

1 **ORDINANCE NO. 21,429**

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3 **AN ORDINANCE TO DISPENSE WITH THE REQUIREMENT OF**  
4 **COMPETITIVE BIDDING AS IMPRACTICAL AND UNFEASIBLE; TO**  
5 **AWARD A CONTRACT TO SAFETY NATIONAL TO PROVIDE**  
6 **WORKERS' COMPENSATION STOP-LOSS COVERAGE TO THE CITY**  
7 **OF LITTLE ROCK, ARKANSAS, FOR A ONE (1)-YEAR PERIOD FROM**  
8 **JULY 1, 2017, TO JUNE 30, 2018; TO DECLARE AN EMERGENCY; AND,**  
9 **FOR OTHER PURPOSES.**

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11 **WHEREAS**, the City is required to have a Stop-Loss Coverage to cap the cost of individual claims  
12 because it is a self-insured entity in terms of Worker's Compensation Insurance; and,

13 **WHEREAS**, the City has operated the last four (4) years with Safety National as the company that  
14 provides such coverage; however, a question has arisen as to whether this contract is subject to a new  
15 competitive selection process; and,

16 **WHEREAS**, the current coverage will end on June 30, 2017, and to provide a coverage for the twelve  
17 (12)-month period ending on June 30, 2018; and,

18 **NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY**  
19 **OF LITTLE ROCK, ARKANSAS:**

20 **Section 1.** The Board of Directors has determined that it is necessary to answer questions as to  
21 whether a new competitive process is required for this type of coverage; however, there is insufficient time  
22 to do so and still meet statutory requirements to have such coverage in place, so it is impractical and  
23 unfeasible to bid this particular twelve (12)-month contract.

24 **Section 2.** The City Manager is authorized to enter into an agreement with Safety National to provide  
25 Worker's Compensation Stop-Loss Coverage to the City for the period from July 1, 2017, to June 30, 2018,  
26 in the amount of One Hundred Ninety-Right Thousand, Forty-Nine Dollars (\$198,049.00), an amount  
27 which may increase based upon actual usage as determined by an audit at the end of the coverage year.

28 **Section 3.** Funding for this agreement is provided in the budget line item for Worker's Compensation.

29 **Section 4.** The City Manager and the City Attorney are directed to work with the Human Resources  
30 Department to gather and evaluate all relevant materials by August 31, 2017, to be able to determine if a  
31 new competitive selection process is required, and to prepare and deliver a report for the Board of Directors  
32 on their determination no later than September 30, 2017.

1       **Section 5. Severability.** In the event any title, subtitle, section, subsection, subdivision, paragraph,  
2 subparagraph, item, sentence, clause, phrase, or work of this ordinance is declared or adjudged to be invalid  
3 or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance  
4 which shall remain in full force and effect as if the portion so declared or adjudged invalid or  
5 unconstitutional was not originally a part of this ordinance.

6       **Section 6. Repealer.** All ordinances, resolutions, or parts of the same that are inconsistent with the  
7 provisions of this ordinance are hereby repealed to the extent of such inconsistency.

8       **Section 7. Emergency Clause.** *The compliance with state law as to maintenance of Stop-Loss*  
9 *coverage is a mandatory component of the City's ability to remain a self-insured entity for purposes of*  
10 *Worker's Compensation coverage, and there is no present time to address issues about the renewal of a*  
11 *contract for such coverage and still meet this statutory mandate; further, only because this ordinance sets*  
12 *forth specific time frames for the determination of whether a new bidding process is required, the Board of*  
13 *Directors is willing to move forward at this time with this ordinance; an emergency is, therefore, declared*  
14 *to exist since such coverage is essential to the public health, safety, and welfare, as the City has budgeted*  
15 *to meet its fiscal obligations in 2017; an emergency is declared to exist and this ordinance shall be in full*  
16 *force and effect from and after the date of its passage.*

17 **PASSED: June 20, 2017**

18 **ATTEST:**

**APPROVED:**

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21 **Allison Segars, Assistant City Clerk**

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**Kathy Webb, Vice-Mayor**

22 **APPROVED AS TO LEGAL FORM:**

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25 **Thomas M. Carpenter, City Attorney**

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