

**FINANCIAL IMPACT STATEMENT
For Council Action Items**

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Yvonne L. Deckard (Cathy Bless)		2. Telephone No. 503-823-5207	3. Bureau/Office/Dept. OMF/Bureau of Human Resources
4a. To be filed (date) April 28, 2010	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to FPD Budget Analyst: April 15, 2010

1) Legislation Title: Amend contract with Aliquant Corporation for web-based benefit enrollment and related IT administrative software system services to extend the termination date of the contract from June 30, 2010, to June 30, 2013. (Ordinance amends Contract No. C35136)

2) Purpose of the Proposed Legislation: Amends the current Contract (C35136) with Aliquant Corporation. It is appropriate to extend the contract through June 30, 2013 as provided under City Charter, Chapter 5.22.220. Section D.12 which allows the City to renew existing contracts in order to utilize the pre-existing knowledge of the vendor. Decisions regarding the benefits components of SAP have been deferred. In order to continue these services, it is appropriate to continue the current agreement through June 30, 2013.

3) Revenue:

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source. NO

4) Expense:

What are the costs to the City as a result of this legislation? What is the source of funding for the expense?
Over the next contract year, (July 1, 2010 – June 30, 2011) fees for service are not expected to exceed \$250,000. In accordance with the contract, fees are based on a per participant per month rate (PEPM) which will increase by no more than 5% in each subsequent renewal. The PEPM fee for July 1, 2010 through June 30, 2011 is \$3.48. The Health Fund includes the appropriation in support of the estimated costs. The estimated not to exceed amount is \$798,000 for the contract period between July 1, 2010 and June 30, 2013.

Staffing Requirements:

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.) NO

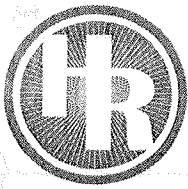
6) Will positions be created or eliminated in future years as a result of this legislation? NO

Complete the following section if you are accepting and appropriating a grant via ordinance. This section should only be completed if you are adjusting total appropriations, which currently only applies to grant ordinances.

7) **Change in Appropriations** (If the accompanying ordinance amends the budget, please reflect the dollar amount to be appropriated by this legislation. If the appropriation includes an interagency agreement with another bureau, please include the partner bureau budget adjustments in the table as well. Include the appropriate cost elements that are to be loaded by the Grants Office and/or Financial Planning. Use additional space if needed.)

Yvonne L. Deckard

APPROPRIATION UNIT HEAD (Yvonne L. Deckard)



City of Portland
Bureau of
Human Resources
Knowledgeable | Helpful | Responsive

183738

Yvonne L. Deckard, Director
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Office of Management and Finance

Kenneth L. Rust, Chief Administrative Officer

DATE: April 15, 2010

TO: Mayor Sam Adams

FROM: Yvonne L. Deckard, Human Resources Director *YLD by AR*

FOR MAYOR'S OFFICE USE ONLY
Reviewed by Bureau Liaison _____

RE: ORDINANCE TITLE Amend contract with Aliquant Corporation for web-based benefit enrollment and related IT administrative software system services to extend the termination date of the contract from June 30, 2010, to June 30, 2013. (Ordinance amends Contract No. C35136)

1. **INTENDED THURSDAY FILING DATE:** April 22, 2010
2. **REQUESTED COUNCIL AGENDA DATE:** April 28, 2010
3. **CONTACT NAME & NUMBER:** Cathy Bless, 503-823-5207
4. **PLACE ON:** CONSENT REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:** Y N N/A
6. **(3) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED:** Yes No N/A

7. BACKGROUND/ANALYSIS

The ordinance amends the current Contract (C35136) with Aliquant Corporation. The City's online benefit enrollment system complies with the intent of e-government policies adopted by the City Council. Aliquant Corporation was selected through the City's competitive bid process to provide web-based benefit enrollment and IT administrative software services. The term of the agreement ends on June 30, 2010. It is appropriate to extend the contract through June 30, 2013 as provided under City Charter, Chapter 5.22.220. Section D.12 which allows the City to renew existing contracts in order to utilize the pre-existing knowledge of the vendor. Decisions regarding the benefits components of SAP have been deferred. In order to continue these services, it is appropriate to continue the current agreement through June 30, 2013.

8. FINANCIAL IMPACT

Over the next contract year, (July 1, 2010 – June 30, 2011) fees for service are not expected to exceed \$250,000. In accordance with the contract, fees are based on a per participant per month rate (PEPM) which will increase by no more than 5% in each subsequent renewal. The PEPM fee for July 1, 2010 through June 30, 2011 is \$3.48. The Health Fund includes the appropriation in support of the estimated costs. The estimated not to exceed amount is \$798,000 for the contract period between July 1, 2010 and June 30, 2013.

9. RECOMMENDATION/ACTION REQUESTED

I recommend that the Mayor and City Council approve this ordinance.

Sam Adams, Mayor

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Please notify the City of Portland of the need for ADA accommodations no less than five (5) days prior to any City-sponsored event by contacting the Bureau of Human Resources at 503-823-3572 or the City's TTY at 503-823-6868.

