



Hallandale Beach
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400 South Federal Hwy
Hallandale Beach, FL 33009

City of Hallandale Beach City Commission Agenda Cover Memo

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|---|---------------------------------|-----------|--|---|------------------|-------------------------------|
| Meeting Date: | August 7, 2019 | | Item Type: <small>(Enter X in box)</small> | Resolution <div style="text-align: center;">X</div> | Ordinance | Other |
| Fiscal Impact: <small>(Enter X in box)</small> | Yes | No | Ordinance Reading: <small>(Enter X in box)</small> | 1st Reading | | 2nd Reading |
| | X | | | | | |
| Funding Source: | 523050 | | Advertising Requirement: <small>(Enter X in box)</small> | Yes | | No |
| | | | | | | X |
| Account Balance: | | | Quasi-Judicial: <small>(Enter X in box)</small> | Yes | | No |
| | | | | | | X |
| Project Number : | N/A | | RFP/RFQ/Bid Number: | <i>RFP # FY 2018-2019-005 GROUP LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D), SUPPLEMENTAL LIFE INSURANCE AND LONG-TERM DISABILITY INSURANCE FOR CITY OF HALLANDALE BEACH</i> | | |
| Contract/P.O. Required: <small>(Enter X in box)</small> | Yes | No | Strategic Plan Priority Area: <small>(Enter X in box)</small> | | | |
| | X | | | | | |
| | | | Safety <input type="checkbox"/> Quality <input checked="" type="checkbox"/> Vibrant Appeal <input type="checkbox"/> | | | |
| Sponsor Name: | Greg Chavarria, City Manager | | Department: Human Resources Department | Radu Dodea, Human Resources Director | | |

Short Title:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AWARDDING RFP # FY 2018-2019-005 GROUP LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D), SUPPLEMENTAL LIFE INSURANCE AND LONG-TERM DISABILITY INSURANCE, FOR TOTAL COSTS NOT TO EXCEED FIFTY-FIVE THOUSAND (\$55,000.00) DOLLARS; AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH THE HIGHEST RANKED PROPOSER; AUTHORIZING THE CITY MANAGER TO NEGOTIATE AN AGREEMENT WITH THE SECOND HIGHEST RANKED FIRM SHOULD NEGOTIATIONS WITH THE HIGHEST RANKED FIRM NOT BE SUCCESSFUL; PROVIDING AN EFFECTIVE DATE.

Staff Summary:

BACKGROUND:

The City of Hallandale Beach currently provides Group Life Insurance and Accidental Death and Dismemberment (AD&D), as well as Long-Term Disability Insurance benefits to approximately 442 eligible employees and elected officials. In addition, the City provides employees the option to purchase Supplemental Life Insurance, without any City subsidy. The aforementioned insurance contracts are due to expire September 30, 2019.

For the upcoming Fiscal Year 2019/2020 renewal, the City Manager, in conjunction with the Human Resources Director, worked with the City's Insurance Consultant, Gallagher Benefit Services Inc., to initiate a Request For Proposals (RFP) (Exhibit 2) to obtain proposals from Group Life Insurance and Accidental Death and Dismemberment (AD&D), as well as Long-Term Disability Insurance, carriers. The release notice for the RFP was sent via email to one hundred twenty-one (121) vendors from the City's Vendor list on April 5, 2019. The RFP was also advertised in the Hallandale Beach Chamber of Commerce website, City's website, DEMANDSTAR website, and City and HBCRA Social Media pages. The RFP was also advertised through the Miami Minority Business Development Agency Business Center, the U.S. Small Business Administration, and the Broward County Community Relations and Outreach Section Office of Economic and Small Business Development.

A Non-Mandatory Pre-Proposal Conference was held on April 16, 2019 and there were two (2) Firms and six (6) staff members in attendance.

In addition to providing the opportunity for Firms to ask questions during the Non-Mandatory Pre-Proposal Conference, the solicitation allowed for additional questions to be sent via email by no later than April 7, 2019.

