

AN ORDINANCE 2013-03-21-0194

**AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO AMEND A CONTRACT WITH RUDD & WISDOM, INC. FOR ACTUARIAL SERVICES TO INCREASE THE MAXIMUM POSSIBLE EXPENDITURE UNDER THE CONTRACT FROM \$50,000.00 TO \$64,000.00.**

\* \* \* \* \*

**WHEREAS**, City and Rudd & Wisdom, Inc. (“Consultant”) entered into a professional services agreement for actuarial services for City’s self-insured workers’ compensation and liability programs for a term beginning July 15, 2011 and ending July 14, 2012, (“Original Agreement”); and

**WHEREAS**, the Original Agreement provides for 2 one-year renewals at City’s option, the first of which City exercised; and

**WHEREAS**, in June of 2012, the parties amended the Original Agreement to provide for an optional mid-year adjustment to the actuarial analysis for an additional cost; and

**WHEREAS**, the Original Agreement provides for a maximum expenditure of \$50,000, including the renewal periods; and

**WHEREAS**, as amended, the cost of the contract will exceed \$50,000 if City elects to exercise its final renewal period; and

**WHEREAS**, City wishes to exercise its final renewal period, so is seeking approval to amend this contract to increase the maximum expenditure there under to \$64,000.00; **NOW THEREFORE:**

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

**SECTION 1.** The City Manager, her designee, or the Chief Human Resources Officer, is hereby authorized to amend the contract with Rudd & Wisdom, Inc. to increase the maximum expenditure there under to \$64,000.00. The terms of the amendment are hereby approved. A copy of the amendment is attached hereto and incorporated herein as **Exhibit I**.

**SECTION 2.** Funding in the additional contract amount of \$14,000.00 for this ordinance is available in Fund 75003000, Cost Center 1009030001 and General Ledger 5201040, as part of the Fiscal Year 2013 Budget.

**SECTION 3.** Payment not to exceed the budgeted amount is authorized to Rudd & Wisdom, Inc. and should be encumbered with a purchase order and is dependent upon the availability of funds for current and future fiscal year budgets.

**SECTION 4.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

**SECTION 5.** This ordinance is effective immediately upon passage by eight affirmative votes; otherwise it is effective on the tenth day after passage hereof.

**PASSED AND APPROVED** this 21<sup>st</sup> day of March, 2013.



M A Y O R  
Julián Castro

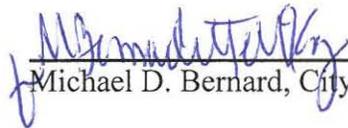
**ATTEST:**

**APPROVED AS TO FORM:**



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Leticia M. Vacek, City Clerk

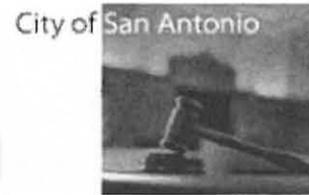


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Michael D. Bernard, City Attorney



Request for  
**COUNCIL  
ACTION**



**Agenda Voting Results - 29**

<b>Name:</b>	6, 7, 8, 10, 11, 12, 13, 15A, 15B, 16A, 16B, 16C, 18, 20A, 20B, 21, 22, 24A, 24B, 24C, 24D, 27, 28, 29, 30, 31A, 31B, 32A, 32B, 32C, 32D						
<b>Date:</b>	03/21/2013						
<b>Time:</b>	10:40:16 AM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	An Ordinance authorizing the City Manager or her designee to amend a contract with Rudd & Wisdom, Inc. for actuarial services to increase the maximum possible expenditure under the contract from \$50,000.00 to \$64,000.00. [Ben Gorzell, Chief Financial Officer; Joe Angelo, Chief Human Resources Officer]						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Leticia Ozuna	District 3		x				x
Rey Saldaña	District 4		x			x	
David Medina Jr.	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x				
Carlton Soules	District 10		x				

