Review

All claim files shall be reviewed at least every thirty (30) calendar days for active claims and at least every three (3) months for claims that have settled but are open for the employee's future medical care. The Examiner shall distinguish the regular diary review from routine file documentation in the claim's activity record. A plan of action will be included and separately labeled in the file notes during a diary review. The plan of action shall include, but not be limited to, the employee's current work status, medical status, review of reserves, and future activity to move the claim towards resolution. The Proponent shall monitor the diary reviews by printing a "No Activity" report each month to identify any files that have fallen off the diary system. The Proponent will provide to City a copy of the "No Activity" report referenced in Section 39, "Loss Runs", of this document by the 10<sup>th</sup> calendar day of each month.

## 22. Plan of Action

Each claim file shall contain the Examiner's plan of action for the future handling of that claim. Such plan of action shall be clearly stated including the reasoning for the plan. The plan of action shall be updated at least every forty-five (45) calendar days and clearly identified in the claims activity record. The initial plan of action shall be clearly documented in the claim's activity record within fourteen (14) calendar days of the initial claim set-up.

## 23. Claim Supervision

The Proponent shall provide supervisory staff that will regularly review the work product of the Examiners. The Supervisor shall review at least ten percent (10%) of each Examiner's caseload, Indemnity 120 days and Future Medical 180 days, to ensure each Examiner is following the performance standards outlined in this proposal. In addition, the Supervisor shall conduct a regular quarterly review of all open indemnity claims with reserves in excess of \$100,000 and all problem or complex claims. Such reviews shall be labeled as "Supervisor Review" and clearly documented in the claim's activity record.

## 24. Status Reports

Other than the reports identified in Section 39, "Loss Runs", of this document, claim status reports requested by City, in addition to the regular ninety (90) day status reports referenced in Section 5, "Employer Contact" of this document, shall be provided by the Proponent to the City within ten (10) business days. Verbal status reports requested by the City shall be provided by the Proponent within two (2) business days. Computer generated loss data reports requested by the City shall be provided within twenty (20) business days.

## 25. Claim Reconciliation

All claim files shall be reconciled to ensure all indemnity payments have been made correctly. The reconciliation should verify that payments were made in the correct amount and from the correct claim file. The physical file should be verified with the computer information. All open claim files shall be reconciled semi-annually and at the time of submission for closure. Proof of the reconciliation should remain in the claim file and clearly documented in claims activity record.

## 26. Settlements

The Proponent shall obtain the member's authorization on all settlements. The Proponent shall forward settlement authority requests to the City in a format approved by the City's Workers' Compensation Program Manager. All requests for settlement authority shall be clear and concise and include a written claim analysis, estimate of permanent disability, and the Proponent's comments and recommendations. All written settlement authority requests

shall be directed to City's Workers' Compensation Program Manager to provide authority to settle.

#### 27. Award Payment

Payments on Awards, Computations, or Compromise and Release agreements shall be issued within ten (10) business days or sooner if necessary, to ensure payment within twenty (20) calendar days of the Workers' Compensation Appeals Board, (WCAB) approval date, following receipt of the appropriate document.

#### 28. Future Medical Claims

Claims that remain open to monitor future medical care shall remain open for two (2) years from the last payment of benefit in accordance with OSIP Regulations §15400.2. Reviews shall be documented in the claim notes to include settlement information, future medical care outline, last date and type of treatment, name of excess carrier, excess carrier reporting level, and excess carrier reporting history. Reserves for future medical treatment shall be reviewed every six (6) months and adjusted for use over a three (3) year average and the injured employee's life expectancy based on the latest version of the U.S. Life Table in accordance with OSIP Regulations §15300. The reason(s) and calculation(s) for the adjustment(s) shall be clearly documented in the claim's activity record.

Proponent shall evaluate future medical claims at least annually to determine a reasonable settlement value to resolve future medical and any other future benefits.

#### 29. Subrogation

In all cases where a third party is responsible for the injury to the employee, the Proponent shall consult with the City to determine if subrogation should be pursued. The Proponent shall send a letter to the City indicating they will pursue subrogation unless instructed otherwise by the City. When subrogation is to be pursued, the third party shall be contacted within ten (10) business days with notification of the City's right to subrogation and the recovery of certain claim expenses. If the third party is a governmental agency, a claim shall be filed with the governing agency within six (6) months of the injury or notice of injury.

Periodic contact shall be made with the responsible third party and/or insurer to provide notification of the amount of the estimated recovery to which the City will be entitled.

If the injured worker brings a civil action against the party responsible for the injury, the Proponent shall consult with the Workers' Compensation Program Manager about the value of the subrogation claim and other considerations. If subrogation rights are waived, Proponent shall obtain written authority from City's Workers' Compensation Program Manager or Risk Manager. Upon the City's authorization, subrogation counsel shall be

assigned to file a Lien or a Complaint in Intervention in the civil action. Upon assignment of the case to an authorized subrogation attorney, the Proponent shall request a “not to exceed” estimate of fees for such representation. The fees shall be authorized by the City prior to commencement of work by counsel. Should the “not to exceed” fees be reached, the Proponent shall be responsible for obtaining continuing authority prior to incurring additional costs. Such contact with the City shall be documented in the claims activity record. Should the costs exceed the estimated fees without proper verbal authority from the City, the Proponent may be responsible for reimbursement to the City for the additional cost(s).

Whenever practical, the Proponent should take advantage of any settlement in a civil action by attempting to settle the workers’ compensation claim by means of a Third-Party Compromise and Release. If such attempt does not succeed, then every effort should be made through the WCAB to offset claim expenses through a credit against the proceeds from the employee’s civil action.

### 30. Litigated Cases

Proponent shall promptly initiate investigation of issues identified as material to potential litigation. The City shall be alerted to the need for an outside investigation as soon as possible and the examiner shall appoint an investigator who is acceptable to the City. The City shall be kept informed on the scope and results of all investigations.

