

PROCUREMENT SUMMARY

PUBLIC LIABILITY/PROPERTY DAMAGE THIRD PARTY CLAIMS
ADMINISTRATION SERVICES/PS75821000

1.	Contract Number: PS75821000	
2.	Recommended Vendor: Carl Warren & Company, LLC	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: May 14, 2021	
	B. Advertised/Publicized: May 17, 2021	
	C. Pre-Proposal Conference: May 27, 2021	
	D. Proposals Due: June 17, 2021	
	E. Pre-Qualification Completed: August 30, 2021	
	F. Conflict of Interest Form Submitted to Ethics: July 29, 2021	
	G. Protest Period End Date: September 20, 2021	
5.	Solicitations Picked up/Downloaded: 24	Bids/Proposals Received: 3
6.	Contract Administrator: Marc Margoni	Telephone Number: (213) 922-1304
7.	Project Manager: Juanita Welch	Telephone Number: (213) 922-4956

A. Procurement Background

This Board Action is to approve the award of Contract No. PS75821000 to Carl Warren & Company, LLC, to provide public liability/property damage third party claims administration services. Board approval of contract award is subject to resolution of all properly submitted protest(s).

Request for Proposals (RFP) No. PS75821 was issued as a competitively negotiated procurement in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price. DEOD recommended a Race Conscious Disadvantaged Business Enterprise (RC DBE) contract goal of 20%.

One amendment was issued during the solicitation phase of the RFP:

- Amendment No. 1, issued on May 27, 2021, updated Exhibit 5C – Payment Provisions.

A virtual pre-proposal conference was held on May 27, 2021. Thirty-one questions were received, and Metro provided responses prior to the proposal due date.

A total of 24 firms downloaded the RFP and were included on the plan holders list. A total of three (3) proposals were received by the due date of June 17, 2021 and are listed below in alphabetical order:

1. Carl Warren & Company, LLC

2. CorVel Enterprise Comp, Inc.
3. George Hills Company, Inc.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Risk Management, Corporate Safety, and Transportation Operations were convened and conducted a comprehensive technical evaluation of the proposals received.

On June 17, 2021, the PET met to review the evaluation criteria package, process confidentiality and conflict of interest forms and take receipt of proposals to initiate the evaluation phase.

Proposals were evaluated based on the following evaluation criteria stated in the RFP:

Phase I Evaluation – Minimum Qualification Review: This is a pass/fail criteria. The criteria focused on the proposer’s experience in handling third party claims administration services and annual gross revenue; experience of on-site manager and supervisors; and submission by the proposer of evidence demonstrating that it has recently completed a Statement on Auditing Standards (SAS) 70 audit or Statement of Standards for Attestation Services (SSAE), and a statement confirming its agreement that it will only assign adjusters that have at least two years of California tort experience to the Metro contract, adjusters shall be physically located at Metro Headquarters and it will use any ancillary service as directed by Metro.

The PET reconvened and determined that all three (3) proposals received met all minimum qualification requirements and were further evaluated in accordance with the following Phase II- Technical Evaluation criteria and weights:

- | | |
|--|------------|
| • Qualification and Experience of the Firm/Team | 40 percent |
| • Qualifications and Experience of Key Personnel | 25 percent |
| • Management Plan/Approach | 20 Percent |
| • Price | 15 Percent |

The evaluation criteria are appropriate and consistent with criteria developed for similar third party administration services’ procurements. Several factors were considered in developing these weights, giving the greatest importance to qualification and experience of the firm/team.

Qualifications Summary of Firms

Carl Warren & Company, LLC

Since 1944, Carl Warren & Company, LLC (Carl Warren) has been providing third party administration services specializing in property and casualty claims management, subrogation recovery, and litigation management for the public and private sectors. It currently provides third party administration services to over 150 public sector clients, including Metro. Other municipal/transit clients include the Long

Beach Transit, San Bernardino County Transportation Authority, San Joaquin Regional Transit District and the San Mateo County Transit District/Peninsula Corridor Joint Powers Board (PCJPB).

CorVel Enterprise Comp Inc.

CorVel Enterprise Comp, Inc., incorporated in 2006, is located in Fort Worth, Texas. It is a provider of risk management solutions for the workers’ compensation, auto, health and disability management industries. Public entity transportation clients include the State of Illinois, Illinois Tollway, State of Tennessee, Salt Lake City Corporation, Access Services City of Fort Collins, Pioneer Railroad Services, Inc., Matheson Trucking and State of Vermont.

George Hills Company, Inc.

George Hills Company, Inc., founded in 1954, is headquartered in Wildomar, California. It provides liability and property claims administration and litigation management services to the public sector and private insurance carriers. Public transit clients include Metrolink, Bay Area Rapid Transit, Golden Gate Bridge Highway and Transportation District, Soltrans, SMART and fixed route bus systems of cities that the firm administers.

Evaluations were conducted from June 26, 2021 through July 19, 2021. At the conclusion of the evaluation process, Carl Warren was determined to be the top ranked firm.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Carl Warren & Company, LLC				1
3	Qualification and Experience of the Firm/Team	89.18	40.00%	35.67	
4	Qualifications and Experience of Key Personnel	89.80	25.00%	22.45	
5	Management Plan/Approach	82.65	20.00%	16.53	
6	Price	100.00	15.00%	15.00	
7	Total		100.00%	89.65	
8	George Hills Company, Inc.				2
9	Qualification and Experience of the Firm/Team	81.68	40.00%	32.67	
10	Qualifications and Experience of Key Personnel	73.32	25.00%	18.33	
11	Management Plan/Approach	74.65	20.00%	14.93	
12	Price	72.87	15.00%	10.93	
13	Total		100.00%	76.86	

14	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
15	CorVel Enterprise Comp, Inc.				3
16	Qualification and Experience of the Firm/Team	64.18	40.00%	25.67	
17	Qualifications and Experience of Key Personnel	52.88	25.00%	13.22	
18	Management Plan/Approach	70.65	20.00%	14.13	
19	Price	98.60	15.00%	14.79	
20	Total		100.00%	67.81	

C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based on adequate price competition, independent cost estimate (ICE), price analysis, and technical analysis.

	Proposer Name	Proposal Amount	Metro ICE	Negotiated Amount
1.	Carl Warren & Company, LLC	\$25,926,720	\$26,365,000	\$25,926,720
2.	CorVel Enterprise Comp., Inc.	\$35,568,958		
3.	George Hills Company, Inc.	\$26,288,937		

D. Background on Recommended Contractor

The recommended firm, Carl Warren & Company, LLC, (Carl Warren) is headquartered in Anaheim, California. It has been handling and managing the claims process for California public entities for the past 47 years. It administers more than 150 public sector client's liability programs, providing claims & litigation management and adjusting services for all types of public entity claims. Public entity claims that Carl Warren currently handles range from employment practices liability, property damage, premises liability, sexual harassment and misconduct, inverse condemnation, jail/prison, professional, police, errors and omission to slip/trip falls, transit (rail, bus, ferry), and automobile throughout California. It also provides subrogation services to the public sector.

The Carl Warren team includes a DBE firm that has been providing field investigative services for California public entities for the past 27 years. The DBE firm shall assist in securing scene photographs, canvassing witnesses and surveillance cameras and conducting interviews. The firm has four (4) senior investigators that have a combined

average of 17 years' experience investigating public entity transportation accidents in Los Angeles County.

Carl Warren has been providing public liability/property damage (PL/PD) third party claims administration services to Metro since 2011 and performance has been satisfactory.