

AN ORDINANCE **101574**

**AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXERCISE THE OPTION OF THE FIRST ONE (1) YEAR EXTENSION WITH AETNA LIFE INSURANCE TO PROVIDE GROUP TERM LIFE, ACCIDENTAL DEATH AND DISMEMBERMENT, AND SUPPLEMENTAL LIFE INSURANCE COVERAGE UNDER THE CITY'S SELF FUNDED HEALTH BENEFIT PROGRAM BEGINNING JANUARY 1, 2006 AND ENDING ON DECEMBER 31, 2006 IN AN ANNUAL ESTIMATED AMOUNT OF \$665,983.00 FROM THE EMPLOYEE BENEFITS SELF-INSURED FUND, WITH THE REMAINING 3 MONTHS BEING CONTINGENT UPON COUNCIL APPROVAL OF FY06-07 FUNDS.**

\* \* \* \* \*

**WHEREAS**, through Ordinance No. 96523, passed and approved on October 10, 2002, City Council authorized the execution of the Group Term Life Insurance Contract ("Contract") with Aetna Life Insurance Company; and

**WHEREAS**, this Contract provides Group Term Life, Accidental Death & Dismemberment and Voluntary Term Life Insurance for the City; and

**WHEREAS**, said Contract provides for a three-year term, with the option to renew for two (2) additional successive one-year terms, subject to mutual agreement of the parties and approval by City Council; and

**WHEREAS**, the parties now wish to exercise their first option to extend this Contract for an additional one year period to begin on January 1, 2006 and continue through December 31, 2006; and

**WHEREAS**, the cost for this renewal period is \$665,983.00; **NOW THEREFORE:**

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

**SECTION 1.** The renewal and extension of the contract with Aetna Life Insurance Company, to provide Group Term Life Insurance to the City for the period from January 1, 2006 through December 31, 2006 for an estimated cost of \$665,983.00 is hereby approved. The City Manager is hereby authorized to execute the Renewal and Extension Agreement. The terms of said Agreement are hereby approved. A copy of the Renewal and Extension Agreement, in substantially final form, is attached hereto and incorporated herein as Exhibit "A".

**SECTION 2.** The amount of \$665,983.00 will be encumbered in Fund 75002000, Employee Benefits Fund, in GL 5201040, Fees to Professional Contractors, Cost Center 1002010020, and made payable to Aetna Life Insurance for group term life, accidental death and dismemberment, and supplemental life insurance coverage.

**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 allocation to specific Cost Centers and Fund Numbers as necessary to carry out the purpose of this Ordinance.

**SECTION 4.** This ordinance becomes effective October 30, 2005.

PASSED AND APPROVED this 20<sup>th</sup> day of October, 2005.



M A Y O R

PHIL HARDBERGER

ATTEST:

  
City Clerk

APPROVED AS TO FORM:

  
City Attorney

**RENEWAL AND EXTENSION OF  
GROUP TERM LIFE INSURANCE CONTRACT**

This Extension of the GROUP TERM LIFE INSURANCE CONTRACT is entered into by and between the CITY OF SAN ANTONIO (hereinafter referred to as "CITY"), acting by and through its City Manager, or his designee, pursuant to Ordinance Number 96523, passed and approved on October 10, 2002, and AETNA LIFE INSURANCE COMPANY, (hereinafter referred to as "VENDOR"), acting by and through Jay Sheehy, Segment Head of Underwriting, National Accounts, is as follows:

**WHEREAS**, through Ordinance No. 96523, passed and approved on October 10, 2002, City Council authorized the execution of the Group Term Life Insurance Contract (hereafter the "Contract") with VENDOR; and

**WHEREAS**, said Contract provides for an initial 36 month term, expiring December 31, 2005, with an option to renew for two (2) one (1) year extensions, subject to mutual agreement of the parties and approval by City Council; and

**WHEREAS**, said Contract provides that VENDOR shall provide Group Term Life, Accidental Death & Dismemberment and Voluntary Term Life Insurance for the CITY; and

**WHEREAS**, the parties now wish to exercise their first option to extend this Contract for one (1) year period and amend the same; **NOW THEREFORE:**

I. Renewal

Pursuant to the provisions of Section VI. of the Contract, CITY and VENDOR mutually agree to renew and extend the term of said Contract for a period of one (1) year, commencing on January 1, 2006 and terminating December 31, 2006, under the same terms and conditions as stated in said Contract.

II.

All other terms, conditions, covenants and provisions of the Aetna Group Term Life Insurance Contract approved through Ordinance No. 96523, are hereby renewed and extended.

EXECUTED on this \_\_\_ day of \_\_\_\_\_, 2005.

**Aetna Life Insurance Company**

\_\_\_\_\_  
Jay Sheehy  
Segment Head of Underwriting, National Accounts

EXECUTED on this \_\_\_ day of \_\_\_\_\_, 2005.

**City of San Antonio**

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Rolando Bono  
City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Krista Cover,  
Assistant City Attorney