When defense counsel is not necessary, the Proponent shall work closely with the applicant’s attorney in informal disposition of litigated cases. All assignments to outside counsel will be done with the City’s authorization and consent. The Proponent shall prepare clear and concise litigation referrals to outside counsel outlining the issues of the claim and duties that will be handled by defense counsel. Such referral shall be documented in the Proponent’s claims activity record. In conjunction with the member, the Proponent shall monitor the outside counsel’s progress. The Proponent shall audit all defense counsel’s bills before payment is authorized. Defense counsel shall provide to the Proponent, with a copy to the City, an initial case analysis and a plan of action within ten (10) business days of the assignment.

All preparation for a trial shall involve the City so that all material evidence and witnesses are utilized to obtain a favorable result for the defense.

The Manager, Supervisor, or the Examiner shall attend WCAB hearings, rehabilitation hearings, other court proceedings, meetings with defense counsel, and meetings with member’s staff, departments, and employee groups as necessary and as requested to do so.

### 31. Fraudulent Claims

The Proponent shall consult with the City regarding any claim believed to be fraudulent prior to referring to Proponent’s in-house special investigation unit for further investigation and

potential referral to the District Attorney. If Proponent does not have an in-house special investigation unit, the claim shall be referred to an investigator, with the City's prior approval, to conduct further investigation.

### 32. Excess Insurance

Cases that have the potential to exceed City's self-insured retention shall be reported in accordance with the reporting criteria established by the excess insurance policies. All cases that meet the established reporting criteria are to be reported within five (5) business days of the day on which it is known the criterion is met. A copy of the submission to the excess carrier shall be forwarded to City's Workers' Compensation Program Manager until such time the Proponent is instructed otherwise. Any related excess reimbursements will be posted to the file and the payment will be forwarded to Member for deposit.

### 33. Penalties

Late payment of all benefits must include the self-imposed penalty in accordance with California Labor Code 4650. The Proponent shall provide the City quarterly listings of any administrative penalties paid in the quarters ending; March 31, June 30, September 30, and December 31. , which were the responsibility of the Proponent, check from the Proponent shall be payable to the City for reimbursement. The check and report shall be submitted to the City by the 20<sup>th</sup> of the following month after the quarter ends. Evidence of the penalty reimbursement shall be noted within the claim file and posted within the payment detail as a recovery/reimbursement.

### 34. Case Closure

The Proponent's Supervisor must review all medical only claims open beyond ninety (90) calendar days from the date of entry by the Proponent for potential closure or conversion to indemnity claim status. Claims with \$3,000 or more paid-to-date on any claim open beyond one hundred eighty (180) calendar days from date of entry shall be converted to indemnity status and a reasonable, precautionary indemnity reserve shall be placed on the claim. All indemnity cases, where permanent disability is not an issue, shall be closed within sixty (60) calendar days of the final financial transaction or final correspondence to the injured worker as required by law. All indemnity claims, where permanent disability is an issue but excluding settlement, will remain open for two (2) years from the last payment of benefits and then closed within sixty (60) calendar days of that date.

### 35. Forms

The Proponent shall provide all necessary forms for the processing of benefits or claims information including: the Employer's Report of Occupational Injury or Illness, DWC Form 1, medical service orders, return-to-work slips, lost time information reports, vouchers, checks,



and other related forms. The cost of providing these forms shall be included within the contract price set forth in this Proposal.

### 36. Computer Access

Proponent shall handle claims from a web-based claims system at the inception of the contract. The Proponent shall provide online access at no additional charge to the City's Risk Services team. Such data shall be in a format accessible from the City's computers and will permit City to print copies of the data on its printers. The Proponent shall provide training on the software system to the City Risk Services Administrator. If the City, under the Proponent's guidance, is not able to maintain online interface with data maintained by the Proponent, the Proponent shall be required to provide a copy of all data processed during the previous month to the Risk Services Administrator's office on a disk, email or flash drive by the tenth (10<sup>th</sup>) calendar day following month end.

### 37. Reporting Services and Record Retention

The Proponent shall provide the City with monthly and quarterly reports in the format and number requested. The excel reports may be provided in hard copy, flash drive, email, or via online access format.

reports include, but may not be limited to, the following:

- Loss Experience Reports.
- Location Report.
- Growth Analysis and Loss Narrative Report.
- Management Summary Reports.
- Weekly and Monthly Claims Register Report.
- Monthly Claims Summary Reports.
- Annual Report to the State.
- Annual Tax Statements, including Federal Form 1099 and State form 599 as appropriate.
- Large Loss Reports – Over \$25,000 and \$100,000.

Additional reports that shall be available include:

- List of Providers –Including the data in the correct format for City to prepare the IRS 1099s.
- Litigated Claims.
- Claims involving modified duty including dates of return to modified duty and full duty.
- Claims involving subrogation.
- Vocational Rehabilitation Claims.
- Medical Case Management Claims.
- First Aid Claims.

- Excess Insurance Claims.
- Total Incurred for open and closed Claims.

Prepare the Public Entities Self-Insurer's Annual Report as required by the Department of Industrial Relations (DIR) Office of Self-Insurance Plans; and submit it to the City no later than thirty (30) days prior to the due date.

The Proponent shall maintain all loss information as required by the Workers' Compensation Insurance Rating Bureau.

The Proponent shall assist in the preparation of all reports that are now, or will be required by the State of California or other government agencies with respect to self-insurance programs. The Proponent will also assist in the preparation of all reports for other statistical database organizations or excess coverage provider as requested by the City.

### 38. Records Retention

All claim files shall be maintained in accordance with statutory time requirements. The City shall be notified prior to any destruction of files to determine if the City wishes to retain the claim file.

All records, products and claim files shall be the property of the City. Proponent shall be responsible for providing program tapes, data tapes and system documentation to the City upon request from the Proponent's data system at Proponent's expense. Proponent shall make claim files available to City upon request and shall be delivered to City upon termination of the contract.

