

**CITY OF RICHMOND
STANDARD CONTRACT**

Department: Human Resources	Project Manager: Sharrone Taylor
Project Manager E-mail: sharrone_taylor@ci.richmond.ca.us	Project Manager Phone No: 510-620-6803
Vendor No: 6596	Contract No: 7043
Description of Services: General liability third party administrator services.	

The parties to this STANDARD CONTRACT do mutually agree and promise as follows:

1. Parties. The parties to this Contract are the City of Richmond, a municipal corporation (“the City”), and the following named Contractor:

Contractor Name: George Hills Company, Inc.
 Street Address: P.O. Box 278
 City, State, Zip Code: Rancho Cordova, CA 95741
 Contact Person: Chris Shaffer
 Telephone: 915-859-4826 Email: chris.shaffer@georgehills.com
 Business License No: 4001 8218

- A California corporation limited liability corporation general partnership,
 limited partnership, individual non-profit corporation,
 individual dba as [specify:] _____
 other [specify:] _____

2. Term. The effective date of this Contract is 7/1/24 and terminates 6/30/27 unless terminated earlier as set forth herein.

3. Payment Limit. City’s total payments to Contractor under this Contract shall not exceed \$660,000 (“Contract Payment Limit”) unless a Contract Amendment has been approved by the City Council or City Manager. If this amount includes a contingency, Contractor acknowledges that any use of such contingency shall be for work beyond the original scope of services and requires prior written authorization by the City. If noted below, Compensation for work done under this Contract, shall not exceed as follows:

FY 24/25 total compensation shall not exceed \$ **220,000**
 FY 25/26 total compensation shall not exceed \$ **220,000**
 FY 26/27 total compensation shall not exceed \$ **220,000**

4. Contractor’s Obligations. Contractor agrees to perform all work at its own cost and expense, to furnish all labor, tools, equipment, materials, except as otherwise specified, in accordance with Exhibit A: Service Plan which is attached hereto and incorporated herein.

- 5. City Obligations. City shall make payments to the Contractor in accordance with the Payment Provisions set forth in Exhibit B, attached hereto and incorporated herein.
- 6. Authorized Representatives and Notices. This Contract is subject to the Authorized Representatives and Notices Provisions (Exhibit C), attached hereto and incorporated herein.
- 7. General Conditions. This Contract is subject to the General Conditions (Exhibit D) which are attached hereto and incorporated herein.
- 8. Special Conditions. This Contract is subject to the Special Conditions (Exhibit E) (if any) which are attached hereto and incorporated herein.
- 9. Insurance Provisions. This Contract is subject to the Insurance Provisions (Exhibit F) which are attached hereto and incorporated herein.
- 10. Signatures. These signatures attest the parties' agreement hereto:

CITY OF RICHMOND,
a municipal corporation

George Hills Company, Inc.

[BUSINESS NAME]

(* The Corporation Chairperson of the Board,
President or Vice President should sign below)

By: 
DocuSigned by:
086C427628CC481...

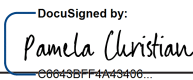
Title Mayor

By: 
DocuSigned by:
32C0684BD910400

Title: Chief operating officer

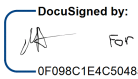
Date Signed: 7/24/2024

I hereby certify that this Contract
has been approved by City Council
or the City Manager.

By: 
DocuSigned by:
C8843BFF4743406...
City Clerk

(* The Corporation Chief Financial Officer, Secretary or
Assistant Secretary should sign below)

Approved as to form:

By: 
DocuSigned by:
0F098C1E4C50485...
City Attorney

By: _____

Title: _____

Date Signed: _____

LIST OF ATTACHMENTS:

- | | |
|--|-----------|
| Service Plan | Exhibit A |
| Payment Provisions | Exhibit B |
| Authorized Representatives and Notices | Exhibit C |
| General Conditions | Exhibit D |
| Special Conditions | Exhibit E |
| Insurance Provisions | Exhibit F |
| Sanctuary City Compliance Statement | Exhibit G |

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**EXHIBIT A
SERVICE PLAN**

Contractor shall, to the satisfaction of the Project Manager (set forth in Exhibit B), perform the following services and be compensated as outlined below [or attach service plan if necessary]:

See attached Scope of Work for further details.

Three year contract with two, one-year extensions at the fixed rate of \$220,000
per year

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EXHIBIT B
PAYMENT PROVISIONS

1. COMPENSATION TO CONTRACTOR:

a. Provided Contractor is not in default under this Contract, Contractor shall be compensated in the manner set forth herein.

b. All payments made pursuant to this Contract shall be subject to the Contract Payment Limit. The Payment Limit includes expenses (phones, photo copying, meals and travel, etc). Invoices, shall be adequately detailed, based on accurate records, and be in a form reasonably satisfactory to the City. Contractor may be required to provide back-up material upon request.

c. All City vendors receiving new contracts shall sign up to receive electronic payments through the City's Automated Clearinghouse (ACH) payments service/provider.

2. SUBMISSION OF INVOICES:

Contractor shall submit timely invoices by email to Accounts Payable@ci.richmond.ca.us and/or to the following address: Attention: City of Richmond Finance/Account Payable
Project Manager: Sharrone Taylor

P.O. Box 4046
Richmond, CA 94804

3. All invoices that are submitted by Contractor shall be subject to the approval of the City Project Manager, Sharrone Taylor before payments shall be authorized.
4. The City will pay invoice(s) within 45 days after completion of services to the City's satisfaction. The City shall not pay late fees or interest.
5. All appropriate permits, certificates, and licenses, including a City business license shall be obtained and maintained for the duration of this Contract before any payment is authorized.
6. All insurance coverage required by this Contract shall be provided by the Contractor before this Contract is executed by the City. The insurance coverage required by this Contract shall be maintained by Contractor for the duration of this Contract and must be in place before any payment is authorized.

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EXHIBIT C
AUTHORIZED REPRESENTATIVES AND NOTICES

1. All required written notices shall be delivered: (i) by hand; or (ii) sent by registered, express, or certified mail, with return receipt requested or with delivery confirmation requested from the U.S. postal service; (iii) sent by overnight or same day courier service at the party's respective address listed in this Section.

2. Each notice shall be deemed to have been received on the earlier to occur of: actual delivery or the date on which delivery is refused; or three (3) days after notice is deposited in the U.S. mail or with a courier service in the manner described above (Sundays and City holidays excepted).

3. Either party may, at any time, change its notice address (other than to a post office box address) by giving the other party three (3) days prior written notice of the new address.

4. All notices, demands, requests, or approvals from Contractor to the City shall be addressed to the City at:

Sharrone Taylor

City of Richmond –

Richmond, CA 94804

Email: sharrone_taylor@ci.richmond.ca.us

5. All notices, demands, requests, or approvals from the City to Contractor shall be addressed to Contractor at:

Chris Shaffer

Business Name George Hills Company, Inc.

