

SECOND AMENDMENT OF PROFESSIONAL SERVICES CONTRACT

This *Second Amendment Of Professional Services Agreement* (“SECOND AMENDMENT”) is entered into by and between the **CITY OF SAN ANTONIO** (hereinafter referred to as “**CITY**”), a Texas municipal corporation, and **MHBT INC.**, having its principal place of business at 301 Congress Ave. Ste 1000, Austin, Texas 78701 (hereinafter referred to as “**CONSULTANT**”). **CITY** and **CONSULTANT** re sometimes hereinafter referred to as the “**PARITES**”.

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by **CITY** and **CONSULTANT**, the PARTIES hereby agree as follows:

I. AMENDMENTS

- 1.1 Article I. **PURPOSE**, Section 1.1 of that certain *Professional Services Contract* between **CITY** and **CONSULTANT**, dated on or about October 22, 2013 (“Contract”), is deleted in its entirety and replaced by the following:

“1.1 The purpose of this CONTRACT is to state the terms and conditions under which the **CONSULTANT** shall (a) provide the **CITY** consulting services related to the review, analysis, and modeling of options for the health benefits provided to the **CITY’S** uniformed police and fire employees, and (b) assist **CITY** in the negotiations for a contract extension with United HealthCare Insurance Company.”

- 1.2 Article II. **SCOPE OF SERVICES**, Section 2.3 of the Contract is deleted in its entirety and replaced by the following:

“2.3 **CONSULTANT** shall provide the following consulting and analytical services related to the review, analysis, and modeling of option for the health benefits provided to the **CITY’S** uniformed police and fire employees:

2.3.1 The **CONSULTANT** shall attend Collective Bargaining meetings between the City of San Antonio bargaining team and the Police and Fire Union bargaining teams as directed by the City of San Antonio bargaining team.

2.3.2 The **CONSULTANT** shall provide written or electronic analysis and summary findings of a review of the historical claims experience, to include cost drivers, for the **CITY’S** uniformed police and fire employee benefit plans.

2.3.3 The **CONSULTANT** will provide written or electronic claims projections and costing scenarios as requested by the City of San Antonio bargaining team.

2.3.4 The **CONSULTANT** will provide written or electronic benchmarking analysis of the CITY'S uniformed police and fire health benefit plans to other peer employers.

2.3.5 The **CONSULTANT** will prepare written or electronic claims projections and costing scenarios for alternative options for uniform police and fire health benefit plans as requested by the City of San Antonio bargaining team.

2.3.6 The **CONSULTANT** will assist in the preparation of requests for information and responses to the Police and Fire Union bargaining teams as directed by the City of San Antonio bargaining team.

2.3.7 The **CONSULTANT** will develop uniform fund schedule and track variances and rates for the 2015 uniformed police and fire health benefits plans.

2.3.8 The **CONSULTANT** will develop illustrative rates for active uniformed employees as well as COBRA rates.”

2.3.9 The **CONSULTANT** will assist CITY in the negotiations for a calendar year 2015 contract extension with United HealthCare Insurance Company for all City of San Antonio health benefit plans, which may include an optional extension for calendar year 2016.

1.3 Article IV. **TERM OF CONTRACT** of the Contract is deleted in its entirety and replaced by the following:

“IV. TERM OF CONTRACT”

4.1 The term of the **CONTRACT** shall commence October 18, 2013 and shall terminate upon the first to occur of (a) completion of the Scope of Services specified in Article II above or (b) December 31, 2014. If (a) has not occurred by December 31, 2014, the term of this **CONTRACT** may be extended for an additional six (6) months by an agreement in writing signed by the **PARTIES**. The consent or authorization of **CITY'S** City Council shall not be required in order for **CITY** to execute such agreement.”

1.4 Article V. PAYMENT FOR SERVICES of the Contract is deleted in its entirety and replaced by the following:

“V. PAYMENT FOR SERVICES”

5.1 In consideration of the professional services as defined in Section II of this SECOND AMENDMENT to be rendered by **CONSULTANT**, the **CITY** shall pay a professional fee of no more than \$ _____, including sums reimbursed pursuant to Section 5.2 below. The **CITY** shall pay the professional fee within thirty (30) days following receipt of **CONSULTANT’S** Invoice, which shall be submitted upon completion of all services specified in Section 2.3 above. This fee shall constitute full and complete payment for all services to be performed by **CONSULTANT** under this SECOND AMENDMENT.

5.2 The **CITY** will reimburse **CONSULTANT** in an amount not to exceed \$ _____ for: air fare or mileage (in a non-rental vehicle) for travel to San Antonio; car rental; hotel accommodations; and meals, which are incurred by Consultant in connection with this SECOND AMENDMENT. Air fare shall be reimbursed only for economy or coach class. Mileage (in a non-rental vehicle) shall be reimbursed at the rate of 50 cents per mile. Rental vehicles shall be Intermediate Class or below. The full cost of fuel for a rental vehicle shall be reimbursed. Hotel accommodations will be reimbursed at the lesser of actual cost or \$125.00 per night. Meals will be reimbursed on a per diem basis at the lesser of actual cost or \$66.00 per day. No administration or overhead fees may be charged in connection with travel expenses. Consultant shall submit a request for reimbursement to the Director for all expenses incurred. The request shall include receipts and further appropriate documentation of the type and amount of each expense for which reimbursement is requested. Reimbursement for a category of expense not set forth above requires prior written approval of the Director.

5.3 The professional fee set out in Section 5.1 above represents payment in full for all services provided by **CONSULTANT** under this SECOND AMENDMENT, and does not include any sums paid or to be paid or reimbursed to **CONSULTANT** pursuant to original Sections 5.1 and 5.2 of the CONTRACT. **CITY** shall pay or reimburse **CONSULTANT** separately for all services rendered pursuant to original Sections 5.1 and 5.2 of the CONTRACT.

5.4 The **CITY** shall not be obligated or liable under this CONTRACT to any party, other than the **CONSULTANT** for payment of any monies or provision for any goods or services.”

II. PROVISIONS TO REMAIN IN EFFECT

2.1 Save and except as modified herein, all other terms, conditions, covenants and provisions of the CONTRACT shall remain unchanged and in full force and effect.

III. ENTIRE AGREEMENT

3.1 The CONTRACT, as amended by this SECOND AMENDMENT, embodies the complete agreement of the PARTIES 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 by the **CITY** and by the **CONSULTANT**, acting through their duly authorized officials, on the dates written below, to be effective from and after _____, 2014.

CITY OF SAN ANTONIO, TEXAS

MHBT

Ben Gorzell, Jr.
Chief Financial Officer

[Name of Signer]
[Title of Signer]

Date:

Date:

Approved as to form:

Assistant City Attorney