



*Austin Transit Partnership Board of Directors Resolution  
Meeting Date: 9/20/2023  
ATP-2023-019  
Interlocal Agreement for Health and Welfare  
Benefits from City of Austin*

**Subject:** Approval of a resolution authorizing the negotiation and execution of an interlocal agreement with the City of Austin for ATP employee health and welfare benefits services for an initial term of 1 year, with three 12-month extension options, in an amount not to exceed \$1,200,000 for the initial term, with additional expenditures, including options, to be approved through the annual budget process.

**Fiscal Impact:** Funding is available in the Fiscal Year 2024 Budget. Future years are subject to the approval of additional funding.

**Responsible Department:** Human Resources

**Executive Summary:** As an affiliated entity of the City of Austin, Austin Transit Partnership is able to access City of Austin health and welfare benefits services.

ATP Benefits will continue to include health, dental, and vision, life insurance, and disability insurance as well as other benefits such as access to an employee assistance program. An important outcome of this agreement will be the collection of utilization data that will inform decisions related to the organization's healthcare plan. Austin Transit Partnership will review its benefits plan annually to ensure it is cost effective, both short term and long term.

By access the existing City's benefits plan, Blue Cross Blue Shield would become ATP's medical healthcare provider. There are no proposed changes to the following ATP benefits: leave program (including parental leave); tuition reimbursement; and ATP's retirement program.

Following this action, the Austin City Council is expected to consider approval of the Interlocal Agreement in early October. With approval of the agreement, the new program will be effective January 1, 2024.

**Procurement Summary:** This is an interlocal agreement not subject to Procurement requirements under Chapter 791 of the Texas Government Code, the Interlocal Cooperation Action.

**Disadvantaged Business Enterprise Program Summary:** N/A



**RESOLUTION OF THE AUSTIN TRANSIT PARTNERSHIP**

**BOARD OF DIRECTORS**

STATE OF TEXAS  
COUNTY OF TRAVIS

**Resolution ID: ATP-2023-019**

***Interlocal Agreement for Health and Welfare Benefits from City of Austin***


**WHEREAS**, the Austin Transit Partnership (“ATP”) was co-created by the City of Austin (the “City”) and receives Proposition A tax funds from the City, which makes ATP an affiliated entity for tax purposes; and

**WHEREAS**, the City is the sponsor of a group health and welfare benefits program (the “Benefits Program”) that provides group healthcare and related benefits for City employees; and

**WHEREAS**, the Austin Transit Partnership is one of several affiliated entity with the City of Austin with access to the City of Austin’s benefits administration as approved by the Austin City Council; and

**WHEREAS**, the Parties desire to: (a) to create a means for ATP to provide a suitable group health and welfare benefits program for its employees in order to attract and retain the high quality workforce needed to carry out its purposes; (b) to provide access by ATP employees to the Benefits Program on the terms and conditions of this Agreement; and (c) to create an administrative reimbursement system that fairly compensates the City for the costs associated with providing access by ATP employees to the Benefits Program; and

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of ATP that the Executive Director, or their designee, is authorized to negotiate and execute an interlocal agreement with the City of Austin for ATP employee health and welfare benefits services for an initial term of 1 year, with three 12-month extension options, in an amount not to exceed \$1,200,000 for the initial term, with additional expenditures, including options, to be approved through the annual budget process.

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**Brandon Carr**  
**Secretary of the Board**

9/21/2023

**Date**