### 39. Loss Runs

The Proponent shall, at its expense, by the tenth (10<sup>th</sup>) calendar day of the following month, unless otherwise specified below:

- A. Provide the following information monthly to the City, as it pertains to their respective claims, electronically, diskette, flash drive or in written format:
  - i. A listing of all open claims showing the employee's name, claim number, date of injury, paid amount, future liability, total incurred, and any amounts recovered;
  - ii. OSHA 300 and 300A log reports or listing of all information needed for the City to Complete OSHA300 and 300A logs. The logs and/or report shall include claims where temporary disability benefits were paid during the applicable month showing the paid-to-date amounts, from and through dates of temporary disability benefits paid, claim number, and date of injury; and

- iii. A summary listing by fiscal year to include, but not limited to; paid to date amounts, future liability or reserve amounts, total incurred amounts, number of open claims, number of closed claims, and average cost per claim.
- B. Provide the following information monthly to the City's Administrator electronically in Excel format:
- i. A register listing of all open and closed claims listing y fiscal year and then alphabetically by member, to include the following: the employee's name, claim number, date of injury, occupation, text description of the injury, date of first lost time, date of return to modified duty, date of return to full duty, number of days temporary total and/or partial disability benefits were paid, future liability or reserves separated by type, any amounts recovered for subrogation or excess insurance, free form text description of the claim and descriptions of cause, site, and nature.
  - ii. A summary report listing alphabetically by City Department(s) and then by program year showing paid to date amounts, future liability or reserve amounts, total incurred amounts, number of open claims, number of closed claims, and average cost per claim;
  - iii. A summary report listing by program year showing paid-to-date amounts, future liability or reserve amounts, total incurred amounts, number of open claims, number of closed claims, and average cost per claim;
  - iv. A check register, excluding vouchers, in check number order, including any voids, refunds, and recoveries received with a page showing the total payments for the month by fiscal year;
  - v. A check register; including all activity, in check number order, including any voids, refunds, and recoveries received with a page showing the total payments for the month, to be run by City and then fiscal year;
  - vi. A voucher register report by fiscal year; and
  - vii. A "No Activity" report listing the claims that have had no activity during the previous six (6) months. The report components should include no reserve changes, no payments, no recoveries, no refunds, and/or no claims activity record.
- C. Provide the following quarterly reports, in addition to the regular monthly reports, to the City electronically in Excel format:
- i. A listing of any administrative penalties paid during the quarter that were the responsibility of the Proponent.

- D. Provide a report to the City annually in written format as of June 30, in addition to the regular monthly and quarterly reports, a year-end report. The report shall include all open and closed claims run by fiscal year and then alphabetically, to include the employees' name, claim number, date of injury, occupation, text description of the injury, number of days temporary disability benefits were paid, future liability or reserves separated by type, and any amounts recovered for subrogation or excess insurance; and
- E. Provide other special reports required by the City including, but not limited to, loss trend reports, claim abstract reports, reports required by actuaries, excess insurance carriers, etc., provided that such reports do not require data elements that have not previously been collected by the Proponent on behalf of the City. If new programming is required in order to provide such reports, the Proponent shall pay at its own expense for new or special programming costs.

Any corrections to the loss runs shall be made within thirty (30) calendar days of the request for correction.

#### 40. Availability of Personnel

The Proponent shall maintain at all times, one (1) or more of the Examiners assigned to City's claims, or in their absence, a Supervisor or Manager above the supervisory level, to be available by telephone for emergencies through a 24-hour emergency telephone number. The Proponent shall provide a toll-free telephone number at no additional charge to the City.

The Proponent shall ensure at least one (1) or more of the Examiners assigned to the City's claims are available to the City and/or on-site every business day throughout the term of this proposal.

#### 41. City Services

The Proponent shall provide special on-site training services annually to City staff ensuring that when City staff are processing workers' compensation claims they are effectively carrying out the procedures required for a successful program. A copy of City's Workers' Compensation Claims Procedures Manual should be readily available for review by the City staff or representative.

The Proponent shall require its Examiners or other Proponent personnel, attend City meetings when necessary, as requested by the City to report on the general state of the program since the last meeting and on any particular cases of interest to the City.

The Proponent shall consult annually with the City on the establishment and coordination of necessary procedures and practices to meet the needs of the City with respect to the administration and processing of claims.

The Proponent shall require an Examiner to be available and readily respond to a City staff request for assistance with problem cases, including on-site visits to the City.

The Proponent shall provide the City with information regarding statutes, proposed changes to statutes, and changes to the rules and regulations affecting the City and its responsibility as a legally uninsured workers' compensation authority.

The Proponent shall assist in developing and recommending policies and procedures in areas as required by the City.

42. Employee Services

As required, the Proponent will develop, for review by the City, materials which will provide information and guidance to the City's employees regarding workers' compensation and the self-insurance program.

As required, the Proponent will meet with and assist injured employees in resolving problems that arise from injury or illness claims.

43. Examiner Training

The Proponent shall annually certify to the City that each claims Examiner handling the City's claims is in compliance with all legal and regulatory licensing and continuing educational requirements as presently or in the future shall be promulgated and required by the State of California. Such certification for the prior year shall be in the form of a letter to be received no later than April 1 of each year.

44. Right to Audit or Review

The City or its designated representative is authorized to visit the Proponent's processing and/or storage premises, for purpose of performing a claims audit or review, and have access to all data, including paper documents, microfilm, microfiche, and magnetically stored data which relate to payments or non-payments made by the City. Additionally, Proponent shall undergo claims audits by PRISM or their contracted auditor. Any assistance or service provided in response to a claims audit described above will be rendered at no additional cost to the City.

44. Legislative and Judicial Activity

Proponent shall keep the City informed as to recent changes or proposed changes in statutes, rules, laws and judicial decisions affecting the City's responsibility and the responsibilities of its personnel under a self-insured Workers' Compensation program.

45. Conflict of Interest

The Proponent shall avoid all conflicts of interest or appearance of conflicts of interest in performance of this Proposal. If, during any given year, the Proponent receives compensation from any party for services included in this proposal, such as bill review, managed care, or investigations services, the Proponent shall disclose total compensation received in prior year. Such disclosure shall be in the form of a letter and shall be received by the City no later than April 1 of each year.