Street Address P.O. Box 278

City, State Zip Rancho Cordova, CA 95741

Email: chris.shaffer@georgehills.com

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Richmond and George Hills Company, Inc.**EXHIBIT D
GENERAL CONDITIONS****1. INDEPENDENT PARTIES:**

Contractor hereby declares that Contractor is engaged as an independent business and Contractor agrees to perform the services as an independent contractor. The manner and means of conducting the services and tasks are under the control of Contractor except to the extent they are limited by statute, rule or regulation and the express terms of this Contract. No civil service status or other right of employment will be acquired by virtue of Contractor's services. None of the benefits provided by the City to its employees, including but not limited to unemployment insurance, workers' compensation plans, vacation and sick leave, are available from the City to Contractor, its employees or agents. Deductions shall not be made for any state or federal taxes, FICA payments, PERS payments, or other purposes normally associated with an employer-employee relationship from any compensation due to Contractor. Payments of the above items, if required, are the responsibility of Contractor.

2. TIME IS OF THE ESSENCE:

Contractor and the City agree that time is of the essence regarding the performance of this Contract.

3. STANDARD OF CARE:

Contractor agrees to perform all services hereunder in a manner commensurate with the prevailing standards of like professionals or service Contractors, as applicable, in the San Francisco Bay Area and agrees that all services shall be performed by qualified and experienced personnel who are not employed by the City.

4. IMMIGRATION REFORM AND CONTROL ACT (IRCA):

Contractor assumes all responsibility for verifying the identity and employment authorization of all of its employees performing work hereunder, pursuant to all applicable IRCA or other federal, or state rules and regulations. Contractor shall indemnify, defend, and hold the City harmless from and against any loss, damage, liability, costs or expenses arising from any noncompliance of this provision by Contractor.

5. NON-DISCRIMINATION:

Consistent with the City's policy and state and federal law that harassment and discrimination are unacceptable conduct, Contractor and its employees, contractors, and agents shall not harass or discriminate against any job applicant, City employee, or any other person on the basis of any kind of any statutorily (federal, state or local) protected class, including but not limited to: race, religious creed, color, national origin, ancestry, disability (both mental and physical) including HIV and AIDS, medical condition (e.g. cancer), genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, pregnancy, political

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affiliation, military and veteran status or legitimate union activities. Contractor agrees that any violation of this provision shall constitute a material breach of this Contract.

6. CITY PROPERTY:

a. Each and every report, draft, work product, map, record, applicable plans, drawings, calculation, data, specification, video, graphic or any other material or document produced, prepared or caused to be prepared by Contractor pursuant to or in connection with this Contract shall be the exclusive property of the City.

b. Notwithstanding the foregoing, Contractor shall not be obligated to provide to City proprietary software or data which Contractor has developed or had developed for Contractor's own use; provided, however, that Contractor shall, pursuant to Section 11 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of such proprietary software or data.

c. No report, information or other data given to or prepared or assembled by Contractor pursuant to this Contract shall be made available to any individual or organization by Contractor without prior approval of the City Manager or their designee.

d. Contractor shall, at such time and in such form as City Manager or their designee may require, furnish reports concerning the status of services and tasks required under this Contract.

7. RECORDS:

a. Contractor shall maintain complete and accurate records with respect to the services, tasks, work, documents and data in sufficient detail to permit an evaluation of Contractor's performance under the Contract, as well as maintain books and records related to sales, costs, expenses, receipts and other such information required by the City that relate to the performance of the services and tasks under this Contract (collectively the "**Records**").

b. All Records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Contractor shall provide free access to the Records to the representatives of the City or its designees during regular business hours upon reasonable prior notice. The City has the right to examine and audit the Records, and to make copies or transcripts therefrom as necessary, and to allow inspection of all proceedings and activities related to this Contract. Such Records, together with supporting documents, shall be kept separate from other documents and records and shall be maintained by Contractor for a period of five (5) years after receipt of final payment.

c. If supplemental examination or audit of the Records is necessary due to concerns raised by the City's preliminary examination or audit of records, and the City's supplemental examination or audit of the records discloses a failure to adhere to appropriate internal financial controls, or other breach of this Contract or failure to act in good faith, then Contractor shall reimburse the City for all reasonable costs and expenses associated with the supplemental examination or audit.

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Richmond and George Hills Company, Inc.**8. PERMITS AND LICENSES:**

Contractor, at its sole expense, shall obtain and maintain during the term of this Contract, all appropriate permits, certificates and licenses, including a City business license, required in connection with the performance of the services and tasks hereunder. The failure to obtain such permits and licenses shall be a material breach of this Contract and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual or extraordinary circumstances without necessitating any modification of this Contract to reflect such waiver.

9. TERMINATION:

a. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Contract at any time prior to completion by Contractor of the project or services hereunder immediately upon transmission of written notice to Contractor as provided in Exhibit C "Authorized Representatives and Notices".

b. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Contract, City may immediately terminate this Contract by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided in Exhibit B; provided, however, there shall be deducted from such amount the amount of damage, including attorney's fees, expert witness fees and costs, if any, sustained by City by virtue of Contractor's breach of this Contract. Additionally, in the event of such termination, the City may proceed with the work in any reasonable manner it chooses.

10. CONFLICT OF INTEREST:

Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Contract. Contractor further acknowledges, represents and warrants that no City official or employee has any economic interest, as defined in Title 2, California Code of Regulations §§ 18703.1 through 18703.5, with Contractor that would invalidate this Contract. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Contract, all consideration received under this Contract shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Contract for one (1) year.

11. HOLD HARMLESS:

a. To the fullest extent permitted by law, Contractor shall indemnify, defend (with counsel acceptable to the City) and hold harmless the City, its City Council, boards, commissions, officials, employees, agents and volunteers ("Indemnitees") from and against any and all loss, damages, liability, obligations, claims, suits, judgments, costs and expenses

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whatsoever, including attorney's fees and costs of litigation ("Claims"), arising from or in any manner connected to Contractor's performance of its obligations under this Contract or failure to comply with any of its obligations under this Contract or out of the operations conducted by Contractor even if the City is found to have been negligent. If the Claims filed against Indemnitees allege negligence, recklessness or willful misconduct on the part of Contractor, Contractor shall have no right of reimbursement against Indemnitees for the costs of defense even if negligence, recklessness or willful misconduct is not found on the part of Contractor. Contractor shall not have any obligations to indemnify Indemnitees if the loss or damage is found to have resulted solely from the negligence or the willful misconduct of the City. The defense and indemnification obligations of this Contract are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Contract.

b. This indemnification obligation shall survive this Contract and shall not be limited by any term of any insurance policy required under this Contract; provided however, that if this Contract is for design professional services, this indemnity provision is limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the design professional (as defined in California Civil Code section 2782.8).

