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CITY COUNCIL MEETING

SEPTEMBER 21, 1983

LEONARD J. RUSSO,  
INC. RETAINED AS  
CITY LIABILITY  
CLAIMS CONTRACT  
ADMINISTRATOR

RES. NO. 83-105

Following introduction of the matter by the City Clerk, with questions being posed by Council, Council, on motion of Council Member Pinkerton, Reid second, authorized retaining the firm of Leonard J. Russo, Inc. as the City's Contract Administrator for liability claims effective October 1, 1983 and authorized the Mayor and City Clerk to execute the contract on behalf of the City. Further, Council, on motion of council Member Reid, Snider second, adopted Resolution No. 83-105 authorizing the City of Lodi's Administrative Staff (City Manager, Assistant City Manager, City Clerk, and City Attorney) and Leonard J. Russo, Inc., Monetary authority to settle liability claims to a specific limit as follows:

- a) \$5,000 blanket authority to the Administrative Staff (City Manager, Assistant City Manager, City Clerk, and City Attorney) and \$1,000 to Leonard J. Russo, Inc.
- b) Claims in excess of \$5,000 to be brought to the City Council for approval.

7-2-83

# COUNCIL COMMUNICATION

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TO THE CITY COUNCIL  
FROM THE CITY MANAGER'S OFFICE

DATE  
September 16, 1983

NO.

SUBJECT: LIABILITY CLAIMS CONTRACT ADMINISTRATOR

Following the Liability and Workers Compensation Audit which had been performed by Barbara Y. Akk and Associates, it was determined that a program would be initiated to evaluate various Liability Claims Administrators interested in serving as the City's Contract Administrator.

As a vital part of that process, a Liability Program Ad Hoc Review Committee was formed which included Administrative Personnel, Department Heads and Representatives of nearly every department within the City as follows:

Kathy Andrade	Lodi Library
Marilyn Field	Parks and Recreation
Clint Faul	Utility Department
Jackie Masterson	Police Department
Barbara Reed	Finance Department
Dick Wiech	Public Works
Robert Holm	Finance Director
Jim Elson	Agent of Record
Alice Reimche	Committee Chairman

A Request for Proposal was formulated and bids were received from the following companies:

- a) Anderson and Mayer
- b) George Hills Company, Inc.
- c) Leonard J. Russo, Inc.

A detailed review of the proposals was made by the committee and it was determined that two firms, namely Anderson and Mayer or Leonard J. Russo, Inc., could best serve the City.

Oral interviews and on-site visits were conducted by the Committee.

The committees work was greatly accelerated when during the process the present City's Contract Administrator, R. L. Kautz and Company, announced they were going out of business in Northern California, effective immediately.

The Committee unanimously recommends that the City of Lodi retain the firm of Leonard J. Russo, Inc., as the City's Contract Administrator effective October 1, 1983 at a flat annual fee of \$9,500.00. This flat annual fee includes

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all new claims up to a maximum of 45 reported during the first year of the contract and all open pending claims administered by R. L. Kautz (including those in litigation).

The average number of claims received by the City is 42. Under the contract, any claims over the 45 received during the year will be administered at a flat fee of \$165.00 per claim.

I would like to take this opportunity to commend to you all of those who served on this Committee. Their input and observations were invaluable in this selection process.

Recommended Action

1. Council, by motion action, authorize retaining the firm of Leonard J. Russo, Inc. as the City's Contract Administrator for liability claims effective October 1, 1983 and authorize the Mayor and City Clerk to execute the contract on behalf of the City.

2. Council adopt the attached Resolution authorizing the City of Lodi Administrative Staff and Leonard J. Russo, Inc., monetary authority to settle liability claims to a specified limit.

*Alice M. Reimche*  
Alice M. Reimche  
City Clerk

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RESOLUTION NO.

RESOLUTION AUTHORIZING THE CITY OF LODI  
ADMINISTRATION STAFF AND LEONARD J. RUSSO,  
INC. MONETARY AUTHORITY TO SETTLE LIABILITY  
CLAIMS TO SPECIFIED LIMIT.

RESOLVED, by the City Council of the City of Lodi  
that the Administrative Staff of the City of Lodi and  
Leonard J. Russo, Inc. are hereby extended monetary  
authority to settle liability claims to the following  
specified limit, effective October 1, 1983.

- a) \$5,000 blanket authority to the  
Administrative Staff and \$1,000 to  
Leonard J. Russo, Inc.
- b) Claims in excess of \$5,000 to be  
brought to the City Council for  
approval.

Dated: September 21, 1983

Alice M. Reimche  
City Clerk

CITY COUNCIL

EVELYN M. OLSON, Mayor  
JOHN R. (Randy) SNIDER  
Mayor Pro Tempore  
ROBERT G. MURPHY  
JAMES W. PINKERTON, Jr.  
FRED M. REID



CITY OF LODI

CITY HALL, 221 WEST PINE STREET  
POST OFFICE BOX 320  
LODI, CALIFORNIA 95241  
(209) 334-5634



File 9/21

HENRY A. GLAVES, Jr.  
City Manager

ALICE M. REIMCHE  
City Clerk

RONALD M. STEIN  
City Attorney

September 27, 1983

Mr. Charles Gormley  
Vice President  
Leonard J. Russo, Inc.  
2424 Arden Way, Bldg. C-81  
Sacramento, CA 95825

Dear Mr. Gormley:

Enclosed herewith please find Certified copy of Resolution No. 83-105  
Resolution Authorizing the City of Lodi Administrative Staff and Leonard  
J. Russo, Inc., Monetary Authority to Settle Liability Claims to Specific  
Limits.

Should you have any questions regarding this action, please do not  
hesitate to call.

Very truly yours,

Alice M. Reimche  
City Clerk

AMR:jj  
Enc.

RESOLUTION NO. 83-105

RESOLUTION AUTHORIZING THE CITY OF LODI ADMINISTRATIVE  
STAFF AND LEONARD J. RUSSO, INC., MONETARY AUTHORITY  
TO SETTLE LIABILITY CLAIMS TO SPECIFIED LIMITS

RESOLVED by the City Council of the City of Lodi that the  
Administrative Staff of the City of Lodi and Leonard J. Russo, Inc.,  
are hereby extended monetary authority to settle liability claims to  
the following specified limit, effective October 1, 1983.

- a) \$5,000 blanket authority to the Administrative  
Staff (City Manager, Assistant City Manager,  
City Clerk, and City Attorney) and \$1,000 to  
Leonard J. Russo, Inc.
- b) Claims in excess of \$5,000 to be brought to  
the City Council for approval.

Dated: September 21, 1983

I hereby certify that Resolution No. 83-105  
was passed and adopted by the City Council  
of the City of Lodi in a regular meeting held  
September 21, 1983 by the following vote:

Ayes: Council Members - Pinkerton, Reid,  
Snider, and  
Olson (Mayor)

Noes: Council Members - None

Absent: Council Members - Murphy

*Alice M. Reimche*  
Alice M. Reimche  
City Clerk