These performance standards may be modified, or additions made prior to execution of a contract, and re-evaluated throughout the term of the contract. All claims handling services shall comply with statutory requirements.

### 3.0 PROJECT SCHEDULE OF EVENTS

The dates indicated on page *i* of this RFP are the anticipated milestones for this project. All dates are subject to change.

### 4.0 SUBMITTAL REQUIREMENTS

#### 4.1 PROPOSAL GUIDELINES, CONTENT AND FORMAT

The City of Stockton uses a qualifications-based selection process in obtaining these services. In order for the City to properly evaluate the Proponents' qualification to perform this work, the proposals shall include, as a minimum, the following information:

- A. Evidence of the Proponent's ability to be responsive to this project in regard to timeliness and expertise, including availability of staff proposed to be assigned.
- B. The Proponents are encouraged to expand on the Scope of Work to demonstrate their expertise. Evaluation of the proposals will be based on qualifications, the experience of staff proposed to be assigned to the project, references, and thoroughness of the Proponent's response to the Scope of Services.
- C. Such additional information that the Proponent may feel would be pertinent to assist the City of Stockton in making its final decision.
- D. Please submit one (1) electronic version of the proposal to [city.clerk@stocktonca.gov](mailto:city.clerk@stocktonca.gov). Proposal fee shall be submitted as a separate electronic file from submitted proposal.
- E. The proposal must be submitted, typewritten on 8½" X 11" white paper and must be bound in a secure manner.
- F. Material and data not specifically requested for consideration, but which the Proponent wishes to submit must not appear with the Proposal but may appear only in an "Additional Data" section. This has specific reference to the following types of data: Generalized narrative of supplementary information; and Supplementary graphic material.
- G. All proposals must be signed with the full name of the Proponent, if an individual; by an authorized general partner, if a partnership; or by an authorized officer, if a corporation.
- H. When proposals are signed by an agent other than an officer of a corporation or a member of a general partnership, a power of attorney authorizing the signature must be submitted with the proposal.

- I. The original proposal must have wet ink signatures. Modification to a proposal after the proposal submittal deadline will not be accepted by the City.

#### 4.2 COVER LETTER

Submit a letter on your company letterhead addressing the proposal and format. The letter should be signed by an officer of the firm authorized to bind the firm to all comments made in the proposal, and shall include the name, address, phone number and e-mail address of the person(s) to contact who will be authorized to represent your firm.

In no more than three (3) pages, the Cover Letter and Executive Summary shall include:

- A. The names of the key members of the Proponent team;
- B. The mailing address, telephone number, and the name of the main point of contact for the Proponent team;
- C. A summary of the consultant's experience and qualifications as it relates to the Scope of Work of this solicitation and the significant advantages to selecting the Proponent;
- D. An acknowledgement of receiving any addendum(s) to the solicitation document.

#### 4.3 REFERENCES

Provide a list of references with current contact person, e-mail address and phone number who may be contacted regarding firm performance.

The review team will conduct a background reference review of each respondent. Please include the following information for three (3) projects that the proposed consultant team worked on together:

- A. Name of the Project/Study
- B. Location of the Project
- C. Name, title, and contact information for the client.
- D. Project Budget
- E. Date of Completion of the Project

#### 4.4 FINANCIAL STATEMENT

The Proponent must be able to demonstrate a good record of performance and have sufficient financial resources to ensure that they can satisfactorily provide the services required herein.

Proponent shall submit a full and detailed presentation of the true condition of the Proponent's assets, liabilities and net worth. The report should include a balance sheet and income statement. If the Proponent is a new partnership or joint venture, individual financial statements must be submitted for each general partner or joint venture thereof. If firm is a publicly held corporation, the most current annual report should be submitted.

Any Proponent who, at the time of submission, is involved in an ongoing bankruptcy as a debtor, or in a reorganization, liquidation, or dissolution proceeding, or if a trustee or receiver has been appointed over all or a substantial portion of the property of the Proponent under federal bankruptcy law or any state insolvency, may be declared non-responsive.

#### 4.5 CORPORATE STRUCTURE, ORGANIZATION

Describe how your firm is organized, noting major divisions and any parent/holding companies, as well as brief history of the firm and all personnel potentially to be involved in the project including all sub-consultants. Designate the Principal in Charge and other key personnel. Include résumés. Also provide a description of the experience your firm has had with similar processes.

#### 4.6 PROPOSAL FEE

Submit the proposal fee under sealed, separate envelope. Do not include with the technical proposal response. Provide detailed basic fee structure and break-down of any other charges related to your firm's proposal as specified. Finalist's fee structure may be subject to negotiation.

### 5.0 SELECTION CRITERIA & EVALUATION

The City is interested in selecting a qualified firm with the ability to provide the scope of work described in this solicitation and resulting awarded contract. A key component for the successful firm will be the ability to meet the performance desires of the City while minimizing the cost.

The Evaluation Panel will consist of City of Stockton staff and any other person(s) designated by the City. Following review of the proposals, the Panel may invite one or more Proponents to make an oral presentation. During these presentations, the Proponent will be allowed to present such information as may be appropriate in order that the Panel can effectively and objectively analyze all materials and documentation submitted as part of the proposals.

Each firm must be represented by an individual who will be the prime contact person to the City and any other individuals whom the firm may select. The highest-rated proposal(s) will then be further scrutinized through financial analysis and reference checks.

Proposals shall be evaluated according to; demonstrated understanding of tasks required, technical approach to specified operations, qualifications of staff, experience of company, demonstrated knowledge of best practices for identified scope, financial business strength and fee schedule proposal. Proper format and demonstrated experience will merit consideration.

To that end, the Panel will evaluate the proposals based on, but not limited to, the following criteria:

1. Proponent's approach and schedule to provide all services as outlined in the Scope of Services and related documents;
2. Related experience with similar projects, company background and personnel qualifications;
3. Proponent's Fee Schedule - completed and signed under separate, sealed cover;
4. Proponent's Covenant;
5. Non-Collusion Affidavit;
6. References;
7. Submitted and signed Addendums;
8. Financials Review;
9. Interview/Presentation, if applicable; and
10. Any other criteria as best suits the City of Stockton.



