

# 22

SEP 11 2014



**MEMORANDUM**

**DATE:** September 11, 2014

**TO:** Mayor and Council

**THRU:** Rich Dlugas, City Manager *RD*  
 Debra Stapleton, Director of Human Resources Division *JAS*

**FROM:** Rae Lynn Nielsen, Benefits & Labor Relations Administrator *RN*

**SUBJECT:** Recommendation for Approval of ACE American Insurance Company Agreement

RECOMMENDATION: Approve and authorize the Mayor and Council to approve a three (3) year extension to the agreement between the City of Chandler and ACE American Insurance Company (ACE) for benefit plan year 2015, effective January 1, 2015.

BACKGROUND: City staff reviews the employee benefits package each year with the assistance of an employee benefits consulting firm. ACE provides business travel accident and commuter insurance. The premium increase in the three (3) year term is negligible, \$0.02 annually. This benefit is paid by the City.

PROPOSED MOTION: Move to approve and authorize the Mayor and Council to approve a three (3) year extension to the agreement between the City of Chandler and ACE American Insurance Company for benefit plan year 2015, effective January 1, 2015.

**CALENDAR YEAR 2015  
AMENDMENT TO PROFESSIONAL  
SERVICES AGREEMENT  
BETWEEN THE CITY OF CHANDLER AND  
ACE AMERICAN INSURANCE COMPANY**

This Amendment ("Calendar Year 2015 Amendment"), is made and entered this 10<sup>th</sup> day of July, 2014 to the *Professional Services Agreement between the City of Chandler and ACE American Insurance Company Providing for Business Travel Accident and Commuting Insurance*, dated September 30, 2011 ("Contract").

WHEREAS, the City of Chandler ("City") and ACE American Insurance Company ("Contractor") entered into a Contract effective September 30, 2011 for a term for a three-year period from January 1, 2012 through December 31, 2014; and

WHEREAS, the City and Contractor want to extend this Contract, for a three-year term January 1, 2015 through December 31, 2017 and to adjust the fee schedule.

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained herein and other good and valuable consideration, the parties do agree as follows:

1. That paragraph 4 of the Contract shall be amended to read as follows:  
  
"Fee schedule: For the services described in paragraph 2 of this Agreement, CITY shall pay CONTRACTOR a fee not to exceed the sum of Twenty Three Thousand Four Hundred Sixty-Nine dollars (\$23,469) in accordance with the fee schedule attached hereto as Exhibit C and incorporated herein by this reference, except as may be provided pursuant to the terms and conditions of the policy as described in Exhibit B."
2. That the last sentence Exhibit C shall be amended to read as follows:  
  
"City shall pay CONTRACTOR for a three year agreement with annual installment payments of \$7,823 per year."
3. The term of the Contract is extended for the term from January 1, 2015 through December 31, 2017.
4. Except for the provisions amended by items 1, 2 and 3 above, the contract shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this *Calendar Year 2015 Amendment to the Professional Services Agreement between the City of Chandler and ACE American Insurance Company Providing for Business and Travel Accident and Commuting Insurance* to be duly executed this 10<sup>th</sup> day of July, 2014.

CITY OF CHANDLER,  
an Arizona municipal corporation

ACE AMERICAN INSURANCE  
COMPANY

By: \_\_\_\_\_  
Mayor

By: *Glenda Henderson*  
Title: *Underwriter*

APPROVED AS TO FORM:

ATTEST: (If corporation)

\_\_\_\_\_  
City Attorney *CA*

*Tanya J Burroughs*  
Secretary

ATTEST:

\_\_\_\_\_  
City Clerk