12. LIMITATIONS UPON SUBCONTRACTING AND ASSIGNMENT:

a. This Contract binds the heirs, successors, assigns and representatives of Contractor. The Contractor shall not enter into subcontracts for any work contemplated under this Contract and shall not assign this Contract, nor any portion hereof or monies due or to become due, without the prior written consent of the City Council or its designee.

b. Contractor shall not assign, sublease, hypothecate, or transfer this Contract, or any interest therein, directly or indirectly, by operation of law or otherwise, without prior written consent of the City Manager. Contractor shall submit a written request for consent to transfer to the City Manager at least thirty (30) days in advance of the desired transfer. The City Manager or their designee may consent or reject such request in their sole and absolute discretion. Any attempt to do so without said consent shall be null and void, and any assignee, sublessee, hypothecate or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. However, claims for money against the City under this Contract may be assigned by Contractor to a bank, trust company or other financial institution without prior written consent.

c. The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Contractor (if applicable), or of the interest of any general partner or joint venturer or syndicate member if Contractor is a partnership or joint-venture or syndicate, which shall result in a change of control of Contractor, shall be deemed an assignment. For this purpose, control shall mean fifty percent or more of the voting power or twenty-five percent or more of the assets of the corporation, partnership or joint-venture.

d. Only those persons and/or businesses whose names and resumés are attached to this Contract shall be used in the performance of this Contract. However, if after the start of this Contract, Contractor wishes to use sub-contractors, at no additional costs to the City, then

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Contractor shall submit a written request for consent to add sub-contractors including the names of the sub-contractors and the reasons for the request to the City Manager at least five (5) days in advance. The City Manager may consent or reject such requests in their sole and absolute discretion.

e. Each sub-contractor shall be required to furnish proof of workers' compensation insurance and shall also be required to carry general, automobile and professional liability insurance (as applicable) in reasonable conformity to the insurance carried by Contractor.

f. In addition, any tasks or services performed by sub-contractors shall be subject to each provision of this Contract. Contractor shall include the following language in their Contract with any sub-contractor: "Sub-Contractors hired by Contractor agree to be bound to Contractor and the City in the same manner and to the same extent as Contractor is bound to the City."

g. The requirements in this Section 12 shall not apply to persons who are merely providing materials, supplies, data or information that Contractor then analyzes and incorporates into its work product.

13 SAFETY:

a. Contractor acknowledges that the City is committed to the highest standards of workplace safety. Contractor will be solely and completely responsible for conditions of all vehicles owned or operated by Contractor, including the safety of all persons and property during performance of the services and tasks under this Contract. Contractor shall assume sole and complete responsibility for the safety of Contractor's employees and any of subcontractor's employees. This requirement will apply continuously and not be limited to normal working hours. In addition, Contractor will comply with all safety provisions in conformance with U.S. Department of Labor Occupational Safety and Health Act, any equivalent state law, and all other applicable federal, state, county and local laws, ordinances, codes, and any regulations that may be detailed in other parts of the Contract. Where any of these are in conflict, the more stringent requirements will be followed. Contractor's failure to thoroughly familiarize itself with the aforementioned safety provisions will not relieve it from compliance with the obligations and penalties set forth herein.

b. Contractor will immediately notify the City (in no event less than 24 hours) of any incident of death, serious personal injury or substantial property damage that occurs in connection with the performance of this Contract. Contractor will promptly submit to the City a written report of all incidents that occur in connection with this Contract. This report must include the following information: (i) name and address of injured or deceased person(s); (ii) name and address of Contractor's employee(s) involved in the incident; (iii) name and address of Contractor's liability insurance carrier; (iv) a detailed description of the incident; and (v) a police report.

c. Contractor acknowledges that the City shall have the right to impose, at the City's sole discretion, requirements that it deems are necessary to protect the health and safety of the City employees, residents, and visitors. Contractor agrees to comply with all such requirements,

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including, but not limited to, mandatory vaccinations, the use of personal protective equipment (e.g. masks), physical distancing, and health screenings. Contractor also agrees to make available to the City, at the City's request, records to demonstrate Contractor's compliance with this Section.

14. INSURANCE:

Insurance requirements are set forth in Exhibit F to this Contract. Contractor shall abide by the insurance requirements set forth in said Exhibit F.

15. COMPLIANCE WITH ALL APPLICABLE LAWS:

a. During the term of this Contract, Contractor shall keep fully informed of all existing and future state and federal laws and all municipal ordinances and regulations of the City of Richmond which affect the manner in which the services or tasks are to be performed by Contractor, as well as all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. Contractor shall comply with all applicable laws, state and federal and all ordinances, rules and regulations enacted or issued by the City. Compliance under this provision includes compliance with all provisions of the Richmond Municipal Code ("Municipal Code"), including Chapters 2.50, 2.52, 2.56, and 2.60, if applicable.

b. Contractor acknowledges that under § 2.60.070 of the Municipal Code ("Living Wage Ordinance"), Contractor is required to provide the City with documents and information verifying its compliance with the Living Wage Ordinance. Contractor shall notify each of its affected employees with regards to the wages that are required to be paid pursuant to the Living Wage Ordinance as prescribed in § 2.60.070 of the Municipal Code.

c. Contractor shall comply with § 2.28.030 of the Municipal Code, obligating every Contractor or sub-Contractor under an agreement or sub-agreement with the City for public works, goods or services to refrain from discriminatory employment or practices on the basis of race, color, sex, sexual orientation, religious creed, national origin or ancestry of any employee, any applicant for employment or any potential sub-contractor

d. Contractor acknowledges that the City's Drug Free Workplace Policy, Violence in the Workplace Policy and the Policy Against Workplace Harassment, are available on the City's website at <http://www.ci.richmond.ca.us/workplacepolicies> . Contractor agrees to abide by the terms and conditions of said policies.

16. INTEGRATED CONTRACT:

The Recitals and exhibits are a material part of this Contract and are expressly incorporated herein. This Contract represents the full and complete understanding of every kind or nature whatsoever between the parties hereto, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall

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be held to vary the provisions hereof. Any modification of this Contract will be effective only by written execution signed by both the City and Contractor.

17. CONFLICTING PROVISIONS:

In the event of a conflict between these General Conditions and those of any Exhibit or attachment hereto, these General Conditions shall prevail; provided, however, that any Special Condition as set forth in Exhibit E shall prevail over these General Conditions. In the event of a conflict between the terms and conditions of any two or more Exhibits or attachments hereto, those prepared by City shall prevail over those prepared by the Contractor, and the terms and conditions preferred by the City shall prevail over those preferred by the Contractor.

18. FORCE MAJEURE:

Neither party hereto shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such an obligation is prevented or delayed by reason of acts of God, strikes, boycotts, lock-outs, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations enacted after the date of this Contract, riots, civil unrest, acts of terrorism, insurrection, war, declaration of a state or national emergency or other reasons of a like nature not within the reasonable control of such party.

19. CONFLICT OF LAW:

This Contract shall be interpreted under, and enforced by the laws of the State of California without regard to any choice of law rules which may direct the application of laws of another jurisdiction. The Contract and obligations of the parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Contract (or the successors of those authorities). Any suits brought pursuant to this Contract shall be filed with the courts of the County of Contra Costa, State of California.

20. CLAIMS:

Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 et seq. The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six months after accrual of the cause of action.

21. INTERPRETATION:

This Contract shall be interpreted as if drafted by both parties.

22. WARRANTY:

If any product is be provided to the City as part of this Contract, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to

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City; the product shall be delivered to the City free from any security interest or other lien; the product meets any specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of one hundred and eighty (180) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping.

