

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	08/14/17	Open	Action	08/04/17

Subject: Approving the Second Amendment to the Contract for Health & Welfare Benefit Consulting Service with Keenan & Associates

ISSUE

Whether to approve the Second Amendment to the Contract for Health and Welfare Benefit Consulting Services with Keenan & Associates.

RECOMMENDED ACTION

Adopt Resolution No. 17-08-_____, Approving the Second Amendment to the Contract for Health and Welfare Benefit Consulting Services with Keenan & Associates.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$ 28,125
Budget Source:	Operating	Next FY:	\$ 5,625
Funding Source:	Local	Annualized:	\$ NA
Cost Cntr/GL Acct(s) or	CC 42	Total Amount:	\$ 33,750
Capital Project #:	GL 630005		
Total Budget:	\$ 33,750		
Original Contract	\$92,200.00		
First Amendment	\$32,750.00		
Second Amendment	<u>\$33,750.00</u>		
New Total Contract	\$158,700.00		

DISCUSSION

On August 12, 2013, the SacRT Board awarded a Contract for Health and Welfare Benefit Consulting Services to Keenan & Associates. The Contract was executed on September 4, 2013 for a 3-year term with an option to extend the term for two additional 1-year periods. The First Amendment to exercise Option Year 4 was Board approved on May 23, 2016. This Second Amendment is to exercise Option Year 5, which will extend the term through September 3, 2018.

SacRT has relied on the expert services of a well-established consultant firm for placement of its benefits coverages. A benefits consultant provides a wide array of services including advising and assisting in the strategic planning, administration and renewal of SacRT's employee benefits programs. The consultant firm designs, markets, obtains quotations and evaluates insurers' financial status using specifications approved by SacRT. Upon approval of costs and coverages by SacRT's Board of Directors, the consultant firm assists SacRT in placing and servicing SacRT's health and welfare benefits including Medical, Dental, Vision, Substance Abuse, Life, and Long Term Disability programs, AFLAC, and third party administration of COBRA and Flexible

Approved:

Presented:

Final 08/09/17

General Manager/CEO

Director, Human Resources

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August

14,

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Spending Accounts.

Keenan & Associates understands SacRT's business and has performed well. At this time staff desires to extend the Contract term for the fifth and final year as allowed under the Contract.

Staff recommends the Board approve the Second Amendment to the Contract for Health and Welfare Benefit Consulting Services with Keenan & Associates, extending the term by one year, commencing on September 4, 2017, and terminating September 3, 2018, and the total consideration is increased by \$33,750.00, from \$124,950.00 to \$158,700.00.

RESOLUTION NO. 17-08-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

August 14, 2017

APPROVING THE SECOND AMENDMENT TO THE CONTRACT FOR HEALTH AND WELFARE BENEFIT CONSULTING SERVICES WITH KEENAN & ASSOCIATES

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Second Amendment to the Contract between the Sacramento Regional Transit District, therein referred to as "RT," and Keenan & Associates, therein referred to as "Consultant," whereby SacRT exercises its option to extend the Contract for year 5, commencing on September 4, 2017, and terminating September 3, 2018, and the total consideration is increased by \$33,750.00 from \$124,950.00 to \$158,700, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute said Second Amendment.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary