



TO: Elizabeth Pauli, Interim City Manager
FROM: Kari Louie, Benefits Manager
Karen Short, Human Resources Senior Analyst
COPY: City Council and City Clerk
SUBJECT: Resolution authorizing execution of Amendment No. 1 to the Professional Services Contract with the Hyas Group, LLC. April 25, 2017
DATE: April 10, 2017

SUMMARY:

A resolution authorizing the execution of Amendment No. 1 to the Professional Services Contract with the Hyas Group, LLC., in the amount of \$131,000, for a contract amount not to exceed \$316,000, and for a term ending December 31, 2018.

STRATEGIC POLICY PRIORITY:

The Resolution aligns with the City Council’s Strategic Policy Priority to encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents, by providing financial advising and consulting services to the City’s Deferred Compensation Administrative Committee.

BACKGROUND:

Effective January 1, 2014, the City entered into a Professional Services Contract (“Contract”) with the Hyas Group, LLC., for investment consulting services related to the City’s 457 Deferred Compensation Plan, in the annual amounts of \$59,000 (January 1, 2014 to December 31, 2014); \$60,770 (January 1, 2015 to December 31, 2015) and \$62,590 (January 1, 2016 to December 31, 2016) for a cumulative contract amount not to exceed \$185,000, and a termination date of December 31, 2016. The services performed under the contract included review and consulting services, valued at \$9,000, which services specifically relate to the investment offerings provided by Nationwide to Firefighter participants in the City’s Deferred Compensation Plan, in that the Nationwide Plan did not request or require extensive service. The Deferred Compensation Administrative Committee has determined that an additional level of investment consulting services will be required for the Nationwide Plan in the future; and the City requested and the Hyas Group continued to perform services under the Contract past the termination date of December 31, 2016. The City and the Hyas Group, LLC., have agreed to extend the term through December 31, 2018; to confirm the additional services that may be required for the Nationwide Plan and to correspondingly increase the compensation by \$131,000 (\$65,000 January 1, 2017 to December 31, 2017, and \$66,000 January 1, 2018 to December 31, 2018) for a total not to exceed \$316,000.

ISSUE:

Authorization is needed in order to execute the Amendment to the contract with the Hyas Group, LLC.

RECOMMENDATION:

It is recommended that the City Council take the necessary action to approve the execution of this Amendment.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
6050 HR Deferred Compensation	848500	5310100	\$131,000
TOTAL			\$131,000

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
6050 HR Deferred Compensation	848500	4343503	\$131,000
TOTAL			\$131,000

POTENTIAL POSITION IMPACT:

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
TOTAL			

This section should only be completed if a subsequent request will be made to increase or decrease the current position count.

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$131,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.

Funds used to pay for the contract are generated from the deferred compensation plan participants and their assets.