

October 17, 2023

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any necessary documents including any necessary subsequent amendments, with Insurance Services Office, Inc. of Jersey City, NJ, for access to the Insurance Service Office (ISO) ClaimSearch Database, in a total annual amount not to exceed \$30,000 for a period of three years, with the option to renew for three additional one-year periods, at the discretion of the City Manager; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary subsequent amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Insurance Services Office, Inc., to provide access to the Insurance Services Office (ISO) ClaimSearch Database, which includes access to claims records reported to the ISO under casualty lines, including, but not limited to, workers' compensation, general liability, auto bodily injury liability, medical payments, homeowners and farm owners' liability, Errors and Omissions Directors and Officers, and marine. The requested contract will ensure the continuation of claims management, analysis, investigation, and support services that are imperative to our Workers' Compensation claims investigation process.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process, if accompanied by a Resolution adopted by the City Council. Insurance Services is the only private company that makes available a property and casualty claims database that provides an extensive repository of claims records, therefore no useful purpose would be served by advertising for bids and to do so would constitute an unnecessary expenditure of public funds.

The Human Resources Department Risk Management Bureau Workers Compensation Division has been utilizing these services since March 30, 2011. Insurance Services Office, Inc. has changed the scope of its business, which increased the costs and requires a contract agreement to be completed. Insurance Services Office, Inc., is the insurance industry's all-claims database and the front line of defense against claims fraud. Insurance Services Office Inc. is a contributory database that features a secure internet platform and a stringent privacy and security policy.

The system provides a wide variety of integrated tools to help at every step of the claims process to improve and streamline workflow and increase service, productivity, and profitability. Their system supplies the data to improve claims processing and avoid paying questionable or fraudulent claims. The system helps research prior loss histories, identify claims patterns, and detect fraud.

This matter was reviewed by Assistant City Attorney Gary J. Anderson on October 2, 2023, Purchasing Agent Michelle Wilson on September 25, 2023, and by Budget Management Officer Jennifer Rodriguez on September 27, 2023.

TIMING CONSIDERATIONS

City Council action is requested on October 17, 2023, to avoid delays in providing necessary Workers' Compensation services and payments.

LEVINE ACT

This item is subject to the Levine Act. The Mayor, Councilmembers, and Commissioners who have received a contribution of more than \$250 within 12 months prior from a party, participant, or their representatives involved in this proceeding may do either of the following: (1) disclose the contribution on the record and recuse themselves from this proceeding; OR (2) return the portion of the contribution that exceeds \$250 within 30 days from the time the elected official knew or should have known about the contribution and participate in the proceeding.

All parties, participants, and their representatives must disclose on the record of this proceeding any contribution of more than \$250 made to the Mayor or any Councilmembers within 12 months prior to the date of the proceeding. The Mayor, Councilmembers, and Commissioners are prohibited from accepting, soliciting, or directing a contribution of more than \$250 from a party, participant, or their representatives, during a proceeding and for 12 months following the date a final decision is rendered.

FISCAL IMPACT

The total annual amount of the contract will not exceed \$30,000 for a period of three years. Sufficient funds to support this contract are budgeted in the Insurance Fund Group in the Citywide Activities Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOE AMBROSINI
DIRECTOR OF HUMAN RESOURCES

APPROVED:



THOMAS B. MODICA
CITY MANAGER

ATTACHMENTS – RESOLUTION

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH INSURANCE SERVICES OFFICE, INC., TO PROVIDE ACCESS TO THE ISO CLAIMSEARCH DATABASE, IN A TOTAL ANNUAL AMOUNT NOT TO EXCEED \$30,000, FOR A PERIOD OF THREE YEARS

WHEREAS, the Charter of the City of Long Beach, Section 1801, permits the City Manager to enter into a contract on behalf of the City, in writing or otherwise, without advertising for bids for services when authorized by resolution; and

WHEREAS, the Human Resources Department, Workers Compensation Division, has a need to access the ISO ClaimSearch Database, which includes access to claims records reported to ISO under casualty lines including but not limited to workers' compensation, general liability, auto bodily injury liability, medical payments, homeowners and farm owners' liability, E&O, D&O, and marine; and

