

AGENDA BILL

Beaverton City Council
Beaverton, Oregon

SUBJECT: Contract Award – Employee Benefit
Insurance Agent of Record

FOR AGENDA OF: 05/01/12 **BILL NO:** 12095

Mayor's Approval: *[Signature]*

DEPARTMENT OF ORIGIN: HR *[Signature]*

DATE SUBMITTED: 04/20/12

CLEARANCES: City Attorney *[Signature]*
CAO *[Signature]*
Purchasing *[Signature]*
Finance *[Signature]*

PROCEEDING: CONSENT AGENDA
(CONTRACT REVIEW BOARD)

EXHIBITS: 1. Proposals Submitted
2. Evaluation Matrix and Scoring

BUDGET IMPACT

EXPENDITURE REQUIRED \$0	AMOUNT BUDGETED \$0	APPROPRIATION REQUIRED \$0
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The Agent of Record fees are paid by the insurance companies or Third Party Administrators, calculated as a percentage of premium or on a per-employee per-month basis. The health and welfare insurance premiums are budgeted in Account 706-40-0016.

RECOMMENDED ACTION:

City Council acting as Contract Review Board (CRB), authorizes the award of a personal service contract to Mercer Human Resources Consulting, LLC, in a form acceptable to the City Attorney to serve as the City's health and welfare insurance Agent of Record through FY 2016-17 based upon Council's approval of each subsequent year's budget through FY 2016-17.

HISTORICAL PERSPECTIVE:

The Employee Benefit Insurance Agent of Record serves as the City's representative to the health and welfare insurance market. This representation includes bidding coverage, marketing, financial/actuarial consulting and negotiations with carriers. Mercer is a wholly-owned subsidiary of Marsh & McLennan Companies (MMC), and for the past 14 years they have worked with the City of Beaverton to provide the full scope of consulting services. Through negotiations with the City's various insurance carriers, Mercer has achieved nearly \$1,000,000 in savings over the past six years.

INFORMATION FOR CONSIDERATION:

A Request for Proposal (RFP) for Employee Benefit Insurance Agent of Record services was advertised in the Daily Journal of Commerce on November 1, 2011. Twenty-seven firms or individuals viewed and/or downloaded the RFP from the City's website. The City received seven (7) proposals—The Segal Company, TW Morgan Insurance Services, Leonard Adams Insurance, Mercer, Wells Fargo, WSC Insurance, and WHA Insurance Agency—which staff opened on December 16, 2011, at 4:00 PM. Staff evaluated the proposals based on criteria that included knowledge and experience, qualifications, project approach, and contract price. Based on the evaluation, Wells Fargo and Mercer were the top two proposers selected for interviews. Upon conclusion of the interviews, the scoring revealed that Mercer best met the evaluation criteria, as shown on the attached evaluation and scoring matrix.

The Employee Benefit Insurance Agent of Record fees are paid by the insurance companies or Third Party Administrators, calculated as a percentage of premium or on a per employee per month basis. Mercer will be paid approximately \$72,700 by the various health and welfare insurance companies or Third Party Administrators during the Fiscal Year 2011-12 as the City's Agent of Record.

**CITY OF BEAVERTON
PROPOSALS RECEIVED**

Project: EMPLOYEE BENEFIT INSURANCE AGENT OF RECORD # 2632-12B

Closing Date: December 16, 2011 @ 4:00 PM

Proposals Submitted:

- 1. The Segal Company, Greenwood Village, CO**
- 2. T.W. Morgan Insurance Services, Tigard, OR**
- 3. Leonard Adams Insurance, Portland, OR**
- 4. Mercer, Portland, OR**
- 5. Wells Fargo, Portland, OR**
- 6. WSC Insurance, Forest Grove, OR**
- 7. WHA Insurance Agency, Eugene, OR**

**City of Beaverton - Evaluation/Score Sheet for Interview
Employee Benefit Insurance Agent of Record RFP #2632-12B**

Ranking Instructions:	Points	Evaluation Factor:	
		Pass/Fail	Weight
Quality of Response		1. Signature Page	Pass/Fail
Excellent Response	4	2. Transmittal Letter	Pass/Fail
Good Response	3	3. Knowledge, Experience & Qualifications of	6
Average Response	2	4. Project Approach & Understanding	6
Poor Response	1	5. Relevant Experience & References	5
No Response	0	6. Contract Price	4

Evaluation Factor	Max Points	Reviewer				Average
		Reviewer 1 - NB	Reviewer 2 - GF	Reviewer 3 - CR	Reviewer 4 - DW	
Knowledge, Experience & Qualifications of Project Team Members and Firm	24	24	24	24	24	24
Project Approach & Understanding	24	24	24	24	21	23.25
Relevant Experience and References	20	20	20	20	20	20
Contract Price	16	16	16	14	8	13.5
Total Points	84	84	84	82	73	80.75

Evaluation Factor	Max Points	Reviewer				Average
		Reviewer 1 - NB	Reviewer 2 - GF	Reviewer 3 - CR	Reviewer 4 - DW	
Knowledge, Experience & Qualifications of Project Team Members and Firm	24	18	20	19	18	18.75
Project Approach & Understanding	24	24	18	12	21	18.75
Relevant Experience and References	20	20	18	15	20	18.25
Contract Price	16	16	8	14	12	12.5
Total Points	84	78	64	60	71	68.25

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