SECOND AMENDMENT TO  
ACTUARIAL SERVICES AGREEMENT

STATE OF TEXAS §

COUNTY OF BEXAR §

This amendment is entered into by and between the City of San Antonio ("City"), pursuant to Ordinance No. 2013-03-21-\_\_\_\_\_, and Rudd & Wisdom, Inc., ("Consultant"), acting by and through its Director and Vice President, Philip S. Dial, and is as follows:

**WHEREAS**, City and Consultant entered into a professional services agreement for actuarial services for City's self-insured workers' compensation and liability programs for a term beginning July 15, 2011 and ending July 14, 2012, ("Original Agreement"); and

**WHEREAS**, the Original Agreement provides for 2 one year renewals at City's option, the first of which City exercised; and

**WHEREAS**, in June of 2012, the parties amended the Original Agreement to provide for an optional mid-year adjustment to the actuarial analysis for an additional cost; and

**WHEREAS**, the Original Agreement provides for a maximum expenditure of \$50,000, including the renewal periods; and

**WHEREAS**, as amended, the cost of the contract will exceed \$50,000 if City elects to exercise its final renewal period; and

**WHEREAS**, City requires that the mid-year adjustment report be provided at an earlier date;

**NOW, IN ACCORDANCE THEREWITH AND IN CONSIDERATION** of the mutual covenants, terms conditions, privileges and obligations herein contained, City and Consultant do hereby agree as follows:

**I. AMENDMENTS**

A. Article IV, Section 4.1, is hereby amended to read as follows:

4.1 In consideration of Consultant's performance in a satisfactory and efficient manner, as determined solely by Director, of all services and activities set forth in this Agreement, City agrees to pay Consultant an amount not to exceed \$64,000.00 as total compensation as follows:

The remainder of Article IV, as previously amended, remains unchanged.

B. Article III, Sections 3.91 and 3.92 are hereby revised to read as follows:

3.9.1 City may, at its option, require Consultant to perform a mid-year adjustment to the actuarial analysis for the fiscal year in which the option is exercised. City may utilize this option for the original term and all renewal periods of this agreement. If City exercises this option, City shall provide Consultant with updated claims data through the end of February. Consultant shall update its comprehensive actuarial analysis of City's self-insured workers'

compensation and liability programs using the updated data for the period ending February 28, and shall project its findings forward through September 30 of that same fiscal year. Consultant shall provide an estimate of the unpaid loss and allocated loss adjustment expense for City's workers' compensation, general liability, and auto liability programs. This estimate will include a provision for known claims as of February 28, as well as claims which have occurred, but not yet been reported to City. Estimates shall be provided as described in section 3.4. Tables shall be included as described in section 3.4. The analysis may be provided in a memorandum format.

3.9.2 Consultant shall provide a draft of its analysis to City by March 27, and a final report no later than April 3.

## II. PROVISIONS REMAIN IN EFFECT

All other terms, conditions, covenants and provisions of the Original Agreement, as previously amended, not specifically mentioned herein and revised by this document, are hereby retained in their entirety, unchanged, and shall remain in full force in effect for the duration of said Agreement.

## III. ENTIRE AGREEMENT

This agreement, as amended, embodies the complete agreement of the parties hereto with regard to the subject matter contained herein, superseding all oral or written previous and contemporary agreements between the parties relating to matters herein.

**EXECUTED** and **AGREED** to as of the dates indicated below.

**CITY OF SAN ANTONIO**

**RUDD & WISDOM, INC.**

\_\_\_\_\_  
(Signature)

  
\_\_\_\_\_  
(Signature)

Printed Name: Joe Angelo  
Title: Chief Human Resources Officer  
Date: \_\_\_\_\_

Printed Name: Philip S. Dial  
Title: Director, Vice President  
Date: 3/12/2013

Approved as to Form:

\_\_\_\_\_  
Assistant City Attorney