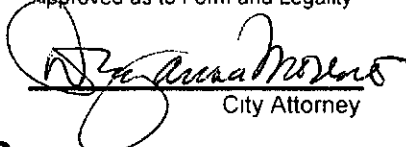


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# OAKLAND CITY COUNCIL

Approved as to Form and Legality

  
City Attorney

RESOLUTION NO. 85321 C.M.S.

Introduced by Councilmember \_\_\_\_\_

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**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR DESIGNEE TO EXECUTE A THREE (3) YEAR CONTRACT (JANUARY 1, 2015 TO DECEMBER 31, 2017) WITH ONE OPTION TO EXTEND FOR AN ADDITIONAL TWO (2) YEAR TERM, WITH ICMA-RC, FOR PLAN ADMINISTRATION SERVICES OF A HEALTH REIMBURSEMENT ACCOUNT (HRA) UNDER AN AGREED UPON FEE STRUCTURE TO BE PAID BY INDIVIDUAL ACCOUNT PARTICIPANTS AND WAIVING ADVERTISING AND THE REQUEST FOR PROPOSALS/QUALIFICATIONS PROCESS**

**WHEREAS**, the City Council adopted a Memorandum of Understanding (MOU) with the International Association of Fire Fighters (IAFF) Local 55 on July 1, 2014; and

**WHEREAS**, included in the executed MOU with IAFF was a commitment to re-open negotiations for the purpose of establishing and implementing a Health Reimbursement Arrangement (HRA) for active IAFF members; and

**WHEREAS**, the City agreed in the MOU to implement the HRA no later than January 1, 2015; and

**WHEREAS**, negotiations were re-opened on September 15, 2014; and

**WHEREAS**, bids were solicited from five qualified vendors through the City's employee benefits broker and from two existing vendors; and

**WHEREAS**, a vendor was identified as most qualified based on a proven track record and experience with the City of Oakland's Deferred Compensation Plan Administration; and

**WHEREAS**, administration of such specialized services is highly regulated by the Internal Revenue Service; and

**WHEREAS**, the City of Oakland does not possess such capabilities in-house; and

**WHEREAS**, it is in the interest of the City to utilize the services of a HRA Plan Administrator to manage and hold in trust monies deposited by and/or on behalf of City employees; and

**WHEREAS**, the Deferred Compensation Committee, as authorized by the City, had undertaken an extensive Request For Qualifications (RFQ) process in January 2014 which resulted in the selection of ICMA-RC for the plan administration of the City's Deferred Compensation Program; and

**WHEREAS**, ICMA-RC is equally well qualified to establish and administer the Health Reimbursement plan for IAFF, Local 55; and

**WHEREAS**, staff recommends that the Council waive advertising and the request for proposals or qualification process for the contract to establish and administer the Health Reimbursement plan and award it to ICMA-RC because it would be most prudent, efficient and expeditious way to for the City to proceed; and

**WHEREAS**, Section 2.04.051 B of the Oakland Municipal Code (OMC) permits waiver of advertising and request for proposal/qualifications (RFP/Q) process when it is in the best interests of the City to do so; and

**WHEREAS**, this contract is of a professional and temporary nature and the City Administrator has determined that this contact shall not result in the loss of employment or salary by any person having permanent status in the competitive civil service; now, therefore be it

**RESOLVED:** That the City finds and determines the forgoing recitals to be true and correct and hereby adopts and incorporate them into this Resolution; and be it

**FURTHER RESOLVED:** Pursuant to Section 2.04.051 B of the Oakland Municipal Code and for the reasons stated above and in the agenda report accompanying this Resolution, the Council finds and determines that it is in the best interests of the City to waive advertising and the RFP/Q process for this contract, and so waives the requirements; and be it

**FURTHER RESOLVED:** That the City Council of the City of Oakland authorizes the City Administrator or designee to award the Health Reimbursement Arrangement Administrative Services contract to ICMA-RC for three (3) years under an agreed upon fee structure to be paid by individual account participants; and be it

**FURTHER RESOLVED:** That the City Council of the City of Oakland authorizes the City Administrator or designee, with acceptable performance by the vendor, to exercise the option to extend the contract for up to one additional two-year term under the same agreed upon fee structure to be paid by individual account participants; and be it

**FURTHER RESOLVED:** That the fee structure will be \$3.00 per \$1,000 (or .30%) as an annual asset fee plus a \$25 annual account charge; and be it

**FURTHER RESOLVED:** That the monies deposited to the employee accounts will be taken from previously authorized labor allocations; and be it

**FURTHER RESOLVED:** That the Council finds that this contract is 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 civil service; and

**FURTHER RESOLVED:** That the City Attorney will approve the contract as to form and legality and a copy will be on file in the Office of the City Clerk; and be it

**FURTHER RESOLVED:** That this Resolution shall take effect immediately upon its passage.

DEC 09 2014

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, ~~BEY~~, SCHAAF and PRESIDENT KERNIGHAN <sup>-7</sup>

NOES - ~~Ø~~

ABSENT - Reid - 1

ABSTENTION - ~~Ø~~

ATTEST



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