## 6.0 CITY REQUIREMENTS

### 6.1 CITY RESPONSIBILITIES

City will provide all readily available plans, documentation, and data necessary for completing the above tasks.

Staff will be available as needed and will assist with coordination of stakeholder meetings and public outreach.

### 6.2 LOCAL BUSINESS PREFERENCE

Stockton Municipal Code Section 3.68.090 reads as follows:

Preference shall be given to the purchase of supplies, materials, equipment, and contractual services from local merchants, quality and price being equal. Local merchants who have a physical business location within the boundaries of San Joaquin County, and who have applied for and paid a business license tax and registration fee pursuant to Stockton Municipal Code Title 5, Chapter 5.08, License Taxes, shall be granted two (2) percent bid preference. Local merchants who have a physical business location within the boundaries of the City of Stockton, and who have applied for and paid a business license tax and registration fee pursuant to Stockton Municipal Code Title 5, Chapter 5.08, License Taxes, shall be granted five (5) percent bid preference. This section is intended to provide preference in the award of certain City contracts in order to encourage businesses to move into and expand within the City. (Ord. 2014-03-18-1601 C.S. § 1; prior code § 3-106.1)

### 6.3 MANDATORY/OPTIONAL PRE-SUBMITTAL MEETING

There is no Pre-Submittal meeting.

### 6.4 TERM

The City intends to award a three (3) year contract with an option to renew for Two (2) years.

### 6.5 OTHER GOVERNMENT AGENCIES

If mutually agreeable to all parties, the use of any resultant contract/purchase order may be extended to other political subdivisions, municipalities, or tax supported agencies.

Such participating governmental bodies shall make purchases in their own name, make payment directly to successful Proponent and be liable directly to the successful Proponent, holding the City of Stockton harmless.

### 6.6 INSURANCE REQUIREMENTS

Proponent, at Proponent's sole cost and expense and for the full term of the resultant contract or any extension thereof, shall obtain and maintain at least all of the insurance requirements listed in attached Exhibit B.

All coverage shall be provided by a carrier authorized to transact business in California and shall be primary. All policies, endorsements, and certificates shall be subject to approval by the Risk Manager of the City to Stockton as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the Risk Manager.

Maintenance of proper insurance coverage is a material element of this contract, and failure to maintain or renew coverage or to provide evidence of renewal may be treated as a material breach of contract.

The Proponent shall assert that these insurance requirements will be met as part of their proposal response. Failure to comply with these insurance requirements may result in a proposal being deemed unresponsive. Proponent shall satisfy these insurance requirements concurrently with the signing of the contract prior to commencement of work. It is strongly suggested that insurance requirements be reviewed with Proponent's broker to ensure any additional costs are included in the proposal pricing component.

Any questions pertaining to insurance requirements, please contact City of Stockton Risk Services at (209) 937-5037.

#### 6.7 APPLICABLE LAW

Applicable law shall be governed by the laws of the State of California. Venue shall be proper in the Superior Court of the State of California, County of San Joaquin, Stockton Branch, or, for actions brought in Federal Court, the United States District Court for the Eastern District of California, Sacramento Division.

Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

#### 6.8 METHOD OF PAYMENT

Payment will be made within thirty (30) days after invoices are received and accepted by the City. Invoices are to be rendered monthly, unless prescribed differently per contract.

#### 6.9 NOTICE TO OUT OF STATE BUSINESS

It is the policy of the City of Stockton to pay all applicable California sales/use tax directly to the State Board of Equalization (BOE) pursuant to California Revenue and Taxation Code 7051.3. The City of Stockton will self-accrue all sales/use tax on purchases made from out-of-state business, unless documentation is provided by Proponent evidencing the business is registered with the state of California.

Sales and use tax on purchases made by the City of Stockton from all companies located outside California, not registered with the state and whose products are shipped from out of state will be remitted to the BOE directly by the City under permit number SR KHE 28-051174 DP. Please do not include sales/use tax on the invoice that you submit to the City of Stockton.

Questions regarding the City of Stockton's payment of sales/use tax can be directed to the City of Stockton's Procurement Division at (209) 937-8357.

#### 6.10 CONFIDENTIALITY

If Proponent believes that portions of a proposal constitute trade secrets or confidential commercial, financial, geological, or geophysical data, then the Proponent must so specify by, at a minimum, stamping in bold red letters the term "CONFIDENTIAL" on that part of the proposal which the Proponent believes to be protected from disclosure. The Proponent must submit in writing specific detailed reasons, including any relevant legal authority, stating why the Proponent believes the material to be confidential or a trade secret. Vague and general claims as to confidentiality will not be accepted. The City will be the sole judge as to whether a claim is general and/or vague in nature. All offers and parts of offers that are not marked

as confidential may be automatically considered public information after the contract is awarded. The Proponent is hereby put on notice that the City may consider all or parts of the offer public information under applicable law even though marked confidential.

## 6.11 PROTEST POLICY

Protest and Appeal Procedures. In order to maintain fairness and impartiality, the City of Stockton has established a solicitation protest policy and procedure.

### 6.11.A Protest Procedure

- 6.11.1 All protests must be in writing and stated as a formal protest.
- 6.11.2 A casual inquiry, complaint, or a statement of intent to protest that does not provide the facts and issues and does not comply with the content requirements or deadlines, will not be considered or acted upon as a protest.
- 6.11.3 The protest must contain a complete statement of the basis for the protest and must include all relevant supporting documentation.
- 6.11.4 The solicitation process and procedures, including evaluation criteria, shall not be proper grounds for protest. Concerns related to the solicitation process and procedures, including evaluation criteria, should be raised and addressed, if at all, prior to the bid/proposal due date and time to allow adjustments before evaluation of the solicitation.
- 6.11.5 Protests must be filed with the City's Chief Financial Officer, or designee, at the address listed in the Solicitation Protest FAQ sheet and Procurement Procedure Manual, not later than five (5) days after the date the City mails the Letter of Intent to Award.
- 6.11.6 Deliveries of the protest by hand, mail, email or fax are acceptable.
- 6.11.7 The City is not responsible for lost or misplaced protests, or to assure the protest is received within the protest deadlines
- 6.11.8 The party challenging the award decision to bear the burden of proof of material error to justify invalidation of the proposed award.