23. SEVERABILITY:

In the event that any of the provisions or portions or applications thereof of this Contract are held to be unenforceable or invalid by any court of competent jurisdiction, City and Contractor shall negotiate an equitable adjustment in the provisions of the Contract with a view toward effecting the purpose of this Contract, and the validity and enforceability of the remaining provisions or portions or applications thereof, shall not be affected thereby.

24. AUTHORITY:

City warrants and represents that the signatory hereto (the Mayor of the City of Richmond or the City Manager) is duly authorized to enter into and execute this Contract on behalf of City. The party signing on behalf of Contractor warrants and represents that they are duly authorized to enter into and execute this Contract on behalf of Contractor, and shall be personally liable to City if they are not duly authorized to enter into and execute this Contract on behalf of Contractor.

25. WAIVER:

The waiver by City of any breach of any term or provision of this Contract shall not be construed as a waiver of any subsequent breach. Inspections or approvals, or statements by any officer, agent or employee of the City relating to the Contractor's performance, or payment therefore, or any combination of these acts, shall not relieve the Contractor's obligation to fulfill this Contract as prescribed; nor shall the City be thereby stopped from bringing any action for damages or enforcement arising from any failure to comply with any of the terms and conditions of this Contract.

26. COUNTERPARTS:

This Contract may be executed in any number of counterparts (including by fax, PDF, DocuSign, or other electronic means), each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

27. SANCTUARY CITY CONTRACTING ORDINANCE (SCCO):

The Richmond Sanctuary City Contracting Ordinance No. 12-18 prohibits the City from granting and or retaining contracts with any person or entity that provides Data Broker or Extreme Vetting services to the U.S. Immigration and Customs Enforcement Division of the

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United States Department of Homeland Security (“ICE”). Contractor must submit the Sanctuary
City Compliance Statement, attached hereto as Exhibit G.

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EXHIBIT E
SPECIAL CONDITIONS

The General Conditions are hereby amended to include the following modifications and/or provisions (if applicable, otherwise please state "NONE"):

None.

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**EXHIBIT F
INSURANCE PROVISIONS**

 Check here if Risk Management has approved waiving insurance requirements for this contract.

a. Before the commencement of the terms of this Contract, and during the entire term of this Contract and any extension or modification thereof, Contractor shall furnish the City’s Risk Manager with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of insurance coverage in compliance with Sections 10.b. (1) through (5) Such certificates, which do not limit Contractor’s indemnification, shall also contain substantially the following statement:

“Should any of the above insurance covered by this certificate be canceled or coverage reduced before the expiration date thereof, the insurer affording coverage shall provide thirty (30) days’ advance written notice to the City of Richmond. Attention: Risk Manager.”

Contractor shall maintain in force at all times during the performance of this Contract all appropriate coverage of insurance required by this Contract with an insurance company licensed to offer insurance business in the State of California with a current A.M. Best’s rating of no less than A:VII or Standard & Poor’s Rating (if rated) of at least BBB unless otherwise acceptable to the City. Contractor shall deliver updated insurance certificates to the City at the address described in Section 17.f. prior to the expiration of the existing insurance certificate for the duration of the term of Contract. Endorsements naming the City, its City Council, boards, commissions, officials, employees, agents, and volunteers as additional insured shall be submitted with the insurance certificates.

b. COVERAGE REQUIREMENTS:

Contractor shall maintain insurance coverage and limits at least as broad as:

(1) Workers’ Compensation:

Statutory coverage as required by the State of California.

(2) Liability:

Commercial general liability coverage in the following minimum limits:

Bodily Injury: \$1,000,000 each occurrence
 \$2,000,000 aggregate - all other

Property Damage: \$1,000,000 each occurrence
 \$2,000,000 aggregate

If submitted, combined single limit policy with per occurrence limits in the amounts of \$2,000,000 and aggregate limits in the amounts of \$4,000,000 will be considered equivalent to the required minimum limits shown above. Additional

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Insured Endorsement naming the City, its City Council, boards, commissions, officials, employees, agents, and volunteers is required.

(3) Automotive:

Comprehensive automobile liability coverage (any auto) in the following minimum limits:

Bodily injury: \$1,000,000 each occurrence
Property Damage: \$1,000,000 each occurrence

or

Combined Single Limit: \$2,000,000 each occurrence

Additional Insured Endorsement naming the City, its City Council, boards, commissions, officials, employees, agents, and volunteers is required.

(4) Professional Liability:

Professional liability insurance which includes coverage appropriate for the professional acts, errors and omissions of Contractor's profession and work hereunder, including, but not limited to, technology professional liability errors and omissions if the services being provided are technology-based, in the following minimum limits:

\$2,000,000 each occurrence

Technology professional liability errors and omissions shall include, or be endorsed to include: property damage liability coverage for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the City in the care, custody, or control of Contractor. If not covered under Contractor's liability policy, such "property" coverage of the City may be endorsed onto Contractor's Cyber Liability Policy as covered property as follows: cyber liability coverage in an amount sufficient to cover the full replacement value of damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the City that will be in the care, custody, or control of Contractor.

(5) Cyber Liability:

Coverage shall be sufficiently broad to respond to the duties and obligations as are undertaken by Contractor in this Contract and shall include, but not be limited to, claims involving infringement of intellectual property, copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations with the following minimum limits:

\$2,000,000 per occurrence or claim.

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For the Contract between the City
of Richmond and George Hills Company, Inc.

As to commercial general liability and automobile liability insurance, such insurance will provide that it constitutes primary insurance with respect to claims insured by such policy, and, except with respect to limits, that insurance applies separately to each insured against whom claim is made or suit is brought. Such insurance is not additional to or contributing with any other insurance carried by or for the benefit of the City.

c. SUBROGATION WAIVER:

Contractor hereby agrees to waive rights of subrogation that any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether the City has received a waiver of subrogation endorsement from the insurer. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by Contractor, its employees, agents and subcontractors.

d. FAILURE TO SECURE:

If Contractor at any time during the term hereof should fail to secure or maintain the foregoing insurance, the City shall be permitted to obtain such insurance in Contractor's name or as an agent of Contractor and shall be compensated by Contractor for the costs of the insurance premiums at the maximum rate permitted by law and computed from the date written notice is received that the premiums have not been paid.

e. ADDITIONAL INSUREDS:

The City, its City Council, boards, commissions, officials, employees, agents, and volunteers shall be named as additional insured(s) under all insurance coverages, except workers' compensation and professional liability insurance. The naming of an additional insured shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured. Any additional insured named herein shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof. Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy. Additional Insured coverage under Contractor's policy shall be primary and non-contributory and will not seek contribution from the City's insurance or self-insurance. Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits shall be available to the additional insured(s).

f. SUFFICIENCY OF INSURANCE:

The insurance limits required by the City are not represented as being sufficient to protect Contractor. Contractor is advised to consult Contractor's insurance broker to determine adequate coverage for Contractor. The coverage and limits shall be (1) the minimum coverage and limits specified in this Contract; or (2) the broader coverage and maximum limits of the coverage carried by or available to Contractor; whichever is greater.

