ORDINANCE NO. 21,429

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

WHEREAS, the City is required to have a Stop-Loss Coverage to cap the cost of individual claims
because it is a self-insured entity in terms of Worker’s Compensation Insurance; and,
WHEREAS, the City has operated the last four (4) years with Safety National as the company that
provides such coverage; however, a question has arisen as to whether this contract is subject to a new
competitive selection process; and,
WHEREAS, the current coverage will end on June 30, 2017, and to provide a coverage for the twelve
(12)-month period ending on June 30, 2018; and,
NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY
OF LITTLE ROCK, ARKANSAS:

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

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

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

Section 4. The City Manager and the City Attorney are directed to work with the Human Resources
Department to gather and evaluate all relevant materials by August 31, 2017, to be able to determine if a
new competitive selection process is required, and to prepare and deliver a report for the Board of Directors
on their determination no later than September 30, 2017.
Section 5. Severability. In the event any title, subtitle, section, subsection, subdivision, paragraph, subparagraph, item, sentence, clause, phrase, or work of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of this ordinance.

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

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

PASSED: June 20, 2017

ATTEST:                APPROVED:

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Allison Segars, Assistant City Clerk  Kathy Webb, Vice-Mayor

APPROVED AS TO LEGAL FORM:

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Thomas M. Carpenter, City Attorney