### 6.11.B Protest Review

- 6.11.1 The Chief Financial Officer or designee shall respond in writing at least generally to each material issue raised in the protest.
- 6.11.2 The Chief Financial Officer's, or designee 's, administrative decision may be appealed in writing to the City Manager no later than (5) business days after the date the Chief Financial Officer's, or designee's, the decision is mailed to the protesting party.
- 6.11.3 The City Manager shall review and decide the appeal based on the grounds and documentation set forth in the original protest to the Chief Financial Officer, or designee.
- 6.11.4 Each party shall bear its own costs and expenses involved in the protest and appeal process, including any subsequent litigation.

- 6.11.5 The City Manager's administrative decision is final. After the City Manager issues the final administrative decision, the time in which judicial review of the decision must be sought shall be governed by California Code of Civil Procedure Section 1094 or as such section may be amended from time to time.
- 6.11.6 If the protested procurement involves state or federal funds, the Chief Financial Officer, or designee, shall give notice to the interested party that he or she has the right to appeal to the appropriate agency, which shall be identified by name and address. An appeal hereunder shall be filed with the appropriate agency within five (5) working days of the dispatch of rejection notices to the interested party(ies).
- 6.11.7 The City may require the protesting party to submit a City Council approved non-refundable protest fee to cover the administrative cost of processing the protest.

Bidders, Proponents, and contractors wishing to protest or appeal a procurement or contracting decision by the City must follow the procedures provided by this section. The City will not review protests or appeals that are not submitted in accordance with these provisions and procedures.

A copy of this policy can be requested from the procurement specialist by emailing [stocktonbids@stocktonca.gov](mailto:stocktonbids@stocktonca.gov).

## 7.0 GENERAL REQUIREMENTS, TERMS & CONDITIONS

### 7.1 CONSEQUENCE OF PROPOSAL SUBMISSION

- A. The City shall not be obligated to respond to any proposal submitted nor be legally bound in any manner by the submission of a proposal.
- B. Acceptance by the City of a proposal obligates the Proponent to enter into an agreement with the City.
- C. An agreement shall not be binding or valid against the City unless or until it is executed by the City and the Proponent.
- D. Statistical information contained in these documents is for informational purposes only. The City shall not be responsible for the accuracy of said data. City reserves the right to increase or decrease the project scope.

### 7.2 ACCEPTANCE OR REJECTION OF PROPOSAL

A proposal shall be prepared and submitted in accordance with the provisions of these RFP instructions and specifications. Any alteration, omission, addition, variance, or limitation of, from, or to a proposal may be sufficient grounds for rejection of the proposal. The City has the right to waive any defects in a proposal if the City chooses to do so. The City may not accept a proposal if any document or item necessary for the proper evaluation of the proposal is incomplete, improperly executed, indefinite, ambiguous, or missing.

The City reserves the right to select the successful proposal and negotiate an agreement as to the scope of services, the schedule for performance and duration of the services with Proponent whose proposal is most responsive to the needs of the City. Further, the City reserves the right to reject any and all

proposals, or alternate proposals, or waive any informality or irregularity in the proposal as is in the City's best interest.

The City reserves the right to reject any and all proposals, or portions thereof, received in response to the solicitation or to negotiate separately with any source whatsoever, in any manner necessary, to serve the best interests of the City. Additionally, the City may, for any reason, decide not to award an agreement as a result of this RFP.

Non-acceptance of any proposal shall not imply that the proposal was deficient. Rather, non-acceptance of any proposal will mean that another proposal was deemed to be more advantageous to the City or that the City decided not to award an agreement as a result of this RFP.

### 7.3 RIGHT TO CHANGE OR AMEND REQUEST

The City reserves the right to change the terms and conditions of this RFP. The City will notify potential Proponent of any material changes by posting on the City's website. No one is authorized to amend any of the RFP requirements in any respect, by an oral statement, or to make any representation or interpretation in conflict with its provisions. If necessary, supplementary information and/or clarifications/questions/answers will be posted on the City's website at [www.stocktonca.gov/adminbid](http://www.stocktonca.gov/adminbid). Failure of any Proponent to not have received such information and/or clarifications/questions/answers shall not relieve such Proponent from any obligation under his/her proposal as submitted.

Any exceptions to this Proposal shall be clearly stated in writing.

### 7.4 CANCELLATION

The City reserves the right to rescind award of the contract at any time before execution of the contract by both parties if rescission is deemed to be in City's best interest. In no event shall City have any liability for the rescission of award. The Proponent assumes the sole risk and responsibility for all expenses connected with the preparation of its proposal.

### 7.5 EXAMINATION OF PROPOSAL MATERIALS

The submission of a proposal shall be deemed a representation and warranty by the Proponent that it has investigated all aspects of the RFP, that it is aware of the applicable facts pertaining to the RFP process and its procedures and requirements, and that it has read and understands the RFP. No request for modification of the provisions of the proposal shall be considered after its submission on the grounds the Proponent was not fully informed as to any fact or condition. Statistical information which may be contained in the Solicitation or any addendum is for informational purposes only. The City disclaims any responsibility for this information which may subsequently be determined to be incomplete or inaccurate.

