

Resolution # 16-1

WHEREAS, Sangamon County established a self-insurance trust in 1987 for general liability claims against the County, and

WHEREAS, R.W. Troxell & Company assisted in the development of this trust and has provided assistance in the administration of the County's general liability self-insurance coverage and the processing of liability claims since the establishment of the trust in 1987, and

WHEREAS, R. W. Troxell & Company also provides assistance in the administration of the County's self- insurance health benefits program and insurance programs for vehicle, workers compensation and property casualty coverage, and

WHEREAS, R. W. Troxell has performed its duties in a highly-satisfactory manner, and

WHEREAS, R. W. Troxell has quoted a premium of \$66,200 for the renewal of its agreement to assist in the administration of the County's self-insurance programs for the Fiscal Year 2012 and the amount of this premium has not increased since 2006.

NOW, THEREFORE, BE IT RESOLVED that the Sangamon County Board, in session this 13th day of December 2011, approves the renewal of the agreement with R. W. Troxell & Company for the administration of the County's self- insurance programs for Fiscal Year 2012 . The County Administrator is authorized to execute the agreement with Troxell for its services.

Employee Services Committee

[Signature], Chairman

_____, Member

[Signature], Member

_____, Member

[Signature], Member

_____, Member

[Signature], Member

_____, Member

FILED

DEC 09 2011

[Signature]
Sangamon County Clerk

RECEIVED

DEC 01 2010

Paul Palazzolo
SANGAMON COUNTY AUDITOR

SELF-FUNDED LIABILITY SERVICES

This Self-Funded Liability Services Agreement is made this _____ day of _____, 2011, between Sangamon County, (hereinafter The County) and R.W. Troxell and Company (hereinafter Troxell) for insurance services to be provided by R.W. Troxell to Sangamon County.

1. **TERMS AND CONDITIONS**

In consideration of the fees set for the herein Troxell agrees that it will provide to the County the services and conditions set forth in "Exhibit 1" attached hereto and incorporated herein in its entirety.

2. **RELATIONSHIP OF THE PARTIES**

A. The relationship of the parties is that of independent contractors. Neither Party shall be deemed to be the legal representative of the other. No agent, employee or servant of Troxell shall be considered an agent, employee or servant of the County. Each party agrees to assume complete responsibility for its own employees with regard to federal or state employers' liability and withholding tax, worker's compensation, social security, unemployment insurance, and Occupational Safety and Health Administration requirements and other federal, state and local taxes.

B. None of the benefits (including but not limited to, compensation, insurance, Disability insurance, employees' pension plan, employee welfare benefit plan, unemployment insurance, vacations or leave) provided (whether presently or in the future) by the County to its employees are available to Troxell, its agents, employees or servants. The parties do not intend, under this Agreement or otherwise, to create or maintain any benefits or rights for any Troxell's agents, employees or servants.

C. Troxell shall supervise, direct and control its employees, including selecting, hiring, firing, training, setting and paying wages, benefits, worker's compensation, FICA and unemployment taxes. Employees shall be subject to discharge and discipline by Troxell only. The County shall have no obligation or right to supervise, direct, discharge or discipline Troxell's agents, employees or servants.

3. **TERM**

The agreement shall have a term beginning December 15, 2011 for a one year period subject to a one year renewal option to be exercised 60 days prior to the end of the preceding contract date at the sole discretion of the County. Contract renewal options exercised shall be subject to a reasonable rate negotiated between the parties hereto.

4. **FEES**

The annual amount for Services from Troxell for the period December 15, 2011_ through December 14, 2011 will be \$66,200.00 to be paid in full upon execution of this agreement.

5. **TERMINATION**

The County may terminate this agreement without cause at any time during the life of the agreement. The termination will be 60 days after receiving written notice from the County. If this agreement is terminated with or without cause, the parties shall meet through their authorized representatives and shall agree upon transfer of records, supplies and equipment, and a refund for services not provided..

