Chandler · Arizona Where Values Make The Difference	**PURCHASING ITEM FOR COUNCIL AGENDA**	**1. Agenda Item Number**: 24 **2. Council Meeting Date**: June 12, 2014
TO:	**MAYOR & COUNCIL**	**3. Date Prepared**: May 22, 2014
THROUGH:	**CITY MANAGER**	**4. Requesting Department**: City Manager

5. SUBJECT: Agreement Amendment for Human Resources and Employee Benefits Consulting Services

6. RECOMMENDATION: Approval of Agreement Amendment No. 4 with Buck Consultants for Human Resources and Employee Benefits Consulting Services in an amount not to exceed $126,000.

7. BACKGROUND/DISCUSSION: Buck Consultants began providing ongoing professional employee benefit consulting services in 2010. They assist the City with administrative vendor management of all group and voluntary insurance plans including Dental, Vision, Life, Flexible Spending, Employee Assistance Program offered to employees and their dependents for both self-funded and fully insured plans respectively.

Buck's plan management process enables the City to define and continuously validate long-term benefit/financial strategies that align its needs and those of the participants as demonstrated by the City's current health and benefit plan designs and wellness initiative. In addition, they will provide actuarial services to include claims/utilization analysis and review and overall plan performance. Most significantly their compliance division assists the City with the employer shared responsibility requirements associated with the Patient Affordable Care Act.

City Council approved an award to Buck Consultants on June 24, 2010 for a one year period with options to renew for four additional one year terms. The City is opting to renew for an additional year, July 1, 2014 through June 30, 2015, the fourth and final renewal option.

8. EVALUATION PROCESS: The following was considered: 1) Continue to provide for solid benefit/wellness programs and services for all employees. 2) Guarantee sound and accurate financial attestations for the Chandler Health Care Benefits Trust Fund, and 3) Continue a strong and collaborative relationship with employees from all levels of the organization.

Buck Consultants has solid public sector benefits experience and a demonstrated knowledge of our benefit programs, culture and organization and effectively works with the Chandler Health Care Benefits Trust Board. They collaborate with Human Resources to ensure that the direction of the City's medical health plan is in compliance with the Patient Affordable Care Act while balancing the needs of the workforce with the organizations fiduciary responsibility to ensure financial health of the plan today and well into the future.

Arizona State Statute 11-981.B3 requires the City to conduct an annual financial audit of the Chandler Health Care Benefits Trust Fund. Buck Consultants are certified as Fellowship Society of Actuaries, which financially guarantees their financial attestations and have provided assistance during the audit conducted by the City's outside auditing firm.

9. FINANCIAL IMPLICATIONS: Funding will be available in FY14/15 for a one-year contract term starting July 1, 2014 from the Medical Self Insurance Fund, Non-Departmental Cost Center, Other Professional Services, 741.1290.5219.0000.000000

10. PROPOSED MOTION: Move to approve Agreement Amendment No. 4 with Buck Consultants for Human Resources and Employee Benefits Consulting Services in an amount not to exceed $126,000.

ATTACHMENT: Amendment No. 4

APPROVALS	
11. Requesting Department Valerie Hernandez, Benefit Programs Manager	**12. Department Head** Debra Stapleton, Human Resources Director
13. Procurement Officer Kristy Garcia, CPPB	**14. City Manager** Rich Dlugas

AMENDMENT NUMBER FOUR
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
BUCK CONSULTANTS
PROFESSIONAL SERVICES AGREEMENT

This Amendment No. Four to that certain Agreement Between the City Of Chandler (CITY) and Buck Consultants (CONSULTANT) for the project of Human Resources and Employee Benefits Consulting dated June 28, 2010 and is entered into this _____ day of _____, 2014.

WHEREAS, a one year AGREEMENT with four (4) additional one year renewal options was awarded to Buck Consultants for the project of Human Resources and Employee Benefits Consulting, and the agreement was extended for one year on June 13, 2011 again on June 15, 2012 and again on June 14, 2013. This is the fourth and final renewal option.

NOW THEREFORE, the parties agree as follows:

1. Section 5, Term of the AGREEMENT is hereby amended to extend the AGREEMENT for a one-year period, July 1, 2014 through June 30, 2015.

2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement and any Amendments not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this ____ day of _____, 2014.

CITY OF CHANDLER:

By: _____
MAYOR

APPROVED AS TO FORM:

_____
City Attorney CH

ATTEST:

_____
City Clerk [SEAL]

CONSULTANT:

By: _____
Title: Principal

ATTEST: (If corporation)

_____
Secretary

WITNESS: (If individual or Partnership)

_____