



Huntsville, Alabama

308 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 4/27/2023

File ID: TMP-2878

Department: Human Resources

Subject:

Type of Action: Approval/Action

Resolution authorizing the Mayor to enter into a Consulting Agreement between the City of Huntsville and Casualty Actuarial Consultants, Inc. for the purpose of providing actuarial analysis of the City's worker's compensation plan.

Resolution No.

Finance Information:

Account Number: N/A

City Obligation Amount: \$3,900

Total Obligation: \$3,900

Special Circumstances:

Grant Funded: N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #: N/A

Location:

Address: N/A

District: District 1 ☐ District 2 ☐ District 3 ☐ District 4 ☐ District 5 ☐

Additional Comments:

RESOLUTION NO. 23-_____

WHEREAS the City Council of the City of Huntsville, Alabama, does hereby declare that the Mayor be, and he is hereby authorized to enter into a Consulting agreement between the City of Huntsville and Casualty Actuarial Consultants, Inc. on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, for the purpose of providing actuarial analysis of the City's worker's compensation plan, which said agreement is substantially in words and figures similar to the certain document attached hereto and identified as "Consulting Agreement between the City of Huntsville and Casualty Actuarial Consultants, Inc.," consisting of five (5) pages, plus three (3) pages consisting of related documents and the date of April 27, 2023 appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk of the City of Huntsville, Alabama.

ADOPTED this the 27th day of April, 2023.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 27th day of April, 2023.

Mayor of the City of Huntsville,
Alabama

STATE OF ALABAMA
COUNTY OF MADISON

CONSULTING AGREEMENT BETWEEN
CITY OF HUNTSVILLE and
CASUALTY ACTUARIAL CONSULTANTS, INC.

This Consulting Agreement made, entered into and executed on this 27th day of April, 2023 by and between the City of Huntsville, Alabama, a municipal corporation, (hereinafter referred to as the "City") and Casualty Actuarial Consultants, Inc., a corporation organized and existing under the laws of Tennessee (hereinafter referred to as the "Consultant").

WITNESSETH:

WHEREAS, the City is required to set reserves for worker's compensation claims in an amount deemed to be sufficient to pay any and all claims expense which may reasonably be expected to be incurred, and have those reserves independently verified by an actuary once every three (3) years, and submit the actuary's report to the State of Alabama Department of Labor for review in accordance with Rule 480-5-2-.02(8)(a) of the Alabama Department of Labor Administrative Code; and

WHEREAS, the Consultant is experienced in performing actuarial and loss analysis and is willing to provide such services to the City;

NOW THEREFORE, in consideration of the promises and agreements hereinafter made, the parties hereby agree as follows:

1. Description of Services.

The Consultant shall perform for the City an independent actuarial analysis of loss and allocated loss adjustment expense reserves as required by Rule 480-5-2-.02(8)(a) of the Alabama Department of Labor Administrative Code, and shall issue a report regarding its findings. Such report shall include, at a minimum, a signed statement of opinion, and a certification letter in compliance with the requirements set forth in Exhibit "A" hereto.

2. Performance of Services.

The manner in which the services by consultant shall be performed and the specific hours worked by the Consultant in order to fulfill its obligations under this Agreement

President of the City Council of the
City of Huntsville, Alabama
Date: 4/27/2023

shall be determined by the Consultant. However, the City will rely on the Consultant to work as many hours as may be reasonably necessary to fulfill Consultant's obligations under this Agreement. Regardless of the number of hours performed by the Consultant in order to properly fulfill its obligations to the City, payment to Consultant shall not exceed the sum of Three Thousand Nine Hundred Dollars (\$3,900.00).

3. Payment.

The City will pay the Consultant a lump sum payment of Three Thousand Seven Hundred Dollars (\$3,900.00) for its services. Payment shall be due upon receipt and acceptance of the actuarial report, including the required cover letter and statement of opinion, by the City. No additional cost incurred by the Consultant shall be reimbursed by the City.

4. Term/Termination.

Consultant shall request from the City the information and data needed to perform its obligations under this Agreement within fifteen (15) days following execution of this Agreement. Consultant shall complete its analysis and provide the City with its written report within thirty (30) days of receipt of the information and data provided by the City. Time is of the essence in this Agreement. It is understood by the parties that the written report to be provided by the Consultant in accordance with the terms herein is essential to the City complying with a December 29, 2022 deadline imposed by administrative requirements of the State of Alabama.