6. **SUBSTANTIAL BREACH**

In the event that one party believes the other to be in substantial breach or default under this Agreement, that party acting through its chief administrator, shall notify the other party in writing and allow the other party thirty (30) days from the date of receipt of the notice to cure the breach or default. If the breach or default is not then cured, the party having sent the notice may, at its option, have all remedies available at law or in equity. No waiver of any breach or default shall be implied by the failure of either party to give notice, and no express waiver shall affect any other default except the one specified in the waiver.

7. **REPRESENTATIONS AND WARRANTIES**

A. During the term of this Agreement, Troxell represents and warrants to the County that the services rendered pursuant to this Agreement shall be performed in a professional and workmanlike manner in accordance with accepted standard practice by members of the same profession and will be free of material defects.

B. Troxell warrants and represents the Troxell is duly organized and validly existing and in good standing under the laws of the state of its incorporation and formation. Each party warrants and represents that: (i) this Agreement has been duly authorized for execution, and (ii) each party has and will have all rights, titles, licenses, permission and approvals necessary to enter into and engage in the transactions and the performance of the services contemplated herein.

8. **FORCE MAJEURE**

Neither party shall be deemed in default of any provision of this Agreement or liable to the other for any delay in performance or any failure in performance hereunder caused in whole or in part by reason of force majeure, which shall be deemed to include the occurrence of any event beyond the party's reasonable control, such as the other party's failure to furnish necessary information, acts or omissions of the other party or breaches of this Agreement by the other party (provided that the party which is unable to perform has provided the other party with reasonable notice of such non-performance and has used commercially reasonable efforts to perform notwithstanding such acts, omissions or breaches by the other party), war (whether an actual declaration thereof is made or not), terrorism, sabotage, insurrection, riot and other acts of civil disobedience, action of a public enemy, failure or delays in transportation, laws, regulations or acts of any national, state or local government (or any agency, subdivision or instrumentality thereof), embargoes, judicial action, labor dispute, accident, fire, explosion, flood storm or other act of God, shortage of labor, fuel or raw materials, machinery or technical failures. Any delay resulting from force majeure shall correspondingly extend the time for performance.

9. **GENERAL**

A. Captions -- Captions contained in this Agreement are for convenient reference and do not constitute part of this Agreement.

B. Construction – The provisions of this Agreement have been negotiated, written and reviewed by both parties in consultation with legal counsel. None of the provisions of this Agreement shall be construed against a party merely because that party was or is the principal drafter thereof.

C. Successors and Assigns – This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns.

D. Severability – If any of the provisions of this Agreement are declared to be in invalid, such provisions shall be severed from this Agreement and the other provisions hereof shall remain in full force and effect.

E. Governing Law: Jurisdiction and Venue – This Agreement will be governed by and construed in accordance with the laws of the State of Illinois, without regard to its conflict of laws principles. The parties hereby consent to the exclusive jurisdiction of the venue in any state court of competent jurisdiction located in Sangamon County in the State of Illinois for the adjudication of any disputes arising under this Agreement.

F. Modification – No modification, amendment, waiver, or discharge of this

Agreement shall be valid unless in writing and signed by an authorized representative of both parties.

G. Entire Agreement – This Agreement contains the entire agreement of the parties and supersedes all prior and contemporaneous agreements and representations, whether written or oral, with respect to the subject matter of this Agreement. The terms and conditions of any purchase orders or other ordering documents issued by the County in connection with services performed hereunder shall be void and of no effect and shall not be binding on Troxell unless expressly agreed to in writing by an authorized representative of Troxell. The term “this Agreement” as used herein includes any future written amendments, modifications or supplements made in accordance herewith.

H. Notice – All notices, requests, demands and other communications permitted or required hereunder shall be in writing, and either (i) delivered in person, (ii) sent by express mail or other overnight delivery service providing receipt of a delivery, (iii) mailed by certified or registered mail, postage prepaid, return receipt as follows:

If to the County to:

Chairman, Sangamon County Board
200 S. 9th Street, Room 201
Springfield, Illinois 62701

If to Troxell to:

John Hester
R. W. Troxell & Company
214 South Grand Ave. West
P.O. Box 3757
Springfield, IL 62708

THE PARTIES ACKNOWLEDGE THAT THEIR AUTHORIZED REPRESENTATIVES HAVE READ THIS AGREEMENT, UNDERSTAND IT AND AGREE TO BE BOUND BY ITS TERMS.

