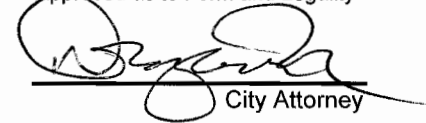


FILED
OFFICE OF THE CITY CLERK
OAKLAND

2013 JUL 11 PM 5:55

OAKLAND CITY COUNCIL

Approved as to Form and Legality



City Attorney

RESOLUTION No. 84583 C.M.S.

Introduced by Councilmember _____

RESOLUTION WAIVING THE ADVERTISING AND REQUEST FOR PROPOSAL PROCESS AND AUTHORIZING THE CITY ADMINISTRATOR TO EXTEND THE CURRENT AGREEMENT WITH THE CITY'S WORKERS' COMPENSATION THIRD PARTY ADMINISTRATOR, JT2 INTEGRATED RESOURCES, FOR THE PROVISION OF WORKERS' COMPENSATION ADMINISTRATION SERVICES, BILL REVIEW SERVICES AND MISCELLANEOUS SERVICES, INCLUDING DISABILITY MANAGEMENT AND SAFETY/LOSS CONTROL, FOR A PERIOD OF SIX MONTHS WITH AN OPTION TO EXTEND FOR AN ADDITIONAL SIX MONTHS, FOR A TOTAL EXTENDED CONTRACT AMOUNT NOT TO EXCEED \$2,955,039.12 FOR THE 12 MONTH PERIOD

WHEREAS, the City is required to provide workers' compensation third party claims administration services and solicited proposals to select a provider for a new contract when the current agreement expires on August 31, 2013; and

WHEREAS, the City subsequently determined that award of the agreement should be postponed pending the results of a concurrent audit review being performed by the Office of the City Auditor; and

WHEREAS, the City, in order to continue proper administration of its workers' compensation claims, must establish and maintain a claims administration agreement with a qualified service provider; and

WHEREAS, the current agreement with JT2 Integrated Resources expires on August 31, 2013 with no additional options to extend services written into the existing agreement; and

WHEREAS, the audit review will not have concluded by August 31, 2013, the expiration date of the current contract with JT2 Integrated Resources; and

WHEREAS, work performed under a 6 to 12 month extension would be new work requiring the city to select the provider through advertising and request for proposals/qualifications (RFP/Q) process; and

WHEREAS, the Purchasing Ordinance, Oakland Municipal Code section 2.04.051.B allows the Council to waive advertising and the RFP/Q process upon a finding that it is in the best interests of the City to do so; and

WHEREAS, staff recommends that it is in the City's best interests to waive advertising and the RFP/Qs process for the six to twelve month extension because the City must maintain these workers' compensation services at all times and the audit will not be completed prior to the expiration date of the current contract; and

WHEREAS, the proposed authorization would allow the City Administrator to extend the current agreement with JT2 Integrated Resources for six-months with an option at the City's discretion to extend the term of the agreement for an additional six months; and

WHEREAS, most services will be charged under the claims administration fees, but the contract amount also includes other specialized professional services provided on an as-needed basis and may not be charged to the full extent of the contract extension amount; and

WHEREAS, these specialized professional services include, but are not limited to, Bill Review Services, FEHA Interactive Process Services, and Loss Control Services; and

WHEREAS, this contract is for services of a professional and temporary nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive service; now, therefore be it

RESOLVED: That, per Oakland Municipal Code section 2.04.051.B and based on the reasons stated above and in the City Administrator's report accompanying this resolution, the Council finds that it is in the best interests of the City to waive advertising and the RFP/Q process for the work described herein and so waives the requirements; and be it

FURTHER RESOLVED: The City Administrator is authorized to extend the current contract with JT2 Integrated Resources to provide Workers' Compensation Third Party Administration services for two six month periods through Contract Year 2013-14 for an amount not to exceed \$2,955,039.12 over the 12 month period; and be it

FURTHER RESOLVED: That the City Council finds that this contract is for services of a professional and temporary nature, and shall not result in the loss of employment or salary by any person having permanent status in the competitive service; and be it

FURTHER RESOLVED: That funding for this contract extension is contained in the FY 2013-15 Proposed Policy Budget in the Workers' Compensation Fund (1150); and be it

FURTHER RESOLVED: That at the conclusion of the audit process, the City Administrator will proceed with the recommendation for awarding contract services based on the previously completed Request for Proposal for Workers' Compensation Third Party Administration Services completed in May 2013; and be it

FURTHER RESOLVED: That the City Administrator is authorized to complete all negotiations and execute all contracts, amendments, modifications and extensions consistent with this resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA,

JUL 30 2013

PASSED BY THE FOLLOWING VOTE:

AYES- ~~Brooks~~, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and
PRESIDENT KERNIGHAN - 7

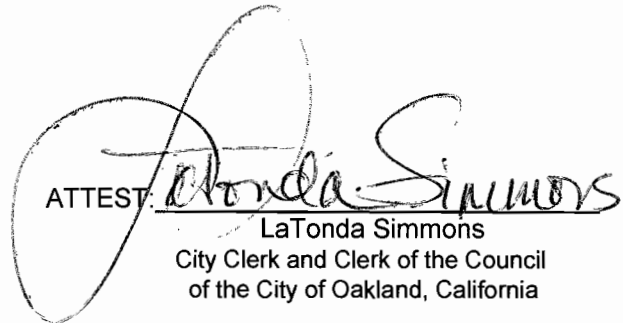
NOES - 0

ABSENT - 0

ABSTENTION - 0

Excused - Brooks - 1

ATTEST:



LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California