

PERSONNEL AND ANIMAL WELFARE COMMITTEE REPORT relative to proposed First Supplemental Agreement to Contract No. C-127274 with The Segal Company, Inc. (aka Western States) to provide administrative and communication services for the Deferred Compensation and Pension Savings Plans.

Recommendations for Council action:

1. APPROVE and a AUTHORIZE the General Manager, Personnel Department, to execute the First Supplemental Agreement to Contract No. C-127274 with The Segal Company, Inc. (aka Western States; dba Segal Consulting) to extend the term an additional two years for a revised term effective July 1, 2015 through June 30, 2020, subject to City Attorney approval as to form.
2. INSTRUCT the Personnel Department to ensure that the contractor submits current documents in compliance with the applicable contracting requirements including the Disclosure Ordinances prior to executing the First Supplemental Agreement to Contract No. C-127274.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no impact to the General Fund. Contractual services supporting the Deferred Compensation and Pension Savings Plans are paid by a third party administrator and funded by participant fees. Approval of the First Supplemental Agreement to Contract No. C-127274 complies with the City's Financial Policies as sufficient funds are available to support the proposed expenditures in the Agreement.

Community Impact Statement: None submitted.

TIME LIMIT FILE - OCTOBER 8, 2019

(LAST DAY FOR COUNCIL ACTION - OCTOBER 8, 2019)

Summary:

On August 21, 2019, your Committee considered an August 7, 2019 CAO report relative to a proposed First Supplemental Agreement to Contract No. C-127274 with The Segal Company, Inc. (aka Western States) to provide administrative and communication services for the Deferred Compensation and Pension Savings Plans (DCP and PSP, respectively). According to the CAO, the proposed agreement continues the current level of Services which include:

- a. Plan administration consulting:
 - i. Procurement development and analysis of responses
 - ii. Contract development and review
 - iii. Plan Design, best practices, and benchmarking
 - iv. Technical retirement services

b. Communications consulting:

- i. Materials development and review
- ii. Develop marketing strategies for the DCP and PSP
- iii. Participant assessments and surveys.

Approval of the proposed First Supplemental Agreement will (i) extend the term by two years resulting in a total five-year term effective July 1, 2015 through June 30, 2020, and (ii) update the Standard Provisions for City Contracts along with other administrative provisions. According to the Personnel Department, the invoices for Services under the proposed Agreement are paid directly by the third party administrator for the DCP and PSP and funded by participant fees, in accordance with Los Angeles Administrative Code (LAAC) Division 4, Section 4.1407(f) and Section 4.1610(a), respectively.

Expenses during the initial three-year term were approximately \$155,000 which results in a remaining expenditure authority of approximately \$25,000. The Personnel Department states that the remaining expenditure authority is sufficient for the proposed Agreement and no increase to the expenditure authority is requested. Services provided under this Agreement are required on an ongoing basis and may have been performed prior to execution of this proposed First Supplemental Agreement. As a result, a ratification clause is included in the proposed Agreement to include any work performed during the entire term of the Agreement. The Personnel Department is advised to work with the Contractor to ensure compliance with the applicable contracting requirements including submitting documentation regarding the Disclosure Ordinances. It is recommended this documentation is submitted and verified prior to contract execution. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the CAO report and detailed above. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

PERSONNEL AND ANIMAL WELFARE COMMITTEE



MEMBER VOTE

KORETZ: YES

SMITH: ABSENT

PRICE: YES

ARL

8/21/19

-NOT OFFICIAL UNTIL COUNCIL ACTS-