**EXHIBIT G
SANCTUARY CITY COMPLIANCE STATEMENT**

The undersigned, an authorized agent of _____ (hereafter "Contractor"), has had an opportunity to review the requirements of City of Richmond Ordinance 12-18 (hereafter "Sanctuary City Contracting Ordinance" or "SCCO"). Contractor understands and agrees that the City may choose with whom it will maintain business relations and may refrain from contracting with any person or entity that provides Data Broker or Extreme Vetting services to the U.S. Immigration and Customs Enforcement Division of the United States Department of Homeland Security ("ICE"). Contractor understands the meaning of the following terms used in the SCCO:

- a. "Data Broker" means either of the following:
 - i. The collection of information, including personal information about consumers, from a wide variety of sources for the purposes of reselling such information to their customers, which include both private-sector business and government agencies;
 - ii. The aggregation of data that was collected for another purpose from that for which it is ultimately used.
- b. "Extreme Vetting" means data mining, threat modeling, predictive risk analysis, or other similar services."

Contractor understands that it is not eligible to receive or retain a City contract if at the time the Contract is executed, or at any time during the term of the Contract, it provides Data Broker or Extreme Vetting services to ICE.

Contractor further understands and agrees that Contractor's failure to comply with the SCCO shall constitute a material default of the Contract and the City Manager may terminate the Contract and bar Contractor from bidding on future contracts with the City for five (5) years from the effective date of the contract termination.

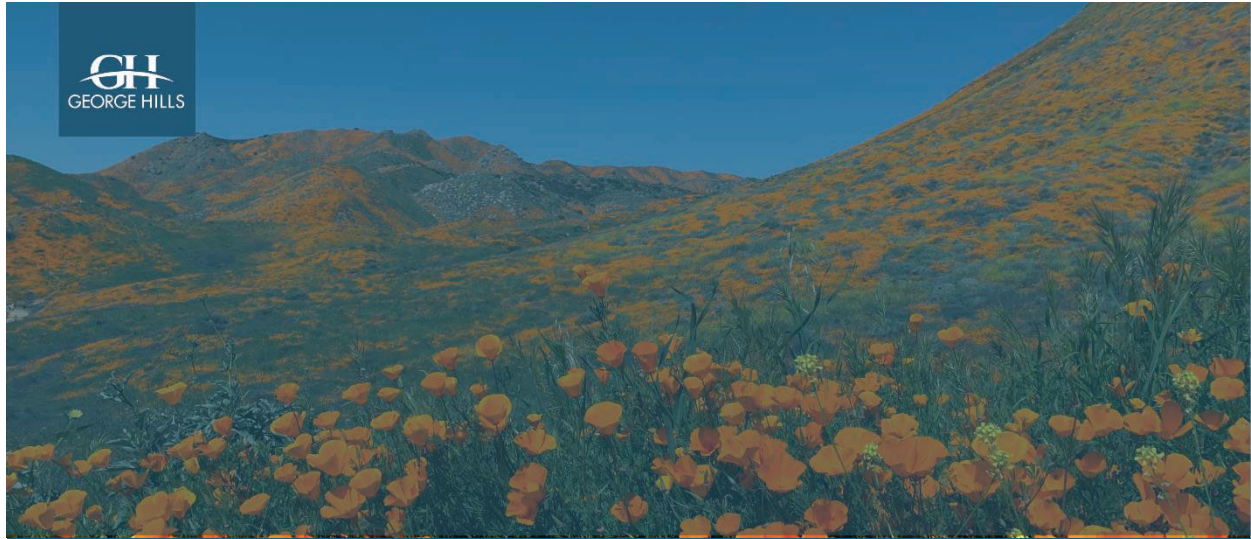
By executing this statement, Contractor certifies that it complies with the requirements of the SCCO and that if at any time during the term of the Contract it ceases to comply, Contractor will promptly notify the City Manager in writing. Any person or entity who knowingly or willingly supplies false information in violation of the SCCO shall be guilty of a misdemeanor and subject to a \$1,000 fine.

Based on the foregoing, the undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this _____ day of _____, 20____, at _____, California.

Printed Name: Chris Shaffer **Title:** Chief Operating Officer

Signed:  **Date:** 7/24/2024

Business Entity: George Hills



PART 4: SCOPE OF WORK



PART 4: SCOPE OF WORK

A. Tort Claims Handling

1. George Hills will promptly make a claim file after receipt of the tort claim from the City. George Hills will investigate claims and incidents which may be the subject of such claim against the City. We will recommend acceptance or rejection of submitted claims.
2. George Hills will provide claims adjusting for liability claims.
3. George Hills will assess and evaluate the nature and extent of each claim, and establish claim reserves for indemnity, medical, and legal expenses.
4. George Hills will ensure timely claims handling, including follow-up with claimants regarding claims issues and processing.
5. George Hills will determine the need for defense representation and monitor litigation activity. We acknowledge that the City Attorney's Office will select defense and subrogation counsel.
6. George Hills will report claims to the excess insurer, and coordinate with the excess insurer on a claim's progress in accordance with the excess insurer's reporting requirements. George Hills will submit requests for reimbursement on behalf of the City to the excess insurer.
7. George Hills will coordinate Medicare and Medicaid set aside agreements in compliance with Section 111 of the MMSEA, including required reporting.
8. George Hills will tender and demand indemnification from responsible persons, agencies, and/or agents in an effort to recover losses suffered by the City from claims filed against the City.
9. George Hills will provide a designated claims adjuster for the City. We acknowledge that the claims adjuster may not be changed without mutual written consent of the City during term of contract.

B. Litigation

1. George Hills will assist with litigation management and support the City in the defense of litigated cases. We acknowledge this may include timely provision of claim files, assisting with investigation and discovery as needed, and advising on defense activities.
2. George Hills will assist and advise on potential exposure and ensure cases are reported to excess carriers as required.
3. George Hills will monitor and track litigation costs and set reserves for indemnity, medical, and legal expenses with input from the City and defense counsel. We acknowledge this may also include providing data and information relating to incurred litigation costs to the City and its excess carrier as required.

C. Financial Accounting

1. George Hills will maintain a trust fund for the purpose of paying expenses for claims. The amount that will be maintained in the trust fund shall be determined by the parties and confirmed in writing.

2. George Hills will provide to the City a copy of all checks, vouchers, or warrants drawn by George Hills to pay benefits on City claims.
3. George Hills will provide a monthly check/voucher register of all transactions made for the period.
4. George Hills acknowledges the City's right to conduct a financial audit of the trust account to ensure the integrity of the account.

D. Data Products

1. George Hills will provide a computerized loss run and summary report each month covering activity on all newly reported, open, and newly closed claims for the period. This report will be customized for the City's needs and will provide the following by claim year:
 - a. Monthly listing of open claims by date of loss, department, location, and alpha by name showing expense categories, reserves, and total incurred.
 - b. Various responsive reports on demand, at no additional charge, such as claim frequency reports, i.e., by cause, site, department, etc.
 - c. Provide monthly claim summary reports, within 15 days of month end.
2. George Hills will provide loss run data and required reports for actuarial, auditing, and reserve analysis purposes.
3. George Hills' software systems will be Windows-based, available 24 hours/day, 7 days/week, and able to provide email exchanges.
4. George Hills will provide a report writer function for City staff to design customized ad hoc and standard reports to be printed at City offices, as well as training on usage of report writer function.
5. George Hills will transfer all current and past loss data from SIMS to our software system.
6. George Hills will provide compliance with required reporting requirements for liability (including self-insurance) under Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA).
7. George Hills will provide training, support, and software access to the City's Risk Manager to look up claim information and data as required, and to run reports as needed.

