

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 200721-066

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) receives 700 claims for workers compensation benefits per year, which cost the SFMTA approximately \$25,000,000 annually, and staff estimates that utilizing the services of professional investigators to assist in determining whether workers compensation claims are compensable saves the SFMTA approximately \$5 million annually; and

WHEREAS, The SFMTA must investigate each claim to determine whether it is compensable, and approximately 25 percent of claims require in-depth investigation, which is best achieved through a professional investigation firm; and

WHEREAS, The SFMTA issued a request for proposals (RFP) and ranked proposers based on experience, expertise and cost for services. Passanisi Investigations, Inc. was the highest ranked proposer. Passanisi's rates for services were determined to be reasonable and cost effective compared to other proposers' rates; and

WHEREAS, On January 21, 2018, the SFMTA, under authority delegated by the Planning Department, determined that the additional funding and contract extension for workers' compensation services is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; and

WHEREAS, This contract was initially submitted for internal consideration in March 2020, however due to significant funding issues the SFMTA undertook a review of all contracts. During this review the SFMTA determined that this contract should move forward, however the review caused an administrative delay necessitating a retroactive approval; and

WHEREAS, As directed by the SFMTA's workers compensation director and claims administrator, Passanisi will provide comprehensive workers' compensation investigative services, including background checks, return to work interviews, treating physician interviews, incident investigations, activity check and surveillance, document gathering and review services, investigation reports, and other liability investigative services; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors approves Contract SFMTA-2020-27, Workers' Compensation Investigative Services, with Passanisi Investigations, Inc., to provide comprehensive workers' compensation investigative services for an amount not to exceed \$3,750,000 and a term of five years, with options to extend the contract up to two years.; and, be it further

RESOLVED, That approval of this Contract SFMTA-2020-27 is retroactive to May 1, 2020.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of July 21, 2020



Secretary to the Board of Directors
San Francisco Municipal Transportation Agency