

**REPORT TO MAYOR AND CITY COUNCIL**

**TO THE HONORABLE MAYOR AND CITY COUNCIL:**

DATE: December 8, 2015

**SUBJECT: AMEND CURRENT ADMINISTRATIVE AGREEMENT BETWEEN THE CITY OF CONCORD AND BARTEL ASSOCIATES, LLC AND APPROPRIATE FUNDS IN THE AMOUNT OF \$45,000 TO PROVIDE FOR ADDITIONAL FINANCIAL STUDIES RELATING TO THE CITY'S OTHER POST EMPLOYMENT BENEFIT (POST RETIREMENT HEALTH CARE BENEFIT FUND)**

**Report in Brief**

The City entered into Administrative Agreement #2586 with Bartel Associates, LLC for financial services related to the Other Post Employment Benefit (OPEB) actuarial study and the City of Concord Retirement System (CCRS) actuarial study. The City Council is asked to authorize the City Manager to execute the first contract amendment in the amount of \$45,000 to fund additional financial services required for the Other Post Employment Benefit fund.

**Background**

The City contracted with Bartel Associates, LLC ("Bartel") to ensure compliance with the latest Governmental Accounting Standards Board (GASB) standards: GASB 67 and GASB 68, which require additional financial statement disclosure regarding the City's unfunded liabilities. In addition, the contract allowed for other financial studies related to the City's Other Post Retirement Benefit funds, as needed. The City has requested Bartel to perform other financial studies; namely, OPEB costing analysis and related presentations. The additional financial services requested require an amendment to the existing contract.

**Discussion**

With over 300 clients, Bartel Associates, LLC specializes in providing government agencies with actuarial consulting services including retiree medical and pension actuarial valuations. Bartel is well versed with the City of Concord's pension plans and with the City's Other Post Retirement Benefit liability.

In accordance with the scope of the original agreement, Bartel has provided the City with actuarial reports required to meet the latest GASB pronouncements. Bartel's original agreement also provided funding for additional financial services related to the City's other post-retirement benefits. Additional financial services have been requested which exceed the original budget amount, requiring a contract amendment in an amount not-to-exceed \$45,000 to perform these services.

**AMEND CURRENT ADMINISTRATIVE AGREEMENT BETWEEN THE CITY OF  
CONCORD AND BARTEL ASSOCIATES, LLC AND APPROPRIATING FUNDS IN  
THE AMOUNT OF \$45,000 TO PROVIDE FOR ADDITIONAL FINANCIAL  
STUDIES RELATING TO THE CITY'S OTHER POST EMPLOYMENT BENEFIT  
(POST RETIREMENT HEALTH CARE BENEFIT FUND)**

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**Fiscal Impact**

An appropriation of \$45,000 from the Post Retirement Health Care Benefit fund is requested to fund the additional financial studies and presentations requested under the first amendment to this contract.

**Public Contact**

Notice of the meeting has been posted.

**Recommendation for Action**

Staff recommends the City Council approve the first contract amendment to Administrative Agreement with Bartel Associates, LLC and the associated budget appropriation in the amount of \$45,000 to be funded through the Post Retirement Health Care Benefit Fund for the additional financial studies required for the City's other post employment benefits; and authorize the City Manager to execute the agreement.



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Deputy City Manager

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Attachment 1: Bartel Associates, LLC – First Amendment to Administrative Agreement #2586

## FIRST AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES

**This First Amendment to Agreement for Professional Services** (“First Amendment”) is entered into this 8<sup>th</sup> day of December, 2015, by and between the City of Concord (the “CITY”) and Bartel Associates, LLC, 411 Borel Avenue, Suite 101, San Mateo, California, 94402 (“CONSULTANT”).

### RECITALS

**A.** CITY and CONSULTANT entered into that certain Agreement for Professional Services for financial services relating to the Other Post Employment Benefit Actuarial Valuation and to the City of Concord Retirement System Actuarial Valuation dated May 29, 2015 (the “Agreement”).

**B.** CITY and CONSULTANT desire to amend the Agreement to increase the total amount of compensation under the Agreement by \$45,000, an amount not to exceed Eighty Seven Thousand dollars (\$87,000) (the “Compensation Limit”) for additional studies needed related to the City’s Other Post Employment Benefit.

NOW, THEREFORE, in consideration of the promises and conditions set forth herein, the parties mutually agree as follows:

### AGREEMENT

- 1. Recitals.** The recitals set forth above are incorporated as if fully restated herein.
- 2. Counterparts.** This First Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute the same instrument.
- 3. Full Force and Effect.** Except as expressly amended herein, the terms and conditions of the Agreement remain in full force and effect.
- 4. IN WITNESS WHEREOF,** the parties have executed this First Amendment the day and year written above.

**Signatures on the next page.**

**CITY OF CONCORD**

**CONSULTANT**

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Valerie J. Barone  
City Manager

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John Bartel  
President

**APPROVED AS TO FORM**

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Brian M. Libow  
Interim City Attorney

**ATTEST**

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Joelle Fockler, CMC  
City Clerk