E. Additional Services

1. George Hills acknowledges claim adjuster attendance at hearings, settlement conferences, conferences with defense counsel, small claims court proceedings, meetings with City staff, and departments when required.
2. George Hills acknowledges the importance of communication – written, oral, and in person – with City staff by the Claims Adjuster.
3. George Hills acknowledges that all records, files, transcripts, computer tapes, and other materials on claims adjusting activity developed on the City of Richmond claims is the property of the City of Richmond and must be relinquished in good order and condition upon termination of this contract with the adjusting firm. The City shall not be required to pay any additional cost for the transfer of files to the City.

4. George Hills will attend all meetings with City Staff as requested.
5. George Hills will be available for file audit checks by the City when requested.
6. George Hills will cooperate with file and program audits with City designated auditors.
7. George Hills will be available to respond, potentially upon short notice, to a major emergency or catastrophe involving potential claims.
8. George Hills will provide a monthly claims diary of all open files and enter review notes on the claim reporting system.
9. Upon request, George Hills will provide training to City managers and supervisors on general liability issues, loss control, management responsibility, and practices to improve reduction of filed claims.
10. George Hills will provide internet email communications for the designated claims adjuster to City staff.
11. George Hills will provide an administrative manual on claims processing.
12. If available, George Hills will provide loss control, investigative services (Sub-rosa, fraud investigation), specialized training or workshops, including additional costs for such services.



PART 7: FEES



PART 7: FEES

A. FEE STRUCTURE

Adjusting Services Fees – Options

Option A1: Time and Expense – George Hills believes, as in the legal field, services surrounding claims and potential litigation are best captured by directed effort. In this case, the client only pays for the services requested. In a time and expense environment, George Hills applies its best practice approach to all claims; unless the client adjusts, restricts, or expands such services. A general administrative file will be established and maintained to track effort related to services necessary to fulfill our contractual obligations not otherwise associated with a claim.

Time and Expense for Adjusting Services	
Supervisor	\$131/hour
Adjuster	\$105/hour
Claims Processing	\$86/hour

Option A2: Time and Expense with a Cap – George Hills believes that this can be the best of both worlds. This pricing model allows for the realities of the unknown to dictate service results but retains some budget certainty. The cap will always be more than the fixed fee to protect the unknown, but often can result in less cost too. The cap is a movable target and should be adjusted annually until the services and relationship have settled.

The above hourly rates by position are the same for both options A1 and A2. The only difference shall be that George Hills will commit to an annual maximum fee for adjusting services for option A2, in the amount of \$220,000. Please note that the catastrophic pricing is applicable, and therefore outside of the annual maximum fee.

All fee options are subject to the Annual Fee Escalator described below.

Option B: Fixed Fee – George Hills believes this is a workable solution for public agencies seeking budget certainty. Unfortunately, it has its challenges. First, every other significant component of a claim (settlement and legal fees) is not predictable and as such, making the adjusted costs fixed will ensure that 100 percent of the time the fee will be wrong. Secondly, the result could be that the client is receiving far more resources than they are paying for, or the client is paying for far more resources than they are receiving in services on any one claim. Either outcome is wrong.

In this environment, George Hills makes every effort to be resource-sensitive in applying our best practices to ensure we balance the economics. No matter what, we put forth the right effort to resolve the claim. We do, however, adjust our clients’ fees that can and should be adjusted to meet our clients’ budget goals.

George Hills has developed a hybrid Fixed Fee Proposal. California Public Entities have seen dramatic increases in claims frequency in contrast to pandemic years. As such, we wanted to create a simple fee model that allows for fee adjustments down or up due to claims frequency, as hopefully frequency



drops back down. Since claims activity is the main indicator for TPAs and the number of resources needed to perform quality services, it is important that adjustments can be made to resources provided and resulting costs for the benefit of the client and TPA.

Our model provides for an assessment of claims frequency twice a year – after six (6) and twelve (12) months. We have established the change must be at least 10% to trigger an adjustment and no more than 25%, as greater than that warrants a contract modification. For the City’s proposal the model would result in an adjustment in the event claims frequency dropped below the current estimate of new claims per year of 165. In the event claims dropped below 149 or increased above 181, an adjustment would automatically occur during the 7th and/or 13th month. The claims base would be adjusted to this new level for future year calculations.

For the City, the financial result would be calculated based on the percentage increase or decrease ranging from 10-25%. For example, if the increase/decrease was 10%, the fee would decrease from \$190,000 to \$171,000. Conversely, if there was a 10% increase the fee would increase from \$190,000 to \$209,000.

Fixed Fee	
Fixed Fee—Claims Only	\$190,000

GENERAL ADMINISTRATIVE FEES – ADDITIONAL TO ADJUSTING FEES

Fixed Fee and Cap pricing will be based on the current average. Should the claim volume change more than 10% in severity or frequency in a year, we request a reevaluation of our pricing agreement.

General Administrative Fee Section – Applicable to each fee option.	
One Time Start-Up Fee	\$0 (waived)
Annual Administration Fee	\$10,000
Mileage - Adjuster	Current IRS Rate
One Time MMSEA Setup Fee (paid to ExamWorks) - if applicable.	\$300/one-time
Annual Reporting Fee (paid to ExamWorks)	\$500/year
Adjuster travel expenses for mediations, settlement conferences, trials; subject to prior approval.	Actual
CXP access fee (up to 5 users)	Included
Custom reports, if exceeds three hours and is client specific	\$185/hour



Allocated File Expenses (see attached details)	At cost
Conversion Fee (waived if client for 5 years, see below "Conversion Fees")	See Notes below
Storage – if applicable	TBD – Actual cost
Catastrophic Pricing	Current hourly rate

All fee options are subject to the Annual Fee Escalator described above.

Subrogation

The Subrogation Fee is in the amount of 30% for each recovery obtained. The minimum amount to be paid to GH will be \$250 per claim upon recovery. Please note, on most claims George Hills can recover our fee, thus the net cost is zero.

FEE SECTION TERMS

One Time Startup Fee – The process of onboarding a new client covers many areas, from establishing expectations, policies, and procedures, to designing the infrastructure to meet the needs of risk management, council, and department heads. It also involves time and effort in establishing the Trust Account or check writing, W-9, and all federal and state reporting requirements. Most importantly, this process involves the establishment of effective claims triage. Note that this is not time spent on the actual data conversion. As the City of Richmond is a current client, this fee has been waived.

Annual Administration Fee – George Hills has determined it takes a company-wide effort to ensure we exceed the expectations of our clients. As such, we feel it transparent to separately identify and charge for those critical functions that are not directly tied to claims handling. We include an annual administration fee, which covers the following activities:

- Claims Management Information System (CMIS) services and reports
- Access to CMIS and training
- Monthly listing of open claims, showing expense categories, reserves, and total incurred
- Monthly claim summary reports
- Monthly hours and claims data detail for billing
- Providing loss run data and required reports
- Access to GH Client Portal
- Providing annual reports to outside agencies
- Filing of regulatory reports, such as 1099s, W-9s, etc.
- Trust Account
- Establishment and maintenance of a trust account to pay indemnity and expenses that may be due on claims; the amount to be maintained in the trust account shall be determined by the City. If the trust account is set up with the GH preferred bank (California Bank and Trust), then George Hills covers the cost of Positive Pay and Payee Match.



