

AN ORDINANCE      101048

**AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE TO EXECUTE A CONTRACT WITH HAY GROUP, INC. AT AN ESTIMATED ANNUAL AMOUNT OF \$200,000.00 TO PROVIDE BENEFITS AND COMPENSATION CONSULTING SERVICES FOR A TERM TO BEGIN UPON THE DATE OF EXECUTION AND ENDING ON DECEMBER 31, 2006, WITH AN OPTION TO EXTEND THE CONTRACT FOR ONE (1) YEAR, SUBJECT TO AND CONTINGENT UPON FUNDING AND APPROVAL BY CITY COUNCIL.**

\* \* \* \* \*

**WHEREAS**, the City of San Antonio ("City") has experienced a shortfall in its Self Insurance Fund due to rising medical and prescription costs; and

**WHEREAS**, significant review and long term actuarial analysis is needed to prepare for the GASB 45 2008 funding and reporting requirements; and

**WHEREAS**, the City desires to utilize the services of a benefits consultant to address these costs and offer appropriate recommendations for funding levels and plan changes; and

**WHEREAS**, the selected consultant will provide specialized actuarial valuations, compensation/benefits analysis and recommendations for a comprehensive benefits strategy to address challenges associated with the Self Insurance Fund, third party administrator audits, request for proposal review, and other services related thereto and more particular described in the attached contract; and

**WHEREAS**, the proposals received in response to a Request for Proposals for a benefits consultant issued on January 30, 2005, were reviewed by a technical committee consisting of representatives from the Human Resources, Finance, Contract Services, and Economic Development Departments; and

**WHEREAS**, the technical committee recommends the selection of Hay Group, Inc., who scored the highest based on the criteria contained in the Request for Proposal; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** Hay Group, Inc. is hereby selected to provide benefits consulting services, as described in the attached contract, at an estimated annual fee of \$200,000.00. The Interim City Manager, his designee, and the Director of the Human Resources Department are hereby authorized to execute the contract for said services, a copy of which is attached hereto and incorporated herein as Attachment A. This contract shall commence upon execution and terminate on December 31, 2006, and may be renewed and extended for one-year on the same terms and conditions, subject to subsequent approval by the City Council.

**SECTION 2.** The amount of \$200,000.00 is authorized to be encumbered in Fund 75-002000, Employee Benefits Fund, in G/L 5201040, entitled Fees to Professional Contractors, in Cost Center 1002010004, and is authorized to be made payable to the Hay Group, when the purchase order is issued.

**SECTION 3.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director, may subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers and Fund Numbers as necessary to carry out the purpose of this Ordinance.

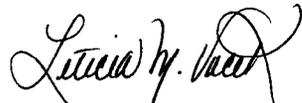
**SECTION 4.** This ordinance shall become effective on June 26, 2005.

**PASSED AND APPROVED** this 16<sup>th</sup> day of June, 2005.



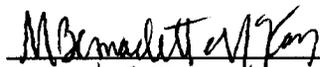
**M A Y O R**  
**EDWARD D. GARZA**

**ATTEST:**



**City Clerk**

**APPROVED AS TO FORM:**



---

**City Attorney**

# Agenda Voting Results

**Name:** 22.

**Date:** 06/16/05

**Time:** 04:52:41 PM

**Vote Type:** Multiple selection

**Description:** An Ordinance authorizing the Interim City Manager or his designee to execute a contract with Hay Group at an estimated annual amount of \$200,000.00 to provide benefits and compensation consulting services for a term to begin upon the date of execution and ending on December 31, 2006, with an option to extend the contract for one (1) year, subject to and contingent upon funding and approval by City Council. [Presented by Sharon De La Garza, Director, Human Resources; Frances A. Gonzalez, Assistant City Manager]

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1		x		
SHEILA D. McNEIL	DISTRICT 2		x		
ROLAND GUTIERREZ	DISTRICT 3		x		
RICHARD PEREZ	DISTRICT 4		x		
PATTI RADLE	DISTRICT 5		x		
ENRIQUE M. BARRERA	DISTRICT 6		x		
JULIAN CASTRO	DISTRICT 7		x		
ART A. HALL	DISTRICT 8	Not present			
KEVIN WOLFF	DISTRICT 9		x		
CHIP HAASS	DISTRICT_10		x		
MAYOR ED GARZA	MAYOR		x		