### 7.6 ADDENDA AND INTERPRETATION

The City will not be responsible for, nor be bound by, any oral instructions, interpretations, or explanations issued by the City or its representatives. Any request for clarifications, questions, or answers of this RFP shall be made in writing/e-mail and deliverable to:

CITY OF STOCKTON  
ATTN: PATRICIA MONESI  
PROCUREMENT DIVISION

400 E MAIN, 3<sup>RD</sup> FLOOR  
STOCKTON, CA 95202  
stocktonbids@stocktonca.gov

Such request for clarifications/questions/answers shall be delivered to the City in accordance with the date identified on page *i* of this Solicitation. Any City response to a request for clarifications/questions/answers will be posted on the City's website at [www.stocktonca.gov/adminbid](http://www.stocktonca.gov/adminbid) the date identified on page *i* of this Solicitation, and will become a part of the Solicitation. The Proponent should await responses to inquiries prior to submitting a proposal.

#### 7.7 DISQUALIFICATION

- a. Any of the following may be considered cause to disqualify a Proponent without further consideration:
- b. Evidence of collusion among Proponents;
- c. Any attempt to improperly influence any member of the evaluation panel;
- d. Any attempt to communicate in any manner with a City of Stockton elected official during the RFP process will, and shall be, just cause for disqualification/rejection of Proponent's proposal/Proponent's bid submittal and considered non-responsive.
- e. A Proponent's default in any operation of a professional services agreement which resulted in termination of that agreement; and/or
- f. Existence of any lawsuit, unresolved contractual claim, or dispute between Proponent and the City.
- g. No person, firm, or corporation shall be allowed to make or file or be interested in more than one bid for the same supplies, services, or both; provided, however, that subcontract bids to the principal bidders are excluded from the requirements of this section: Section 3.68.120 of the Municipal Code.

#### 7.8 CONDITIONS IF WORK IS SUBCONTRACTED

The Proponent assumes full responsibility, including insurance and bonding requirements, for the quality and quantity of all work performed.

If Proponent's supplier(s) and/or subcontractor's involvement requires the use of a licensed, patented, or proprietary process, the proponent of the process is responsible for assuring that the subcontractor, supplier, and/or operator have been properly authorized to use the process or for providing another process which is comparable to that which is required prior to submission of a proposal.

#### 7.9 LICENSING REQUIREMENTS

Any professional certifications or licenses that may be required to perform the scope of work will be the sole cost and responsibility of the successful Proponent.

A City of Stockton Business license may be required for this project. Please contact the City of Stockton Business License Division at (209) 937-8313.

#### 7.10 INDEMNITY AND HOLD HARMLESS

To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and

all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum Insurance obligations contained in this agreement. These obligations shall survive the completion or termination of this agreement.

#### 7.11 COMPETITIVE PRICING

Proponent warrants and agrees that each of the charges, economic or product terms or warranties granted pursuant to this Contract are comparable to or better than the equivalent charge, economic or product term or warranty being offered to any similarly situated commercial or other government customer of Proponent. If Proponent enters into any arrangements with another customer of Proponent to provide product under more favorable charges, economic or product terms or warranties, Proponent shall immediately notify City of such change and this Contract shall be deemed amended to incorporate the most favorable charges, economic or product terms or warranties.

#### 7.12 AVAILABLE FUNDING

Any contract which results from this RFP will terminate without penalty at the end of the fiscal year in the event funds are not appropriated for the next fiscal year. If funds are appropriated for a portion of the fiscal year, this contract will terminate without penalty, at the end of the term for which funds are appropriated.

#### 7.13 TERMINATION FOR CONVENIENCE

The City may terminate the resultant Agreement for convenience at any time by mailing a notice in writing to the Contractor.

#### 7.14 AUDITING CHARGES AND SERVICES

The City reserves the right to periodically audit all charges and services made by the successful Proponent to the City for services provided under the contract. Upon request, the Proponent agrees to furnish the City with necessary information and assistance.

#### 7.15 CHANGES

The City's Representative has the authority to review and recommend or reject change orders and cost proposals submitted by the Proponent or as recommended by the Proponent's project manager, pursuant to the adopted City of Stockton Standard Specifications.

#### 7.16 AWARD

Upon conclusion of the Solicitation process, the City may award a contract for services identified in the Solicitation. The City reserves the right to select the successful Proponent and to negotiate terms of a contract with the Proponent whose proposal is most responsive to the needs of the City. Further, the City reserves the right to reject any and all proposals, or alternate proposals, or waive any informality in the proposal as is in the City's best interest.

## 8.0 PROPOSAL DOCUMENTS

<b>WORKER COMPENSATION THIRD PARTY CLAIMS ADMINISTRATOR</b>	
<b>PUR-23-025</b>	
<b>SUBMITTAL DUE: THURSDAY, MAY 18 2023, AT 2:00 PM</b>	
RFP Submittal Electronic Mail	<a href="mailto:city.clerk@stocktonca.gov">city.clerk@stocktonca.gov</a>
Proponent Business Name	
Proponent Contact Name	
Proponent Address	
Proponent Phone Number	
Proponent Email Address	
Department of Industrial Relations ID Number (if applicable)	



## ATTACHMENT A – PROJECT SUBMITTAL CHECKLIST

**THIS CHECKLIST IS FOR PROVIDED FOR YOUR CONVENIENCE ONLY. IT IS NOT REQUIRED TO BE SUBMITTED WITH PROPOENT PROPOSAL.**

- ✓ Complete the following proposal attachments (FROM THIS PACKET ONLY SUBMIT PAGES FROM SECTION 8 AND PLACE IN THE FRONT OF YOUR PROPOSAL).
- ✓ Sign and notarize by jurat certificate the "Non-Collusion Affidavit" form. An "All-Purpose Acknowledgment" form will not be sufficient.
- ✓ Complete and sign a "Proponent's Fee Schedule" form, (under separate cover).
- ✓ Sign the "Proponent's Covenant" form. Include (with proposal) name and e-mail address for City contact, if different from signatorem.
- ✓ Include your proposal, as outlined in these specifications.
- ✓ Please submit one (1) electronic version of the proposal to [city.clerk@stocktonca.gov](mailto:city.clerk@stocktonca.gov). Proposal fee shall be submitted as a separate electronic file from submitted proposal.
- ✓ Review, print and sign all clarifications/questions/answers on the City's website at [www.stocktonca.gov/adminbid](http://www.stocktonca.gov/adminbid) and submit with proposal response.
- ✓ Use Section 8.0 Proposal Documents to deliver sealed proposal timely to City Hall, City Clerk's Office (1st floor), 425 North El Dorado Street, Stockton, CA 95202, or electronically to [city.clerk@stocktonca.gov](mailto:city.clerk@stocktonca.gov).

