



RESOLUTION NO. 39915

1 A RESOLUTION relating to federally mandated health compliance services for the
2 City of Tacoma; authorizing the execution of a second amendment to the
3 Global Master Services Agreement with Automatic Data Processing, LLC, in
4 the amount of \$177,408, for a cumulative contract amount not to exceed
5 \$377,408, plus applicable sales tax, budgeted from the Health Care Trust
6 Labor Management Fund, through March 31, 2020, to assist the City with
7 meeting federally mandated health compliance tracking and reporting
8 requirements.

9 WHEREAS complex annual reporting requirements are mandated by the
10 Affordable Care Act (“ACA”), and

11 WHEREAS, on January 11, 2016, the City entered into a one-year contract
12 with Automatic Data Processing, LLC (“ADP”), in the amount of \$115,000, through
13 January 10, 2017, to assist the City with meeting federal reporting requirements, and

14 WHEREAS, effective January 11, 2017, the parties amended the contract in
15 the amount of \$85,000, for a cumulative total of \$200,000, and extended the
16 contract term through January 10, 2018, and

17 WHEREAS the City desires to further amend the contract in the amount of
18 \$177,408, for a cumulative total of \$377,408, plus applicable sales tax, budgeted
19 from the Health Care Trust Labor Management Fund, and to extend the contract
20 through March 31, 2020, to allow for services for up to two additional years in order
21 to meet the compliance requirements for distribution of the 2017, 2018, and 2019
22 1095c tax forms and Internal Revenue Service (“IRS”) reporting requirements, and

23 WHEREAS the proposed amendment will allow the City time to assess
24 whether there will be a future need, based on the current Congress and any
25 modifications to the provisions of the ACA, to continue this required reporting to
26



the IRS, or, if the current legislation remains in place, to determine appropriate
1 next steps to maintain compliance with federal reporting requirements, and

2 WHEREAS, due to the time, effort, and resources invested, it is in the City's
3 best interest to extend the existing contract with ADP in order to meet ACA federal
4 reporting requirements and avoid the possibility of related substantial fines; Now,
5 Therefore,
6

7 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

8 That the proper officers of the City are hereby authorized to execute the
9 Second Amendment to Global Master Services Agreement with Automatic Data
10 Processing, LLC, in the amount of \$177,408, for a cumulative contract amount not
11 to exceed \$377,408, plus applicable sales tax, budgeted from the Health Care
12 Trust Labor Management Fund, through March 31, 2020, to assist the City with
13 meeting federally mandated health compliance tracking and reporting
14 requirements, said amendment to be substantially in the form of the document on
15 file in the office of the City Clerk.
16
17

18 Adopted _____

19 _____
20 Mayor

21 Attest:
22 _____
23 City Clerk

24 Approved as to form:
25 _____
26 Deputy City Attorney