WHEREAS, Insurance Services Office, Inc. has been providing the Workers Compensation Division access to the ISO ClaimSearch Database since March 30, 2011; and

WHEREAS, Insurance Services Office, Inc. is the insurance industry's all-claims database and their system provides a wide variety of integrated tools to help at every step of the claims process to improve and streamline workflow and increase service, productivity, and profitability. Their system supplies the data needed to improve claims processing, avoid paying questionable or fraudulent claims, research prior loss histories, identify claims patterns, and detect fraud; and

WHEREAS, Insurance Services Office, Inc has changed the scope of its

1 business, which increased the costs and now requires a contract agreement to be
2 completed; and

3 WHEREAS, Insurance Services Office, Inc. is the only private company that
4 makes available a property and casualty claims database that provides an extensive
5 repository of claims records, as a result, no useful purpose would be served by advertising
6 for bids and to do so would constitute an idle and useless act and unnecessary expenditure
7 of public funds;

8 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
9 follows:

10 Section 1. The above recitals are true and correct and are incorporated
11 herein.

12 Section 2. The City Manager is hereby authorized to enter into a contract
13 with Insurance Services Office, Inc., without advertising for bids, to provide access to the
14 ISO ClaimSearch Database, in a total annual amount not to exceed Thirty Thousand
15 Dollars (\$30,000) for a period of three (3) years, with the option to renew for three (3)
16 additional one-year periods, at the discretion of the City Manager.

17 Section 3. This resolution shall take effect immediately upon its adoption
18 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
DAWN MCINTOSH, City Attorney
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Long Beach, CA 90802-4664

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I hereby certify that the foregoing resolution was adopted by the City Council
of the City of Long Beach at its meeting of _____, 2023 by the
following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk

LEVINE ACT DISCLOSURE STATEMENT

California Government Code Section 84308, commonly referred to as the "Levine Act," prohibits any Long Beach City Councilmember, the Mayor, and Commissioner ("City Officer") from participating in any action related to a proceeding if they receive any political contributions totaling more than \$250 within the previous twelve months, while a proceeding is pending, and for 12 months following the date a final decision in a proceeding concerning a license, permit, entitlement, franchise or, contract (collectively "license, permit, or contract") has been made, from the person or company awarded the said license or contract. The Levine Act also requires a City Officer that has received such a contribution to disclose the contribution on the record of the proceeding.

City Officers are listed at the following sites:

- The Mayor and Councilmembers - <https://www.longbeach.gov/officials/>
- Harbor Commissioners - <https://polb.com/commission>
- Water Commissioners - <https://lbwater.org/about-us/current-water-commissioners/>
- Planning Commissioners - <https://www.longbeach.gov/mayor/action/commissions/>
- Parks and Recreation Commissioners - <https://www.longbeach.gov/mayor/action/commissions/>
- Board of Examiners, Appeals, and Condemnation - <https://www.longbeach.gov/mayor/action/commissions/>
- Cultural Heritage Commission - <https://www.longbeach.gov/mayor/action/commissions/>
- Long Beach Community Investment Company - <https://www.longbeach.gov/lbds/hn/lbcic/>

Proposers are responsible for accessing these links to review the names prior to answering the following questions.

1. Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$250 to any City Officer in the 12 months preceding the date of the submission of your proposals or the anticipated date of any City Council, Board, or Commission action related to this license, permit, or contract?

YES

NO

If yes, please identify the City Officer(s):

2. Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contribution of more than \$250 to any City Officer in the 12 months following any City Council, Board, or Commission action related to this license, permit, or contract?

YES

NO

If yes, please identify the City Officer(s):

Answering yes to either of the two questions above does not preclude the City of Long Beach from awarding a license, permit, or contract to your firm or any taking any subsequent action related to the said license, permit, or contract. It does, however, preclude the identified City Officers from participating in any actions related to this license, permit, or contract.

September 28, 2023

Date

DocuSigned by:

Maroun Mourad

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Signature of authorized individual

Maroun Mourad

Type or write name of authorized individual

Insurance Services Office, Inc. on behalf of
itself and its Affiliates, including ISO
Services, Inc.

Type or write name of company