5. Relationship of Parties.

It is understood and agreed by the parties that the Consultant, as well as its agents and/or employees, are independent contractors and are not employees of the City. The City will not provide any employee benefits, including, but not limited to worker's compensation, health insurance benefits, paid vacation, or any other employee benefit, for the benefit of the Consultant or any of its agents and/or employees.

6. Gratuities.

The Consultant shall not bestow any gifts, provide entertainment, or bestow any other benefit or personal favor upon any person or organization which has a business relationship with the City of Huntsville or is likely to have business dealings with the City in the future, including, but not limited to, Brentwood Services and

CorVel Corporation and their agents and/or employees. Nor shall Consultant accept any such gratuities from any such persons and/or organizations which have business dealings with the City or are likely to have such business dealings in the future.

7. Injuries to Consultant.

The Consultant is obligated to obtain sufficient liability insurance coverage (as well as worker's compensation coverage, if required by law) for the benefit of the Consultant, its agents and employees, if any. Consultant waives any and all rights to recovery from the City for any injuries that the Consultant (and/or its agents and employees) may sustain while performing services under this Agreement.

8. Indemnification.

The Consultant agrees to indemnify and hold the City harmless from any and all claims, losses, expenses, fees, including attorney fees, costs and judgments that may be asserted against the City that result from the acts or omissions of the Consultant and/or its agents and employees.

9. Professional Liability Coverage.

The Consultant shall carry professional liability insurance coverage with a limit of \$1,000,000.00 per claim.

10. Return of Records.

Upon termination of this Agreement, the Consultant shall deliver all records, notes, data, memorandum, models and equipment of any nature belonging to the City, or pertaining to the business of the City, which are in the Consultant's possession or control.

11. Notices.

All notices required or permitted under this Agreement shall be made in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

City: City of Huntsville - Human Resources
Attn: S. Kimon Washington
P. O. Box 308
Huntsville, Alabama 35804

Consultant: Casualty Actuarial Consultants, Inc.
Attn: J. Edward Costner
7000 Executive Center Drive
Suite 312
Brentwood, TN 37027

Such addresses may be changed from time to time by either party by providing written notice as specified herein.

12. Entire Agreement.

This Agreement contains the entire agreement between the parties and there are no other promises, conditions, agreements, or representations, whether oral or written, made by and between the parties, either personally or by their authorized agents, prior to the execution and acceptance hereof.

13. Amendment.

This Agreement may be modified or amended, if the amendment is made in writing, authorized by the City Council of the City of Huntsville, Alabama, and duly executed by both parties.

14. Severability.

If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

15. Waiver of Contractual Right.

The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver for limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

16. Applicable Law.

This Agreement shall be governed by the laws of the State of Alabama.

17. Jurisdiction.

In the event either party to this Agreement institutes legal proceedings against the other party, it is hereby agreed that any such civil action involving the parties to this Agreement shall be filed and maintained in Madison County, Alabama.

18. Nondisclosure of Sensitive, Restricted or Confidential Information.

The Consultant acknowledges that in order to perform the services required by the terms of this Agreement, it is required to access certain sensitive, restricted or confidential information provided by the City of Huntsville. The Consultant acknowledges and agrees that neither the Contractor nor its employees, nor any subcontractors or their employees, will use such confidential information for any purpose except for performance of the required services identified in this Agreement and that such sensitive, restricted, or confidential information will not be disclosed to any other person or entity. The Contractor shall maintain appropriate security measures to protect the confidentiality and dissemination of all information furnished to the Contractor by the City of Huntsville pursuant to this Agreement. This section 18 shall survive the termination of this Agreement.

IN WITNESS WHEREOF, City and Consultant have each caused this Agreement to be executed by their respective officers, hereunto duly authorized, on this the 27th day of April 2023.

City of Huntsville, Alabama

By: _____
Tommy Battle
Its: Mayor

Attest: _____
Shaundrika Edwards
City Clerk

Casualty Actuarial
Consultants, Inc.

By: _____
Its: President

Witness: _____