

RESOLUTION R-4840

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING A SELF FUNDED MEDICAL PLAN AND AUTHORIZING THE CITY MANAGER TO EXECUTE AGREEMENTS WITH A THIRD PARTY ADMINISTRATOR AND OTHER PROVIDERS NEEDED TO OPERATE THE PLAN AND THE FUND TO BE CREATED TO FINANCE THE PLAN.

WHEREAS, City of Kirkland employees are currently covered by medical insurance offered by the Association of Washington Cities (AWC) with the premiums paid by the City; and

WHEREAS, AWC will no longer offer the type of insurance coverage Kirkland employees receive after December 31, 2011; and

WHEREAS, the City is obligated to provide substantially equivalent coverage to most of its employees pursuant to collective bargaining agreements it has entered into with the unions representing these employees; and

WHEREAS, the Council wanted to find the most cost effective manner in which to provide substantially equivalent coverage and therefore directed the City Manager and Human Resources Director to create a Medical Benefits Committee of City employee's and, in cooperation with that Committee, conduct a due diligence study of alternatives to the current coverage for the Council to consider, which was completed; and

WHEREAS, after consideration of this study and information provided to the Council by the Director over the last two years, as well as holding a study session on September 21, 2010, the Council has determined that providing a self funded medical plan would be the most cost effective manner in which to provide substantially equivalent medical benefits to City employees,

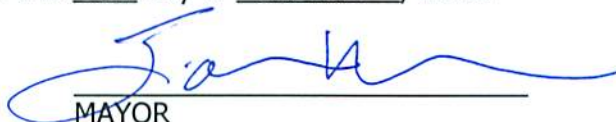
NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. A self funded medical plan for all City of Kirkland employees is hereby approved and the City Manager is directed to prepare an ordinance creating a fund to finance the plan.

Section 2. The City Manager is hereby authorized and directed to execute on behalf of the City of Kirkland agreements with a third party administrator and other needed providers to operate the fund and the plan.

Passed by majority vote of the Kirkland City Council in open meeting this 5th day of October, 2010.

Signed in authentication thereof this 5th day of October, 2010.


MAYOR

Attest:


City Clerk