

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL,
SIGNED ORDINANCE ADOPTED BY THE CITY COUNCIL.**

ORDINANCE

APPROVING A CONTRACT WITH SEDGWICK CLAIMS MANAGEMENT SERVICES, INC., FOR THIRD-PARTY CLAIMS ADMINISTRATION (TPA) AND RELATED SERVICES FOR WORKERS' COMPENSATION CLAIMS FOR THE OFFICE OF RISK MANAGEMENT FOR A TERM BEGINNING UPON AWARD AND EXECUTION OF THE CONTRACT, THROUGH SEPTEMBER 30, 2027, WITH TWO ADDITIONAL ONE-YEAR RENEWAL OPTIONS, FOR AN ESTIMATED TOTAL OF \$9,886,843 OVER THE ENTIRE FIVE-YEAR TPA SERVICES PERIOD. FUNDING IS CONTINGENT UPON APPROVAL OF THE FY 2025 ANNUAL BUDGET. FUNDING FOR SUBSEQUENT YEARS IS CONTINGENT UPON APPROVAL OF THE ANNUAL BUDGETS.

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WHEREAS, the City released a Request for Proposal (RFP) seeking proposals for third-party claims administration and related services for workers' compensation claims for the City of San Antonio; and

WHEREAS, the City receives an average of 1,391 workers' compensation claims annually, is self-insured and retains the services of a Third-Party Administrator (TPA) to oversee and process these claims; and

WHEREAS, three responses were received, of which one was deemed nonresponsive for failure to meet the good faith effort of the Small Business Economic Development Advocacy (SBEDA) Program-Minority/Woman-Owned Business Enterprise (M/WBE) Subcontracting Program requirement and two were evaluated; and

WHEREAS, staff recommends Sedgwick Claims Management Services, Inc., for award of this contract; and

WHEREAS, approval of this ordinance will authorize a contract beginning upon award and execution of the contract, and ending on September 30, 2027, with the option for the City to renew for two, additional one-year periods, for an estimated total cost of \$9,886,843.00, including renewal options; and

WHEREAS, all expenditures will be in accordance with the applicable fiscal year's budget approved by City Council; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager, or Chief Financial Officer, or their designee, is hereby authorized to execute the *Professional Services Agreement for Self-Insured Workers' Compensation Third Party Claims Administration and Related Services* a copy of which is attached hereto in substantially final form and incorporated herein as **Exhibit I**. This contract may be renewed and extended by the Director of the Office of Risk Management or designee for two additional, successive one-year renewal periods on the same terms and conditions, subject to funding by the City Council, and extended as otherwise provided within the contract.

SECTION 2. Funding for this ordinance in the amount of [*Fiscal Ordinance Language Pending*].

SECTION 3. Additional funding is contingent upon City Council approval of the Fiscal Year 2025 and subsequent budgets that fall within term of this contract.

SECTION 4. Payment in the amount of \$9,886,843.00 is authorized to Sedgwick Claims Management Services, Inc., and should be encumbered with purchase orders.

SECTION 5. The financial allocations in this ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this ordinance.

SECTION 6. This ordinance is effective immediately upon passage by eight or more affirmative votes; otherwise, it is effective on the tenth day after passage.

PASSED and APPROVED this __ day of _____, 2024.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney