



# City of Waukesha

City Hall,  
201 Delafield Street  
Waukesha, WI 53188

## Meeting Agenda - Final Finance Committee

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Monday, October 20, 2014

6:30 PM

Council Chambers, City Hall  
Use lower level glass door.

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1. Call To Order

2. Public Comment

3. Business Items

- A. ID#14-1278 Review and act on a request from the Human Resources Manager to recommend the Common Council waive the bidding requirement to continue to obtain Health Insurance Consulting Services through Willis of Wisconsin, Inc.

**Sponsors:** Human Resources

**Attachments:** Health Ins Consulting 102014

- B. ID#14-1331 Review and act on a recommendation to authorize the Transit Dept to order 4 buses in 2015 to be received in 2017 as part of the 2017 Capital Improvement Program and to order 3 buses in 2016 to be received in 2018 as part of the 2018 Capital Improvement Program.

**Sponsors:** Transit

**Attachments:** 2015 Authorization for Purchase of Future Transit Buses - 102014

- C. ID#14-1343 Review and act on a recommendation to the Common Council on the 2015 Capital Improvement Plan and 5-year Capital Improvement Plan (2016 - 2020).

**Sponsors:** Finance and City Administrator

- D. ID#14-1224 Review and act on a recommendation to the Common Council on the 2015 Budget and Tax Levy.

**Sponsors:** City Administrator and Finance

4. Communications and Referrals:

5. Adjournment

The Finance Committee may consider any departments, funds or line items related to the 2015 Budget not specifically identified on the meeting agenda as a part of the Budget Review process.

“A majority of the Council members may be in attendance.”

**NOTICE:** Any person who has a qualifying disability under the Americans with Disabilities Act that requires that the meeting be accessible or that materials at the meeting be in an accessible format, please contact the Finance Office 48 hours prior to the meeting at 524-3560, or by the Wisconsin Telecommunications Relay System so that arrangements may be made to accommodate the request.

City of Waukesha

Human Resources Office

MEMORANDUM

TO: Ed Henschel, City Administrator

FROM: Donna Hylarides Whalen, Asst. City Atty/HR Mgr *DHW*

DATE: October 2, 2014

SUBJECT: Health Insurance Consultant Contract Renewal

City of Waukesha Financial Policy 6.2.6 allows the budget authority to secure contractual or professional services without taking formal or informal bids using sole source purchasing provided the circumstance of such purchase is entered into the records of the purchase. I am requesting that you give some thought to awarding the health insurance consultant contract to Willis based upon sole source considerations.

The City Administrator and the Mayor are the budget authorities for health insurance consultant agreements. (See attached resolution.) David Wierkiewicz has worked with the City since 1998 when he was with United Health Care as an account manager. He later became a private consultant with Mercer. Mercer was retained by the City and David became the account representative. After he left Mercer the City remained with Mercer for nearly a year but with very unsatisfactory results. Several important decision making points were not understood by the consultant assigned to the City. The City then contracted with Wells Fargo Services where David had secured employment and that relationship lasted for a number of months after David left Wells Fargo, again with very unsatisfactory results. The representatives assigned to the City's account did not have sufficient knowledge and expertise in the public sector health insurance to adequately advise the City on the numerous issues that arise with our self-funded plan. After the Wells Fargo agreement expired, the City contracted with Willis where David had secured a consultant position. Over the past 16 years Mr. Wierkiewicz has consistently provided excellent service to the City of Waukesha. The success of the City's relationship with Willis is outlined in the attached documents.

While I am not opposed to sending out an RFP if that is your desire, it would take a truly extraordinary response to displace the successful relationship the City has had with Willis over the past three years. Willis has agreed to maintain the agreement at the current fee for the next three years, extending the contact through September of 2017.

Therefore, I respectfully request that you consider utilizing your sole source authority in this circumstance.

CITY OF WAUKESHA, WISCONSIN

A RESOLUTION AUTHORIZING IMPLEMENTATION OF A SELF-FUNDED MEDICAL PROGRAM – PLAN NUMBER 501

WHEREAS, the Common Council of the City of Waukesha desires to establish a self-funded medical program for eligible active and retired employees of the City; and,

WHEREAS, the City of Waukesha will be the fiduciary and medical claims will be paid from the general funds of the City; and,

WHEREAS, a feature of the medical program is the establishment of a Health Reimbursement Arrangement pursuant IRS regulations; and,

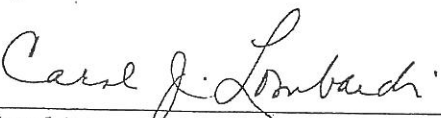
WHEREAS, by establishment of the self-funded medical program the City gains greater control of its health insurance costs and flexibility in establishing benefit levels.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Waukesha that effective January 1, 2005 there be and hereby is established a self-funded medical program which will be know as the City of Waukesha Employee Health Program, 501, and a City of Waukesha Health Reimbursement Arrangement, 555 (together "the Plan") which claims will be paid from the general funds of the City.

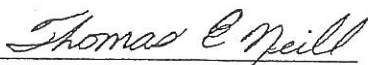
BE IT FURTHER RESOLVED that the Mayor and City Administrator are hereby designated the administrators for the Plan and are allocated the responsibility for the operation and management of the Plan including authority to amend the Plan and enter into agreements to render advice and administrative assistance as necessary to carry out the objectives of the Plan.

Passed and adopted this 7th day of December, 2004.

Signed:

  
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Carol J. Lombardi, Mayor

Attest:

  
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Thomas Neill, City Clerk/Treasurer

**City of Waukesha - Transit Buses CIP**

A	B	C	D	E	F	G	H	I	J
Number of Buses	Budget Year Authorized by Council	Month/Year PO Cut (Anticipated)	Month/Year Funding Needed (Buses Received)	Lead Time	Total Cost of Buses	Federal Portion (Transit)	City Portion (Fund 0430) Acct	City Percentage H/F	City Cost per Bus
new	2015	Jul-2015	Feb-2017	19 mo	1,640,000	1,312,000	328,000	20%	82,000
new	2015	Apr-2016	Feb-2018	20 mo	1,230,000	984,000	246,000	20%	82,000

B = This column represents the budget cycle that the buses were authorized in. So for example in November 2011 the 3 Buses were authorized for Purchase in the 2012 CIP.

D= Shows when funds from the City will be needed (either via direct levy or borrowing) - Spring is the target for cash flow.

E=Lead times vary based on production cycles, but typically are 16-20 months.

G=There are a multitude of Federal grants to help fund the 80% federal share of buses.

H=The City covers the 20% share out of the Fleet Fund (0430). Final City contribution will be determine in year the PO is cut, but Change Orders may occur. Final borrowing amount would be in the year of receipt.