- If the City prefers an alternate bank, there may be an additional setup fee, as other banks' processes can be extraordinarily time consuming.
- New bank account setup, including signature cards, test checks, online access, and setup of bank in CXP
- Discussion and agreement on the approval process
- Preparation of W-9s
- Processing of checks weekly
- Submission of positive pay (if applicable) and monitoring of positive pay (review of daily emails from bank for exceptions)
- Maintenance of a copy of all checks drawn by George Hills to pay claims and claims-related expenses
- Monitoring of account balance, preparation of replenishment requests as needed (custom requests for each client's needs)
- Monthly bank reconciliation (prepared and sent to the City)
- Payment of invoices that are pass-throughs, such as invoices for medical record copies, ExamWorks, etc.
- Certificates of insurance as required by the Contract
- Annual service
- Response to outside financial auditors
- Provision of reports to the City's actuaries and claims auditors
- Submission of GH SSAE 16 reports, or the current equivalent
- Account Management

Mileage: Adjuster – Mileage is paid at the current IRS rate.

MMSEA – Both the one-time setup fee and the annual reporting feeds to offset fees paid directly to ExamWorks.

Adjuster Travel Expenses – For mediations, settlement conferences, trials, etc.; subject to prior approval and submitted with receipts.

CXP Access Fee – Included in the annual administration fee is the setup and management of five (5) user accounts through our CMIS: CXP.

iMetrics Report Fee – There will be no charge for our iMetrics business intelligence reports with executive in-person debriefs.

Custom Reports – Additional charged for custom reporting are defined as being client-specific and needing a third-party programmer for three (3) hours or more.

Conversion Fees – This fee is intended to cover costs associated with data conversion, transition, and contract closeout. The data conversion fee is dependent on many factors which will need to be discussed. If George Hills is retained for five (5) years, we will entirely absorb the conversion fee. If George Hills is not retained for the full length of the proposed contract, then the client shall be subject to a fee of 20 percent each year not retained, not including shipping, storing, scanning, copying, or otherwise handling open or closed paper claim files (this shall be a separate charge based on the Scope of Work).

George Hills will charge for any agreed services related to conversion storage, copying, scanning, shipping, and disposal.

Catastrophic Pricing – Applicable only to Fixed Fee and Time And Expense With A Cap Fee agreements. George Hills recognizes that in the event of a catastrophe, additional hours will need to be applied to the handling of such claims. As such, to preserve the quality and efficiency of service for which we are known, George Hills proposes that should a catastrophic event occur resulting in 10 or more claimants or claims from a single occurrence, the client shall be billed at the current hourly rate.

Annual Fee Escalator – The Annual Fixed Fee and all hourly rates shall be adjusted at the beginning of each of the remaining years of the term by the lesser of 5%, or in accordance with the changes in the Consumer Price Index (CPI-U) for all Urban Consumers for the Western Region using the most recently published annual percentage change, but in any event such increase shall not be less than 3%.

Termination Fee – In the event of contract termination, George Hills' procedures and cost for run-off claims will be billed at the current hourly rate; no charge for historical loss summaries. George Hills believes that the successful transition of claims requires preparation, so we ask for 90 days' notice if the contract is terminated without cause to facilitate the transition of claims management properly and efficiently.

General File – A general administrative file shall be established and maintained to track effort related to services necessary to fulfill our contractual obligations and not otherwise associated with a claim.

Storage – George Hills will charge for any services related to storage, retrieval, copying, scanning, shipping, and disposal of paper files.

B. ALLOCATED EXPENSES

Typically, allocated expenses are those expenses that are generated by a claim (by outside vendors other than George Hills) that cannot be foreseen nor included in this Contract. These expenses are generally allocated back to the specific claim file for which the cost was incurred and then charged back to the entity whose claim incurred that cost. In most situations these are pass-through costs (with processing fees) for services and/or fees not directly generated by the TPA, but rather by a third-party consultant where the TPA has acted as an agent on behalf of the entity to necessarily outsource services to a third-party consultant and/or miscellaneous fees applicable to the specific claim applied by an outside entity, such as a court or copy services. Below, George Hills has provided a non-exhaustive list of typical allocated expenses.

Paid to GH

- CMS reporting costs and fees (ExamWorks)

Paid to Others as Authorized by Client

- Fees of outside counsel for claims in suit, coverage opinions, and litigation, and for representation and hearings or pretrial conferences
- Fees of court reporters
- All court costs, court fees, and court expenses
- Fees for service of process

- Costs of undercover operatives and detectives (if initially paid by GH)
- Costs for employing experts for the preparation of maps, professional photographs, accounting, chemical or physical analysis, or diagrams
- Costs for employing experts for the advice, opinions, or testimony concerning claims under investigation or in litigation for which a declaratory judgement is sought
- Costs for independent medical examination or evaluation for rehabilitation
- Costs of legal transcripts of testimony taken at coroner's inquests, or criminal or civil proceeding
- Costs for copies of any public records or medical records
- Costs of depositions and court reporting
- Costs and expenses of subrogation (if not George Hills)
- Costs of engineers, handwriting experts, or any other type of expert used in the preparation of litigation or used in a one-time basis to resolve disputes
- Witness fees and travel expenses
- Costs of photographers and photocopy services (if not George Hills; our costs for this are included in our rate)
- Costs of appraisal fees and expenses not included in flat fee or performed by others
- Costs of indexing claimants
- Services performed outside the TPAs normal geographical regions
- Costs associated with Medicare Set-Aside analysis and submission of Medicare Conditional Lien negotiation
- Investigation of possible fraud including SIU services and related expenses

Any other similar cost, fee, or expense that is not otherwise included in the TPAs service fees that is reasonably chargeable to the investigation, negotiation, settlement, or defense of a claim or loss or to the protection or perfection of the subrogation rights of the entity, including travel related expenses.

Travel Related

Costs of travel related to claims including mileage drive, such as for attendance at inspections, mediations, and trial, shall be allocated to the specific claim and reimbursed to GH based on the actual cost incurred. Mileage shall be reimbursed at the current IRS rate at the time the mileage is traveled.

OPTIONAL SERVICES

Full In-House Litigation Management – Use of George Hills’ Attorneys

Name and Title	Years of Experience	Role for the Client
Neil Callahan, Esq. Litigation Manager	25	Serves as a Litigation Manager for several clients, monitoring counsel, and as a resource to our claims staff.
Benjamin Oram, Esq. General Counsel/Litigation Manager	15	Serves as a Litigation Manager for several clients, monitoring counsel, and as a resource to our claims staff.

