

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: SUPPORT SERVICES - SELF-INSURANCE

DATE: OCTOBER 28, 2011

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COMMITTEE MEMBERS PRESENT:

SUPERVISORS TAYLOR  
VANNESS  
GIRARD  
STRAINER  
LOEB  
MCCOY

OTHERS PRESENT:

AMY CLUTE, SELF-INSURANCE ADMINISTRATOR  
REPRESENTING NEEDHAM RISK MANAGEMENT RESOURCE GROUP, LLC  
MICHAEL NEEDHAM  
TRACY NEEDHAM  
CHRIS MORAN  
DANIEL G. STEC, CHAIRMAN OF THE BOARD  
PAUL DUSEK, COUNTY ADMINISTRATOR  
JOAN SADY, CLERK OF THE BOARD  
KEVIN GERAGHTY, BUDGET OFFICER  
SUPERVISOR THOMAS  
THOM RANDALL, *ADIRONDACK JOURNAL*  
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST

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COMMITTEE MEMBER ABSENT:

SUPERVISOR MCDEVITT

Mr. Taylor called the meeting of the Support Services Committee to order at 11:45 a.m.

Motion was made by Mr. Strainer, seconded by Mr. Girard and carried unanimously to approve the minutes from the prior Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Amy Clute, Self-Insurance Administrator, who distributed copies of the meeting agenda to the Committee members, a copy of which is also on file with the minutes.

Mrs. Clute began by introducing the representatives of the Needham Risk Management Resource Group, LLC, Michael and Tracy Needham and Chris Moran. She then presented a request to renew the contract with Needham Risk Management Resource Group, LLC for safety consultant services for the term commencing January 1, 2012 and terminating December 31, 2014. Mrs. Clute explained the initial contract had been awarded to Needham in 2008 for a one-year term commencing on January 1, 2009 subsequent to an RFP (request for proposal) process. She further explained the contract had included provisions for contract extensions, the first being for a two-year term commencing on January 1, 2010 and terminating on December 31, 2011, and the second for a three-year term commencing on January 1, 2012 and terminating December 31, 2014. Mrs. Clute noted the current contract expiration cited the end of the initial two-year extension and she now sought the Committee's approval to enter into the second extension which entailed a three-year term. The agenda included a listing of the services provided by Needham, she advised, as well as a copy of the fee proposal portion of the original RFP submission provided which indicated an approximate increase of 6% per year in the fees charged.

In response to a question posed by Mr. Loeb, Mrs. Clute advised that following considerable debate amongst the Committee members, it had been determined that contractor services were preferable to introducing a Safety Officer position, at which point the RFP was developed to include a very detailed scope of services accounting for every possible need they could determine at the time. She added that since the inception of their contract, Needham had provided any services requested and she had been very satisfied with their performance. Mr. Loeb stated that although he had initially been skeptical of the fee increases specified, they did not seem unreasonable considering the plethora of services provided.

Speaking as a member of the Committee present when the contract was awarded, Mr. VanNess stated he had initially questioned whether Needham could appropriately provide for the County's needs because their organization

was so small. However, he advised, they had since provided phenomenal service to the County and he was very happy with their performance.

Mr. Taylor stated that when considering the fee increases, they should also take into account the fact that Mr. Moran was now on site, which likely led to more service hours than were included in the initial contract. Mrs. Clute noted that during the interview process, Mr. Needham had estimated 400 work hours per year would be provided. She added that in reviewing the number of service hours provided for the current year, she had calculated 388 through the end of September and noted that at the current rate, the total would likely exceed 500 hours by the close of the year.

Relating to employee safety issues, Mr. Loeb said he became very upset whenever he encountered an employee not using specified safety equipment when performing certain activities and he stated that penalties should be developed and enforced in these situations. Mr. Taylor agreed the use of safety equipment should be enforced and said that Mrs. Clute had been battling this issue for some time. Mrs. Clute advised safety policies such as these had been implemented with Needham's assistance; the problem, she noted, was with the enforcement piece which was tough to manage and she said there were times that Needham was contacted to address such issues.

Discussion ensued.

