



## Legislation Text

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File #: 0321-2024, Version: 1

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### BACKGROUND:

This ordinance authorizes and directs the Director of the Department of Human Resources to modify and renew a contract with Aon Consulting Inc. for employee benefits consulting services including, but not limited to, assistance in determining employee and employer insurance rates, labor negotiation cost estimations, federal reporting mandate under the Consolidated Appropriations Act, 2021 and benefit administration. In addition, this ordinance authorizes the expenditure and establishes a maximum obligation liability of \$345,000.00 to be paid from the employee benefits fund. This ordinance represents the second extension of the available two extensions under this contract or year five of the contract. Every year the contract renewal is subject to available appropriation and funding. This is the final available extension.

The fifth-year contract dates are from March 1, 2024 to March 31, 2025. Originally, the fifth-year contract term was for twelve (12) months. This contract is for thirteen (13) months to allow for the consultant to complete annually required services, which is the basis for this modification and renewal legislation. At the time the contract was initially executed, specific required annual services were not due in the month of March. The Department of Human Resources is going out to bid for consultant services in 2024 and the April 1<sup>st</sup> start date for the new contract will align with service deliverables.

This contract is an increase of \$97,000.00 from the 2023 renewal. The detail for this increase is as follows:

- An increase of \$4,000.00 for the federal reporting mandate under the Consolidated Appropriations Act, 2021
- \$8,000.00 for optional Credible Coverage Analysis
- \$65,000.00 for an optional Wellness platform vendor review, implementation, project development and tobacco cessation vendor assessment (if separate from the Wellness platform vendor)
- Approximately \$20,000.00 for the additional month of general consulting services

The additional contract deliverables are not going through the normal procurement processes as defined by Chapter 329 due to:

- The \$4,000.00 increase is for services already obtained
- The Credible Coverage Analysis is a new requirement under the Consolidated Appropriations Act, 2021 and as Aon is performing current services under the previous requirements, it would not be in the best of Human Resources to bid these services out
- The Wellness platform services are listed as optional. Aon is in the best position to assist Human Resources with this procurement as information is being collected through the current Health Care Administration RFP that Aon is supporting. The information gathered from the current RFP will assist in the RFP documentation for the Wellness platform procurement.

Contract compliance number is 22-2232264.

**FISCAL IMPACT:** Funding for this contract totals \$345,000.00 and is budgeted in the 2024 employee benefits fund budget. Every year, contract renewal is subject to available and adequate appropriation and funding. **This ordinance is contingent on the passage of the 2024 Other Funds operating budget, Ordinance 3012-2023.**

Emergency action is requested to ensure benefit consultant services are able to commence as soon as contractually possible, thereby maintaining continuity of service, specifically required presentation to the unions in March 2024.

To authorize the Director of the Department of Human Resources to modify and renew a contract with Aon Consulting Inc. to provide employee benefits consulting services from March 1, 2024 through March 31, 2025; to authorize the expenditure of \$345,000.00 from the employee benefits fund; and to declare an emergency. (\$345,000.00)

**WHEREAS**, it is in the best interest of the City of Columbus to contract with Aon Consulting Inc. to provide professional employee benefits consulting services from March 1, 2024 through March 31, 2025; and

**WHEREAS**, the contract is for a three year period, with two one-year extensions possible, subject to sufficient appropriation; and

**WHEREAS**, this contract represents the fifth and final year of the current contract; and

**WHEREAS**, it is necessary to modify the contract to provide for a thirteen (13) month final contract term, as opposed to the original contracted twelve (12) month final contract term, due to the change in timing of required annual services; and

**WHEREAS**, it is necessary to authorize the expenditure of up to \$345,000.00, or so much thereof as may be necessary, to pay contract costs for employee benefits consultation; and

**WHEREAS**, an emergency exists in the usual daily operation of the City of Columbus in that it is immediately necessary to contract with Aon Consulting Inc. to ensure continuity of services, and in particular to ensure a required presentation to the City's bargaining units in March 2024, all for the immediate preservation of the public health, peace, property, and safety,, **NOW, THEREFORE**,

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the Director of the Department of Human Resources is hereby authorized to modify and renew a contract with Aon Consulting Inc. to provide professional employee benefits consulting services from March 1, 2024 through March 31, 2025.

**SECTION 2.** That the expenditure of up to \$345,000.00, or so much thereof as may be necessary, is hereby authorized in the employee benefits fund 5502 in object class 03 Services, per the accounting codes in the attachment to this ordinance.

**SECTION 3.** That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

**SECTION 4.** That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage, if the Mayor neither approves nor vetoes the same.