

ORDINANCE NO. 060, 2010
OF THE COUNCIL OF THE CITY OF FORT COLLINS
EXTENDING THE CONTRACTS OF THE CITY'S MEDICAL SERVICE
AND BENEFITS CONSULTING PROVIDERS
FOR EMPLOYEE BENEFITS PROGRAMS

WHEREAS, the Great West Life & Annuity Insurance Company and Mercer Health and Benefits LLC (collectively, the "Service Providers") were selected by a competitive process to respectively provide employee medical coverage and benefit consulting services to the City commencing on January 1, 2006; and

WHEREAS, the City has contracted with the Service Providers for the last five years and they have satisfactorily performed under those agreements; and

WHEREAS, Section 8-186 of the City Code limits contracts for professional services, including renewals, to no longer than five years, unless authorized by ordinance; and

WHEREAS, the passage of the federal Healthcare Reform Act (the "Act") in March, 2010, has created substantial uncertainty in determining how the City's medical plans will need to be amended and administered beginning in late 2010, which uncertainty may be reduced with the adoption and implementation of guidance from the IRS and the federal Department of Labor; and

WHEREAS, the current uncertainties associated with the provision of medical coverage for employees makes it very difficult at this time to draft a request for proposals for benefit providers for 2011 and beyond; and

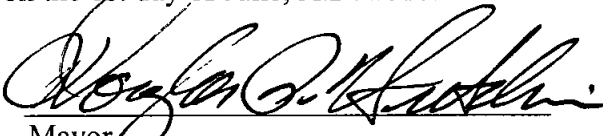
WHEREAS, the City desires to extend the term of the agreements with the Service Providers for one additional year beyond the current five-year limit in order to have service providers experienced with the City's benefit plans aid the City in making transitions required by the Act; and

WHEREAS, because of the time and resources required to complete a competitive process, the Purchasing Agent has determined that a competitive process cannot reasonably be used and, if used, would result in substantially higher cost to the City and may result in the impairment of the City's administrative functions, and the Purchasing Agent has submitted the requisite justification for this determination to the City Manager for approval; and

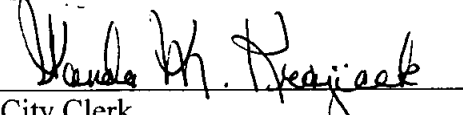
WHEREAS, the City Manager has reviewed and approved the justification for this contract extension; and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the Purchasing Agent is hereby authorized to enter into an extension of one year for the employee benefits contracts with Great West Life & Annuity Insurance Company and Mercer Health and Benefits LLC for the year 2011.

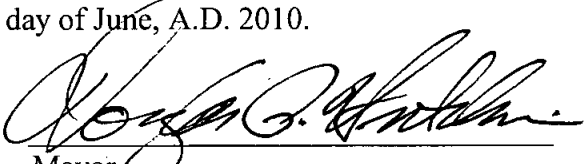
Introduced, considered favorably on first reading, and ordered published this 18th day of May, A.D. 2010, and to be presented for final passage on the 1st day of June, A.D. 2010.


Mayor

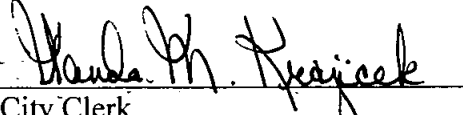
ATTEST:


City Clerk

Passed and adopted on final reading on the 1st day of June, A.D. 2010.


Mayor

ATTEST:-


City Clerk