ATTACHMENT B- PROPONENT'S COVENANT

In submitting this proposal, as herein described, the Proponent agrees that:

1. They have carefully examined the Scope of Work and all other provisions of this document and understand the meaning, intent and requirements of same.
2. They will enter into contract negotiations and furnish the services specified.
3. They have signed and notarized the attached Non-Collusion Affidavit form, whether individual, corporate or partnership. Must be 'A Jurat' notarization.
4. They have reviewed all clarifications/questions/answers on the City's website at [www.stocktonca.gov/adminbid](http://www.stocktonca.gov/adminbid).
5. Confidentiality: Successful Proponent hereby acknowledges that information provided by the City is personal and confidential and shall not be used for any purpose other than the original intent outlined in the Request for Proposal. Breach of confidentiality shall be just cause for immediate termination of contract agreement.

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FIRM

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ADDRESS

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SIGNED BY & DATE

---

TITLE OR AGENCY

---

PHONE/FAX NUMBER

---

EMAIL

ATTACHMENT C - NON-COLLUSION AFFIDAVIT

AFFIDAVIT FOR INDIVIDUAL PROPONENT

No. 1

STATE OF \_\_\_\_\_, \_\_\_\_\_)ss.

County of \_\_\_\_\_)

(insert)

\_\_\_\_\_ being first duly sworn, deposes and says: That on behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation to put in a sham bid, or that such other person, firm or corporation shall or should refrain from bidding; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

\_\_\_\_\_  
(Signature Individual Proponent)

Subscribed and sworn to (or affirmed) before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_

by \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal \_\_\_\_\_

Signature \_\_\_\_\_

No. 2

AFFIDAVIT FOR CORPORATION PROPONENT

STATE OF \_\_\_\_\_, \_\_\_\_\_)ss.

County of \_\_\_\_\_)

(insert)

\_\_\_\_\_ being first duly sworn, deposes and says: That they are the \_\_\_\_\_ of \_\_\_\_\_ a corporation, which corporation is the party making the foregoing bid, that such bid is genuine and not sham or collusive, or made in the interest or behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation to put in a sham bid, or that such other person, firm or corporation shall or should refrain from bidding; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

\_\_\_\_\_  
(Signature Corporation Proponent)

Subscribed and sworn to (or affirmed) before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal \_\_\_\_\_

Signature \_\_\_\_\_

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**No. 3**

**AFFIDAVIT FOR FIRM, ASSOCIATION, OR CO-PARTNERSHIP**

**STATE OF \_\_\_\_\_, \_\_\_\_\_)ss.**

**County of \_\_\_\_\_)**

**(insert)**

\_\_\_\_\_, each being first duly sworn, depose and say: That they are a member of the firm, association or co-partnership, designated as \_\_\_\_\_ who is the party making the foregoing bid; that the other partner, or partners, are \_\_\_\_\_ that such bid is genuine and not sham or collusive, or made in the interest or behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation shall or should refrain from proposing; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

Subscribed and sworn to (or affirmed) before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

by \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal \_\_\_\_\_

## 9.0 PROPOSAL EXHIBITS

Exhibits can be found on the City's Bid Flash Website:

<http://www.stocktonca.gov/services/business/bidflash/default.html>

### 9.1 Exhibit A – Sample Contract

Any major provision changes to the sample contract should be submitted by the proponent along with the proposal response.

### 9.2 Exhibit B – Insurance Requirements

The Risk Services Division develops insurance requirements for all contracts for the City of Stockton. The Division also reviews and approves all bonds and evidence of insurance, including Certificates of Insurance and endorsements for all contracts. Examples include:

- Contracts - Constructions, Professional Services, Supplier, Lease
- Permits - Encroachment, Revocable, Street Closures, Block Parties
- Bonds - Performance, Maintenance, Labor and Materials
- Community Services – Special Events

This project is subject to Insurance Requirements for Worker Compensation Third Party Claims Administrator.

## 8.1 Exhibit 1 – Insurance Limits

NOTE: The City of Stockton is now using the online insurance program PINS Advantage. Once you have been awarded a contract you will receive an email from the City's online insurance program requesting you to forward the email to your insurance provider(s). Please see attached flyer regarding PINS Advantage.

The Risk Services Division develops insurance requirements for all contracts for the City of Stockton. The Division also reviews and approves all bonds and evidence of insurance, including Certificates of Insurance and endorsements for all contracts. Examples include:

- Contracts - Constructions, Professional Services, Supplier, Lease
- Permits - Encroachment, Revocable, Street Closures, Block Parties
- Bonds - Performance, Maintenance, Labor and Materials
- Community Services – Special Events

This project is subject to Insurance Requirements for <<ENTER INSURANCE COVERAGE>>

Visit the following website to review the appropriate insurance requirements for this solicitation:

<http://www.stocktonca.gov/government/departments/humanResources/riskServices/insurance.html>

- a. Summary - Indemnity and Insurance Requirements Checklist
- b. Block Party/Street Closure
- c. Chemical Vendor
- d. Construction Contracts
- e. Encroachment Permits
- f. Environmental Services Including Lead and Asbestos
- g. First Fill Prescription Information Sheet
- h. IT Professional Services
- i. IT Vendor Services
- j. Lessees - Not for Daily or Short-Term Rentals
- k. License and Maintenance Agreements
- l. Most Contracts - Not for Professional Services or Construction
- m. Professional Services
- n. Rental of Facilities
- o. Special Event Security Vendors
- p. Subdividers
- q. Training Instructors

## 8.2 [Exhibit 2 – Sample Contract](#)

Any major provision changes to the sample contract should be submitted by the Proponent along with the proposal response.