

# M Management Committee

**Business Item**

Item: 2010-377

**Meeting date: November 10, 2010**

**Metropolitan Council Meeting: December 8, 2010**

## ADVISORY INFORMATION

**Date:** November 1, 2010  
**Subject:** Authorization to negotiate and execute contract for Workers' Compensation defense counsel  
**District(s), Member(s):** All  
**Policy/Legal Reference:**  
**Staff Prepared/Presented:** Phil Walljasper (651-602-1787)  
**Division/Department:** Risk Management

### Proposed Action

That the Metropolitan Council authorizes the Regional Administrator to negotiate and execute three contracts for legal defense related to workers' compensation claims, in an aggregate amount not to exceed \$1,065,000 over the three year term of the contracts.

### Background

One of the primary functions of the Risk Management department is to administer the Metropolitan Council's self-insured claims. With this claim administration, there are times when defense counsel is needed for legal proceedings or other legal work. There are currently five law firms that are under contract with the Council to provide this service, but the terms of the contracts, along with the rates, vary. To gain better efficiency, consistency, and more cost effective pricing, Risk Management and the Office of the General Counsel decided to issue a new Request for Proposal (RFP) to better align the required services with the Council's needs.

### Rationale

The RFP was structured so that the Council had greater flexibility and pricing options, on a case by case basis, with the required legal services. There was not only an effort to manage the legal expense on an hourly or flat fee basis, but also to manage the ultimate outcome of a claim and to hold the attorney accountable.

The RFP evaluation panel, which was comprised of Risk Management and Office of General Counsel staff, reviewed a total of six proposals. The panel not only looked at pricing, but also experience and the ability to meet the Council's needs in claim defense. Based upon this evaluation, the panel recommends the following three firms, as it was felt they were most advantageous to the Council:

<b>Law Firm</b>	<b>Requested Contract Amount</b>
Heacox Hartman	\$355,000
McCollum Daly	\$355,000
Cousineau McGuire	\$355,000

By bringing all of the contracts under the same terms and pricing structure, the Risk Management and Office of General Counsel departments are better positioned to manage legal expense.

**Funding**

Funded through each Division's operating budget.

**Known Support / Opposition**

Not applicable