Four (4) proposals were received from the following vendors:

1. OCHS, Securian Group, and Madison National Life Insurance Company, Inc.
2. Hartford Life and Accident Insurance Company
3. Standard Insurance Company
4. Life Insurance Company of North America (DBA Cigna Group Insurance)

An evaluation committee, appointed by the City Manager, was created to review all the RFP responses and to make a ranking recommendation to the City Commission for award of contracts.

CURRENT SITUATION:

While reviewing the four (4) proposals, it was determined by the City's consultant, Gallagher Benefits Services, Inc., that Life Insurance Company of North America (DBA Cigna Group Insurance) did not meet the Minimum Qualifications Requirements set forth in the RFP. The Firm did not provide the requested documentation to meet Minimum Qualification Requirement (MQR)

#3: Previous Experience. The Procurement Department requested via phone and email missing information for MQR #3.

Evaluation Committee

The Evaluation Committee, appointed by the City Manager, was composed of the following individuals representing the following employee groups:

- Alyssa Jones-Wood, Green Initiatives Coordinator, representing Professional/Management Employees
- Raul Rivera, Police Sergeant, representing Police Employees Union (PBA)
- Carol Gushwa, Fire Rescue Captain, representing Fire Employees Union (IAFF)
- Amber Cox, Administrative Assistant, representing General Employees Union (AFSCME)
- Linda Rosario, Junior Accountant, representing Unrepresented Employees

On April 24, 2019, at 3:00 p.m. an Evaluation Committee training meeting was held to explain in depth the RFP process and the Cone of Silence to all appointed evaluators.

On May 23, 2019, at 8:30 a.m., a meeting was held with the Evaluation Committee to discuss the proposals received. At this meeting, Gallagher Benefit Services, Inc., the consultant hired for this project through Resolution No. 2019-004, provided a written recommendation for each proposer having met or not met the Minimum Qualification Requirements (MQRs). The consultant also provided an outline comparing the proposals and provided guidance to the Evaluation Committee in their review of each proposal.

On May 23, 2019, the Evaluation Committee submitted rating sheets for four (4) Firms (Exhibit 3).

WHY THIS ACTION IS NECESSARY:

Pursuant to Chapter 23, Section 23-4, "Competitive Bidding Required," all purchases of and contracts for equipment, supplies and contractual services, when the estimated cost shall exceed \$50,000.00 shall be based on competitive bids. Furthermore, pursuant to Chapter 23, Section 23-6, "Award of Contract," the City Manager shall have the authority to recommend to the City Commission award of contracts.

FISCAL IMPACT:

The proposed insurance rates received amount to an approximate 13% reduction in our current annual premium. Staff estimates the approximate annual impact for Fiscal 2019/2020 to not exceed \$55,000.

Proposed Action:

Staff recommends approval of the attached Resolution awarding RFP # FY 2018-2019-005 Group Life Insurance and Accidental Death and Dismemberment (AD&D), Supplemental Life Insurance and Long-Term Disability Insurance for City of Hallandale Beach, and authorizing the City Manager and City Attorney to negotiate and execute an agreement with the highest ranked firm,

OCHS, Securian Group, and Madison National Life Insurance Company, Inc., and should negotiations with the highest ranked firm fail, authorize the City Manager and the City Attorney to negotiate with the second highest ranked firm, Hartford Life and Accident Insurance Company, in an amount not to exceed the budget of \$55,000, and authorize the City Manager the ability to renew contracts with each carrier on a year to year basis in the best interest of the City.

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| Attachment(s): |
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Exhibit 1 - Resolution

Exhibit 2 – RFP # FY 2018-2019-005 Group Life Insurance and Accidental Death and
Dismemberment (AD&D), Supplemental Life Insurance and Long-Term Disability
Insurance for City of Hallandale Beach

Exhibit 3 – Summary Rating Sheet

Exhibit 4 – Award Recommendation Memorandum