



Agenda Date: 7/12/2005  
Agenda Placement: 6W

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Britt Ferguson for Nancy Watt - County Executive Officer  
County Executive Office  
**REPORT BY:** Lorenzo Zialcita, Principal Management Analyst , 253-4826  
**SUBJECT:** Amendment No. 3 to George Hills Company Inc. Agreement No. 2265

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### **RECOMMENDATION**

County Executive Officer requests approval of and authorization for the Chair to sign Amendment No. 3 to Agreement No. 2265 with George Hills Company, Inc., extending the term through June 30, 2010 for third party liability administration services.

### **EXECUTIVE SUMMARY**

George Hills Company Inc. has been providing third party administration (TPA) services in relation to liability claims filed against the County since April 1985. George Hills has been providing the County excellent service, and the current Agreement should be renewed, as the current Agreement's five-year term is ending. Amendment Number 3 requests the current Agreement be extended for another five years. All other terms and conditions of the current Agreement remain the same.

### **FISCAL IMPACT**

Is there a Fiscal Impact?                      No

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

**BACKGROUND AND DISCUSSION**

The Amendment to the Agreement being presented for approval will continue a long-standing relationship with the George Hills Co., Inc. (George Hills). The firm continues to provide the County with excellent service in third party administration services of the County's liability claims. The adjuster assigned to Napa County, Kerry Whitney, has developed good rapport with staff Countywide over the years, which is of great benefit and allows him to obtain the necessary information required to investigate and adjust claims and litigation on behalf of the County of Napa.

CSAC-EIA, the County's excess insurer, does review and evaluate TPAs, and George Hills is one of only two Liability Third Party Administrators (TPA) recommended by CSAC-EIA. George Hills, located in Rancho Cordova, CA, along with the Carl Warren Co. of Orange, CA, are the two CSAC-EIA-approved TPAs. Since it is very important for the TPA to have an outstanding relationship with the excess insurer and the County itself, approval of this Amendment No. 3 is recommended.

The proposed Amendment extends the term for another five years. George Hills Co. Inc. will be maintaining their annual rate at \$83,245.34 through the first year. Any changes to this rate after June 30, 2006 will be brought to the Board for authorization before being effected. The Agreement includes a provision for annual automatic renewal under the same terms and conditions.

**SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Britt Ferguson