CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: Sep 22, 2016

Action Requested By: Human Resources

Agenda Type: Resolution

Subject Matter:

Amendment #2 to the Reimbursement Services Agreement between the City of Huntsville and WageWorks to renew administrative services for employee Flexible Spending Accounts.

Exact Wording for the Agenda:

Resolution authorizing the Mayor to execute Amendment No. 2 to the WageWorks Agreement to renew and extend services from January 1, 2017 through December 31, 2018.

Note: If amendment, Please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

This amendment is needed to renew Flexible Spending Account reimbursement services for employees for the period January 1, 2017 through December 31, 2018

Associated Cost: $9,966.00

Budgeted Item: _____

MAYOR RECOMMENDS OR CONCURS: _____

Department Head: Roylan K. Thomas

Date: 9/8/16

ROUTING SLIP
CONTRACTS AND AGREEMENTS

Originating Department: Human Resouces

Council Meeting Date: 9/22/2016

Department Contact: Cindy Lehman

Phone # 256-427-5244

Contract or Agreement: Amendment #2 to WageWorks Agreement

Document Name: Amendment No. 2 to Reimbursement Services Agreement

City Obligation Amount: $11,500

Total Project Budget:

Uncommitted Account Balance:

Account Number: 1000-00-00000-210260-00000000

Procurement Agreements

Select...	Select...

Grant-Funded Agreements

Select...	Grant Name:

Department	Signature	Date
1) Originating	Byron K. Thomas	9/8/16
2) Legal	Mary C Cates	9/12/16
3) Finance	M. Sargent	9-13-16
4) Originating		
5) Copy Distribution		
a. Mayor's office (1 copies)		
b. Clerk-Treasurer (Original & 2 copies)		

Revised 04/15/2011

RESOLUTION NO. 16-____

WHEREAS the City Council previously adopted by Resolution No. 92-719 a City of Huntsville Flexible Benefit Plan (Cafeteria Plan) for the benefit of its employees which was effective January 1, 1993 and the City desires to continue to provide a Flexible Benefit Plan (Cafeteria Plan); and

WHEREAS the City of Huntsville previously appointed WageWorks to provide flexible spending arrangement (FSA) administration services by Resolution No. 12-937 and modified by resolution No. 15-810; and

WHEREAS the City of Huntsville wishes to renew the FSA administration services provided by Wage Works for unreimbursed medical expense reimbursement and dependent day care reimbursement; and

WHEREAS the City of Huntsville, does hereby declare in accordance with Code of Alabama (1975) that the Mayor be, and he is hereby authorized to enter into an agreement between the City of Huntsville and WageWorks, on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as Amendment No. 2 to the Reimbursement Services Agreement Between the City of Huntsville, Alabama, and WageWorks, Inc. as approved by Resolution No. 12-937, and modified by Resolution No. 15-810, consisting of three (3) pages and the effective date of January 1, 2017, and the date of September 22, 2016 appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

ADOPTED this the 22nd day of September, 2016.

_____
President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 22nd day of September, 2016.

_____
Mayor of the City of
Huntsville, Alabama

Amendment No. 2 to the Reimbursement
Services Agreement Between the
City of Huntsville, Alabama, and
WageWorks, Inc.
as approved by Resolutions No. 12-937
and modified by Resolution No. 15-810

STATE OF ALABAMA

COUNTY OF MADISON

AMENDMENT NO. 2 TO REIMBURSEMENT SERVICES AGREEMENT

THIS AMENDMENT TO REIMBURSEMENT SERVICES AGREEMENT (this "**Amendment**") is made and entered into effective as of the 22nd day of September, 2016, by and between **THE CITY OF HUNTSVILLE**, a municipal corporation organized and existing under the laws of the State of Alabama (hereinafter referred to as the "**City**") and **WageWorks, Inc.**, a California corporation (hereinafter referred to as "**WageWorks**"), and amends as follows, that certain Reimbursement Services Agreement entered into on the 25th day of October, 2012, as authorized by Resolution No. 12-937 of the Huntsville City Council, and modified by Resolution No. 15-810.

WITNESSETH

WHEREAS, the City and WageWorks previously entered into an agreement for WageWorks to provide administration services for the City's flexible benefit plan: and

WHEREAS, the parties mutually desire to amend the Agreement to update the fee schedule and guarantee the monthly service fee through December 31, 2018;

NOW THEREFORE, in consideration of the mutual covenants set forth herein, the City and WageWorks agree as follows:

1. Appendix C "Fee Schedule" is deleted in its entirety and replaced with the following:

   1. Monthly Service Fee: $3.00 per Participant, per month (PPPM), subject to a Monthly Minimum Fee of $0.00.

   2. Compliance Services: A Compliance Fee of $0.00 per month shall apply.

   3. Additional Service Fees: The following Service Fees shall apply, as applicable.

President of the City Council of the
City of Huntsville, Alabama
Date: _____

a. *Enrollment Meetings (optional): Enrollment meetings will be billed in four (4)-hour increments at $250 each, plus travel expenses for on-site meetings.*

b. *Eligibility Adjustments: A $25 Fee will be charged for each participant account that requires an adjustment due to an eligibility change that is not received by WageWorks at least five (5) business days prior to the due date.*

c. *Late File Submission: A $125 Fee will be billed per each late file submission.*

d. *Special Research and Reports (optional): A $50 per hour Fee will be charged for all research performed and non-standard reports prepared at your request, which included, but is not limited to, special reconciliations. A Cost quote will be provided after requirements are mutually defined by the parties.*

4. *Service Charge: A service charge of 2% per month shall be applied to any overdue amounts.*

5. *Service Fee Changes: All Service Fees are subject to change upon thirty (30) days' prior written notice to the Employer.*

6. *Billing and Collection of Fees:*

a. *Public Sector* Employers: Service Fees will be invoiced on the 15th of each month and due within thirty (30) days. Except as otherwise agreed to by the parties, WageWorks is not authorized to withdraw the Service Fee from the Account.*

b. *Private Employers: Service Fees will be invoiced each month and collected by WageWorks with initiated ACH debit on the 15th day of each month.*

2. All other terms and conditions of the Agreement remain unchanged and in full force and effect.

ATTEST

_____
Ken Benion
City Clerk-Treasurer

THE CITY OF HUNTSVILLE, ALABAMA

By:_____
Tommy Battle, Mayor

ATTEST

_____

WAGEWORKS

By:_____
Its: _____