Cornelius (Neil) Callahan, Esq., Litigation Manager: Mr. Callahan has over 25 years of experience defending public entities on high profile claims in state and federal courts. Mr. Callahan commenced his career practicing law in New York, New Jersey, and Connecticut. In 1999 he began practicing law in California, where he served as lead trial counsel for public entities in the areas of civil rights, police practices, and dangerous condition defense. He has tried multiple cases to jury verdict in both state and federal court having been the lead defense attorney in 13 trials, with 12 defense verdicts. His emphasis has been on defending and advising public entities involved in civil litigation. Past cases include officer-involved shootings, excessive force, unlawful seizure, dangerous condition, discrimination, and harassment. He is experienced in all aspects of litigation including discovery, depositions, motion practice, arbitrations, administrative hearings, mediations, and trials.

Benjamin Oram, Esq., General Counsel/Litigation Manager: Ben serves as George Hills’ General Counsel/Litigation Manager. He currently serves as a Litigation Manager for several clients, monitoring counsel, and as a resource to our claims staff.

George Hills’ proactive approach is founded on our commitment to the preservation of the City’s assets. Early contact with all involved parties maintains lines of communication and rapport (not only with the insured but also with the claimant); hence, cost-saving opportunities to resolve claims efficiently are more plentiful.

Here is an outline of their role and how it would work for the City:

1. Serve as Litigation Manager (Specifics of the role below)
 - i. Actively manage all watchlist files (parameters of a watchlist to be agreed upon through subsequent discussions)
 - ii. Manage and supervise all litigated files – claims adjusters will track the nonserious and/or non-active litigated files, with the support of Claims Processors, and report to the City
 - iii. Accessible to the entire GH adjuster team to advise and instruct as needed
2. Serve as Outside General and Special Counsel – limited basis

- i. Work closely with the City with confidential analysis and problem-solving for managing risk and avoiding unnecessary litigation
- ii. Provide immediate access to legal advice to the City, which includes analyzing coverage issues, Public Records Act requests, tort claim handling and strategy, conflicts of interest, oversight of outside litigation counsel, and providing legal opinions on potential and active litigation
- iii. Advise on sensitive and political issues/claims
- 3. Coverage counsel consultation
 - i. Review and analysis of memorandums of coverage and excess/umbrella policies to address and offer advice and consultation regarding coverage issues
 - ii. Advise on potential changes to all coverage documents
 - iii. Assist City and George Hills staff in interpretation of coverage issues
- 4. Resource to a broker of record for coverage needs
- 5. Trial/Mediation/Board Meeting attendance
 - i. Attend board/executive/coverage/claims meetings (as necessary)
 - ii. Attend trials, mediations, and other court hearings, including appearing before Courts of Appeal as needed
 - iii. Provide analysis and consultation before, during, and after these significant litigation events – to reduce exposure and maximize opportunities for resolution
- 6. Legal training and seminars
 - i. Provide customized seminars and training upon request – to City staff, brokers, members, and GH staff
 - ii. Subject areas include memorandums of coverage, all aspects of risk management, claims handling and litigation, employment law, and general liability claims
 - iii. Courses are customized to address the client’s specific needs and to work closely with safety and loss staff, defense firms, and others

Rates for Optional Legal Service	
Litigation Management	\$225/hour
<i>This rate is subject to the annual fee escalator.</i>	

Please note that George Hills can provide a monthly/annual fixed fee for the above services upon discussion and agreement on level of effort.



1st Party Subrogation Recovery

George Hills provides subrogation recovery services to many of our clients. In 2013, George Hills created a dedicated Subrogation Recovery Unit to handle recovery opportunities for our clients who have requested or contracted with us for subrogation recovery services.

Quick Stats on George Hills' Subrogation Recovery Results

- 2,139** - Average number of subrogation claims handled yearly
- 91%** - of claims handled result in a Recovery
- 80%** - of claims result in a full recovery (including GH Fees)
- 84%** - of amounts sought for our clients are recovered
- Average recovery: \$4,239/claim**

George Hills' subrogation recovery unit has performed spectacularly, recovering several million dollars on behalf of our clients.

George Hills has a dedicated team with extensive experience in the public entity environment who handle all 1st party subrogation matters for our clients who choose this service. Below are testimonials from a few of George Hills' subrogation clients:

PUBLIC ENTITY TESTIMONIAL STATEMENT

<p>Client of Sacramento Risk & Loss Control</p>	<p>"We have utilized the George Hills Subrogation unit for several years, and simply put - they get results. They have a wealth of knowledge and expertise. Our 1st and 3rd party claims are always handled promptly and professionally. Partnering with George Hills for subrogation has proven to be a wise decision for our Client."</p>
<p>City of Sacramento Risk Management</p>	<p>"We are pleased to be partnering with George Hills for our subrogation recovery services. They provide quality staff and services."</p>
<p>City of Oakley <i>Kevin Rohani</i>, Public Works Director/City Engineer</p>	<p>"The City of Oakley has utilized the services of George Hills Subrogation Team for several years, and we have been very happy with this service and the professional approach that the George Hills Team brings towards the subrogation process. The knowledge and expertise of the George Hills Team has been invaluable for the City of Oakley, and we are very grateful for their great work in resolving our assortment of third-party claims and we are looking to many more years of successful collaboration with the George Hills Team."</p>
<p>City of Redlands Human Resources/Risk Management</p>	<p>"The City of Redlands is always pleased and impressed at the excellent service, attention and professionalism that is used by their claims adjusters. In particular, Tammy Hunt and Vicky Jimenez. They are a pleasure to work with and make the claims recovery process run smoothly and effectively. We are very happy with the results and recovery efforts that they deliver. We highly recommend their services and appreciate the level of excellence that they offer to us as the client."</p>



City of OaklandHuman Resources
Management/Risk
Management Unit

“We have utilized the George Hills Subrogation unit for several years, and they get excellent results. They have a wealth of knowledge and expertise, and their professionalism and prompt attention to our needs is second to none. There’s no better service out there that can beat them, and the rates are below the typical rates offered by other vendors. Our third-party claims are always handled promptly and professionally. Our partnership has proven itself to be the best decision for our City.”

Our standard subrogation fee is 30% of the amount collected, however George Hills has been successful more than 80% of the time collecting our feeds, this equating to recovery essentially free of charge. The minimum amount to be paid to George Hills will be \$250 per claim. However, George Hills also has the authority to reject any claim for any reason, dismissing the City of any financial responsibility for rejected claims only.

Generally, no recovery shall be agreed to involving payment plans if the recovery is less than \$5,000 and/or greater than a one-year term. Exceptions can be made on a case-by-case basis. If a recovery is agreed to above this amount, the subrogation fee shall be 45%. In the event a payment plan is authorized and entered, the subrogation fee will be based upon the total amount of the lien and will be invoiced to the City.

If authorized, small claims court appearances for recovery of funds will be priced at \$150 per appearance.

The benefits of George Hills’ subrogation recovery:

- High-level expertise of subrogation recovery
- Recovery of damages to property, utilities, hazardous material cleanup
- Small claims
- Preparation of proof of loss statements
- Claim reporting activity, demand letters, final demand to claimant with suspended license, closing and/or payment transmittal
- Settlements
- File retention
- Development of policy and procedures
- Provision of account manager and lead subrogation adjuster