Mr. Girard asked Mr. Needham to provide a synopsis on the status of the risk management program in comparison to where they were at the start of their contract with the County, as well as the future of the program. Mr. Needham responded that he had been in the safety business for over 20 years and had adopted a realistic view of the process. He advised the program was exactly where he thought it would be at this point and noted that when beginning a safety program, there were a number of facets requiring attention. Mr. Needham stated that if the scope of the RFP had been much narrower, the work would have been easier to define; however, he added, since the RFP had included Needham's attention to every facet of the safety program and due to the size of the County and number of plan participants, the program needs were compounded. He said their main focus had been to determine which entities incurred the highest levels of loss and to make sure that all participants received benefits from the program in terms of availability of training. Mr. Needham advised that as a result of the safety program, there was much more structure in place that had not been there previously to address safety issues and the compliance levels were also improving. Because a structure was now in place, he said Needham was also able to provide more accident investigations. Mr. Needham stated there were participants in the Self-Insurance Plan that could get more use out of the services provided by his firm and noted that they did tour the various municipalities to ensure there was an awareness of the services available, focusing on those areas that could receive the most benefits. He concluded that through education and accountability they could increase compliance and employee safety, and ultimately reduce losses.

Mr. Girard pointed out the agenda included a notation that claims had been reduced by an average of 82 per year and he questioned whether Needham was satisfied with these figures. Mr. Needham replied in the negative, advising that he would prefer they were much higher as, being a safety specialist, he strove to create a situation with absolute control; however, he said, it was very difficult to create this dynamic due to the nature of the plan participants. Mr. Needham stated at this point he had adopted a philosophical approach in determining whether the benefits provided and savings attained were appropriate for the fees charged and he said he felt they were appropriate, considering the cost avoidance and services provided, especially in comparison to the fees charged by private consultants for New York State Department of Labor inspections and training programs.

Mr. McCoy asked if a significant reduction in employee accidents would be realized over the next three-year contract

term since the safety program was now in place and Mr. Needham responded he would hope to see the program continue to trend towards cost avoidance. However, he added, there were certain claims that could not be controlled and those dynamics had to be considered; for example, he advised, there were instances in which a bad economy would lead to employees filing claims to avoid job loss, and the reverse was also true. Mr. McCoy then inquired whether the Self-Insurance Plan participants were cooperative with the safety plan and Mr. Needham advised there was a very good working relationship in place as most were very forthright with their ideas and opinions, which they appreciated. He explained they were essentially selling the idea of safety and it was their job to convince plan participants that their initiatives were worthwhile and should be implemented.

Mr. Taylor stated that Needham did a great job for the County and questioned whether the current structure could be continued if they chose not to renew their contract in the future. Mr. Needham replied that he believed it could be as plans implemented with other entities had similarly been. He advised the main role of the safety plans were the advocacy and technical aspects which should outlast Needham's participation. Mr. Needham added that in many cases, the most important role was that of the cheerleader who encouraged the plan and he advised that if the structure failed in the future, it would be due to the loss of this key person and not through a deficiency in the safety plan itself.

Motion was made by Mr. VanNess, seconded by Mr. Strainer and carried unanimously to approve the request to extend the existing contract with Needham Risk Management Resource Group, LLC as previously noted and the necessary resolution was authorized for the November 18<sup>th</sup> Board meeting. *A copy of the request is on file with the minutes.*

Mr. Loeb stated he had one item to address relative to the Board of Elections and the inability of their staff to advise voters of issues on the back side of the ballot when distributing them. He apprised that this matter had come to his attention following his wife's recent training to become an Elections Inspector and he questioned why the rule was in place and whether ballots could be distributed face down to avoid this issue. Mr. Strainer stated he was unsure whether this was an actual rule as he recalled being reminded of issues on the back side of the ballot when voting and Mr. McCoy stated that he, too, had received this type of advisement in the past. Mr. Strainer then suggested that Mr. Loeb contact the Board of Elections Commissioners on the matter for further information.

There being no further business to come before the Committee, on motion made by Mr. VanNess and seconded by Mr. Loeb, Mr. Taylor adjourned the meeting at 12:15 p.m.

Respectfully submitted,  
Amanda Allen, Sr. Legislative Office Specialist