

AGENDA



Thursday, August 21, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 24

Subject: Authorize award, negotiation and execution of a 16-month requirements service contract with UNIMERICA INSURANCE CO., Golden Valley, MN for a fully-insured group life insurance plan in an estimated amount not to exceed \$4,406,000, with two 12-month extension options in estimated amounts not to exceed \$4,871,000 for the first extension option and \$5,105,000 for the second extension option, for a total estimated contract amount not to exceed \$14,382,000.

Amount and Source of Funding: Funding for this contract and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Rosemary Ledesma, Supervising Sr. Buyer/974-2011 or Russell Nash, Benefits Manager/ 974-3288.

Purchasing Language: Best evaluated proposal of 10 proposals received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract is for a fully-insured group life insurance plan for City employees, retirees, and other eligible participants. The services will include providing City employees with existing basic life insurance, supplemental life insurance, dependent life, and accidental death and dismemberment insurance. The contract adds domestic partner coverage to dependent life insurance for Plan Year 2009. The contract also has an option to provide additional amounts of supplemental life insurance if the needs of the City require it in future years. The contract also includes coverage for retired City employee basic life insurance benefits and has an option for additional supplemental retiree life insurance, should the City decide to offer this additional coverage in future years.

The recommendation for award is based on evaluation of proposals reviewed by Human Resources Department staff. The panel members are familiar with the services and the industry and recommend Unimerica as offering the best proposal with the lowest costs. The evaluation was based on Scope of Work requirements, business organization and experience, and cost. MBE/WBE solicited: 3/2

MBE/WBE Bid: 0/0

RFP NO. RML0011

PRICE ANALYSIS

a. Adequate competition.

b. Twenty seven notices were sent including three MBEs and two WBEs. Ten proposals were received.

APPROVAL JUSTIFICATION

a. Best evaluated proposal received.

b. The Purchasing Office concurs with the Human Resources Department's recommended award.

c. Advertised in the Austin American-Statesman and on the Internet.