

City Attorney

2019 FEB 27 PM 4:35 RESOLUTION No. 87571 C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXTEND THE PROFESSIONAL SERVICES AGREEMENT WITH JT2 INTEGRATED RESOURCES TO CONTINUE PROVISION OF WORKERS' COMPENSATION ADMINISTRATION SERVICES FOR THE PERIOD OF MARCH 1, 2019, THROUGH FEBRUARY 28, 2021, IN AN AMOUNT OF \$2,618,483.36 FOR CONTRACT YEAR 2019-20 AND AN AMOUNT OF \$2,655,567.03 FOR CONTRACT YEAR 2020-21 FOR A TOTAL AMOUNT OVER THE EIGHT YEAR TERM OF THE CONTRACT OF \$15,217,425.25.

WHEREAS, the City Council desires workers' compensation third party claims administration services; and

WHEREAS, the City Council authorized the awarding of the third party claims administration services contract to JT2 Integrated Resources ("JT2") in Resolution No. 84805 C.M.S, dated January 24, 2014; and

WHEREAS, the City Council twice authorized the extension of the third party claims administration services contract to JT2 (Resolutions No. 86020, 86590, C.M.S.), with a current ending date of February 28, 2019; and

WHEREAS, the City Council desired that the contract for services include performance measures for meeting goals specified in the contract in order to qualify for ongoing renewal of the contract within the specified terms of the contract; and

WHEREAS, the City Council resolved that during the terms of the extension agreements, annual performance audits would be performed by an independent auditor (Resolution No. 86590 C.M.S.); and

WHEREAS, JT2 satisfied the performance goals for the extension period ending February 28, 2019; and

WHEREAS, the agreement to extend the contract beyond the current ending date of February 28, 2019 provides that JT2 will be paid a contract fee for the performance of the services, and that further contract renewal will be based on acceptable performance as determined by an independent audit; and

WHEREAS, with Council approval, the City may exercise options to extend the term of the agreement; 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

WHEREAS, these specialized professional services include, but are not limited to, Bill Review

Services, FEHA/Disability Management Services, and Loss Control Services; and

WHEREAS, 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; now, therefore be it

RESOLVED: That the City Administrator is authorized to award a contract extension to JT2 Integrated Resources to provide Workers' Compensation Third Party Administration services for the period of March 1, 2019 through February 28, 2021 in an amount of \$2,618,483.36 for the period March 1, 2019 through February 29, 2020 and an amount of \$2,655,567.03 for the period March 1, 2020 through February 28, 2021 for a total amount over the seven-year term of the contract of \$15,217,425.25; and be it

FURTHER RESOLVED: That during the term of this agreement, Fiscal Year-end performance audits will be performed by an independent auditor; and be it

FURTHER RESOLVED: That during the term of this agreement, comprehensive case reviews of all open claims will be conducted by representatives of CSAC-EIA, City, and JT2 no less than twice per year; and be it

FURTHER RESOLVED: That during the term of this agreement, legal, fiscal, and fraud reviews will be performed on a quarterly basis by City and JT2 representatives; and be it

FURTHER RESOLVED: That funding for these contract services is contained in the FY18-19 Mid-Cycle Adopted Budget and will be included in the FY 2019-21 budget respectively in the Workers' Compensation Insurance Claims Fund (1150); 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.

MAR 21 2019

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

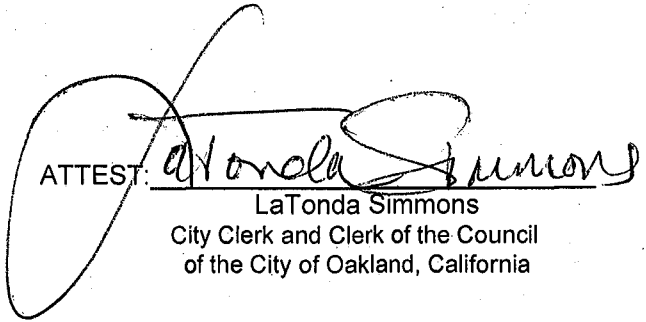
AYES – FORTUNATO BAS, GALLO, ~~DIBSON, MCELWAIN~~, KALB, REID, THAO, TAYLOR, AND COUNCIL PRESIDENT KAPLAN -7

NOES - 0

ABSENT - 0

ABSTENTION - 0

Excused - 1 McEnaney

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