



CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ 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 JULY 1, 2023, THROUGH JUNE 30, 2025, IN AN AMOUNT OF \$2,815,000.00 FOR CONTRACT YEAR 2023-2024 AND AN AMOUNT OF \$2,927,600.00 FOR CONTRACT YEAR 2024-2025 FOR A TOTAL AMOUNT OVER THE TWELVE-YEAR TERM OF THE CONTRACT OF \$27,119,264.60.

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 March 1, 2016; and

WHEREAS, the City Council authorized the extension of the third-party claims administration services contract to JT2 on four separate occasions (Resolution Nos. 86020, 86590, 87571, 88533 C.M.S.), with a current ending date of June 30, 2023; and

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

WHEREAS, the agreement provides for the performance of the services JT2 will be paid a contract fee and contract renewal is based on acceptable performance as determined by an independent audit; and

WHEREAS, the City Council resolved that during the term of extension agreement, annual performance audits would be performed by an independent auditor; 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 may not be charged to the full extent of the allocation; 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 a contract extension is awarded to JT2 Integrated Resources to provide Workers' Compensation Third Party Administration services for the period of July 1, 2023 through June 30, 2025 in an amount of \$2,815,000.00 for contract year 2023-2024 and an amount of \$2,927,600.00 for contract year 2024-2025 for a total amount over the twelve-year term of \$27,119,264.60; 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 Public Risk Innovation, Solutions, and Management, the City, and JT2; and be it

FURTHER RESOLVED: That funding for these contract services is contained in the FY23-24 Adopted Budget and the FY24-25 Baseline Budgets 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.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, REID, AND
PRESIDENT FORTUNATO BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California