Accepted by:

R. W. TROXELL & COMPANY

Accepted by:

SANGAMON COUNTY

Authorized Signature

Authorized Signature

Name – Type or Print

Name – Type or Print

Title

Title

Date

Date

Exhibit 1

It is agreed that for the fee shown, R W Troxell & Company will provide the following Scope of Duties for the Self Funded Liability policy for The County of Sangamon

General Liability, Automobile Liability, Law Enforcement Liability, Public Officials Errors & Omissions, Host Liquor Liability, Incidental Medical Malpractice, Fire, Legal Liability and Employee Benefits Liability.

Troxell shall field, research and answer questions from the County regarding insurance issues pertaining to all liability coverage shown above. Troxell will provide Insurance Certificates at the request of the County Auditors office, for proof of insurance coverage to third parties for promoted events, street closings, rental equipment and other special events that require the use of non owned venues for meetings, seminars, use of firing ranges, after school programs, etc.

Troxell will also engage Michel & Cully, at their expense, to perform the following tasks in conjunction with claims and their handling:

1. Investigate and handle, to a conclusion, all auto accidents involving any County vehicle.
2. Inspect damage to all County vehicles and review and approve all repair figures with repair shop
3. Investigate and handle all fall-down or other claims occurring at the County Building, other County locations and County parking lots.
4. When necessary, attend Civil Liability Committee meetings to explain a certain claim exposure and obtain settlement authority
5. Handle and process all check requests to the County Auditor's Office for repairs to County vehicles and for settlement/payments to third-party claimants
6. Process fee payments to law firms, court reporters and hired experts for the defense of claims/lawsuits against the County
7. Handle subrogation claims to recover amounts paid by the Sangamon County Insurance Fund for cases where a third party was liable for the damages.
8. Inspect and photograph accident scenes of single-car crashes which occur on County roads for the purpose of documenting the condition of the road and shoulder, etc, in the event a claim is later filed against the County Highway Dept alleging poor conditions/maintenance of the County road
9. Handle direct collection for damages to County guard rails and other County property struck by the motoring public. Amounts collected are turned over to the County Highway Dept.
10. Provide the County Auditor and County Administrator with quarterly audits showing claim payment amounts and pending reserves for all County claims
11. Maintain open files and maintain and store all closed County files from 1993

The primary contacts for the Troxell Benefit Programs are John Hester and Maripat Cline, who may be changed by agreement of the County and Troxell, and will provide the following services on behalf of Troxell:

1. Oversee entire health benefits, prescription, life and voluntary life programs.
2. Meet with Sangamon County Board of Managers at least monthly to review claims, costs and benefits
3. Provide legislative updates for review to maintain compliance
4. Assist with and investigate all claim questions and benefits issues to determine coverage originating from the County or the employees
5. Assist with and review Plan Documents describing benefits coverage offered by Sangamon County
6. Perform audit of County eligibility vs. BCBS and Express Scripts quarterly to confirm all cancelled or enrolled participants matches Sangamon County
7. Review and negotiate cost at renewal from health, prescription, life and voluntary life carriers
8. Provide various benefit options and alternatives at renewal to lower cost and/or enhance program
9. Prepare RFP (Request for Proposal) to obtain quotes from other carriers to obtain the best coverage, discounts and service at most advantageous cost to County
10. Review pros and cons of all bids in regards to discounts, network, claims processing abilities etc
11. Plan and schedule educational meetings annually for Board of Managers to educate new members on benefits, funding, re-insurance coverage and policies and procedures.
12. Meet with County Administration to review and discuss stability of self funded program and research various options as requested
13. Meet with new hires to review life and voluntary life options available
14. Provide staff member at annual Benefits Fair
15. Serve as liaison between County and carriers for any issue that may arise.