

STAFF REPORT

Meeting Type: Board of Directors

Title: Second Amendment to Agreement No. 5757 with Athens Administrators for

Workers' Compensation Claims Administration Services

From: Vikkie Garay, Human Resources Manager

Through: Ben Horenstein, General Manager

Meeting Date: April 1, 2025

TYPE OF ITEM: X Action Information

RECOMMENDATION: Authorize the General Manager to extend an agreement with Athens Administrators, the District's current Workers' Compensation Third Party Administrator, for a two-year term through June 2027, with an expected amount not to exceed \$130,000

SUMMARY: Athens Administrators, the District's current Workers' Compensation Third Party Administrator, provides claims administration services. Staff requests that the board authorize a contract extension for claims administration services. This item was reviewed by the Finance & Administration Committee on March 27, 2025.

DISCUSSION: Staff recommends that the Board authorize an extension of the current agreement with Athens Administrators for workers' compensation claims administration.

Athens has provided high quality services to District staff with workers' compensation claims and provides support to staff responsible for the employer tasks related to administering claims.

The current agreement with Athens expires on June 30, 2025. Staff is requesting Board authorization for two-year extension of the agreement through the proposed Second Amendment. Staff plans to issue a request for proposals within the next year for workers' compensation claims administration services, which will provide the District an opportunity to engage in a competitive review of these services beyond this two year extension period.

The charges under this contract include an annual service fee and additional charges per claim. The expenditures for the two year extension are expected to be approximately \$100,000, based on past annual averages, but the actual amount for these services will depend on the number and types of claims received by the District.

The second amendment will also cover charges not covered by the current agreement in the amount of \$30,000, based on claims received.

ENVIRONMENTAL REVIEW: Not Applicable.

FISCAL IMPACT: All expenses related to the District's Workers' Compensation program are allocated in the FY2025 and FY2026 budgets. Over the last three years, Athens' fees have averaged about \$43,000 per year.

ATTACHMENT(S):

- 1. Current Professional Services Agreement
- 2. Amendment No. 2 to current Professional Services Agreement
- 3. Pricing proposal for FY26 though FY28

DEPARTMENT OR DIVISION	DEPARTMENT MANAGER	APPROVED
Human Resources Department	Will Horar	De Harante.n
	Vikkie Garay Human Resources Manager	Ben Horenstein General Manager