



Item Number: 17

City Council / Board of Directors

Written Communications

Meeting of: May 4, 2021

Submitted By:

Sophie Smith, Deputy City Manager

Subject:

Keenan & Associates Professional Services Agreement Amendment No. 2

Recommendation:

That the City Council (1) approve Resolution No. 21-043 amending the annual budget for the Fiscal Year 2020-2021 approving an additional appropriation of \$55,000 for Risk Management Contract Services; and (2) approve Amendment No. 2 to the Consultant/Professional Services Provider agreement with Keenan & Associates, by an amount not-to-exceed of \$105,000 for Risk Management Contract Services.

Fiscal Impact:

This action will result in an additional appropriation of \$55,000 from Fund 100, the General Fund, for Risk Management Contract Services.

Background:

The City of Victorville entered into an agreement with Keenan & Associates on July 1, 2020 to perform a Property and Casualty Insurance and Risk Management Program Assessment to evaluate the City's current excess insurance and risk management program with PERMA and ERMA. The agreement was set to a not-to-exceed amount of \$15,000. A First Amendment was made to the agreement on November 17, 2020 to increase the original amount by \$35,000, with a not-to-exceed amount of \$50,000. The amendment was necessary to allow Keenan & Associates to provide the City of Victorville with the services of a part-time consultant to assist the City on an interim basis by fulfilling Risk Management needs until a permanent replacement is found due to a service vacancy.

Discussion:

Mr. John Preston has been providing Risk Management services through Keenan & Associates since December 2020. A second amendment to the contract is being requested to cover the monthly expenses for the services provided by Mr. Preston for the

remainder of the fiscal year. Based on the average monthly expenses, staff believes an additional \$55,000 should be sufficient to cover the services provided through June 30, 2021. Some of the services provided by Mr. Preston include review of Citywide contracts, legal documents, and insurance policies; claims analysis assistance and ensuring insurance requirements are met. A permanent solution for Risk Management services will be proposed in the Fiscal Year 2021-2022 budget.

Staff recommends that the City Council approve Resolution No. 21-043 amending the annual budget for the Fiscal Year 2020-2021 approving an additional appropriation of \$55,000 for Risk Management Contract Services approve Amendment No. 2 to the Consultant/Professional Services Provider agreement with Keenan & Associates, by an amount not-to-exceed of \$105,000 for Risk Management Contract Services.

Staff remains available to answer any questions the council may have.

- Attachments:**
- A. Resolution No. 21-043
 - B. Original Keenan & Associates Agreement
 - C. Amendment No. 1
 - D. Amendment No. 2