

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**AGENDA DATE:** June 22, 2022  
**PUBLIC HEARING DATE:** Not Applicable

**CONTACT PERSON(S) NAME AND PHONE NUMBER:**

Araceli Guerra, Managing Director of Internal Services, (915) 212-1401  
Claudia A. Garcia, Interim Director of Purchasing & Strategic Sourcing, (915) 212-1218

**DISTRICT(S) AFFECTED:** All

**STRATEGIC GOAL:** 6: Set the Standard for Sound Governance and Fiscal Management.

**SUBGOAL:** 6.2 - Implement employee benefits and services that promote financial security.

**SUBJECT:**

Discussion and action of the award of Solicitation No. 2022-0194R Benefit Consulting Services to Gallagher Benefits Services, Inc., for an initial term of five (5) years for an estimated amount of \$738,750.00. The award also includes a three (3) year option for an estimated amount of \$443,250.00. The total contract value is, including the initial term plus options is eight (8) years, for an estimated amount of \$1,182,000.00.

**BACKGROUND / DISCUSSION:**

This contract will allow the City of El Paso to obtain general benefit consulting advice.

**SELECTION SUMMARY:**

Solicitation was advertised on December 14, 2021 and December 21, 2021. The solicitation was posted on City website on December 14, 2021. The email (Purmail) notification was sent out on December 16, 2021. There were a total forty-six (46) viewers online; two (2) proposals were received; none being a local supplier. An Inadequate Competition Survey was conducted.

**CONTRACT VARIANCE:**

The difference based in comparison to the previous contract is as follows: An increase of \$204,150.00 for the initial term, which represents a 38.19% increase due to higher hourly rates and new services added to this contract.

**PROTEST**

No protest received for this requirement.

**PRIOR COUNCIL ACTION:**

NA

**AMOUNT AND SOURCE OF FUNDING:**

Amount: \$738,750.00  
Funding Source: Self Insurance Fund  
Account: 209-3500-14045-521160-P1414

**HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED?  YES  NO**

**PRIMARY DEPARTMENT:** Human Resources

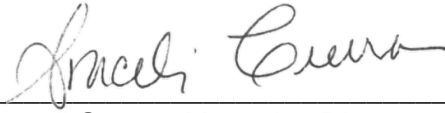
**SECONDARY DEPARTMENT:** Purchasing & Strategic Sourcing

2022-0194R Benefit Consulting Services

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\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**



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Araceli Guerra, Managing Director of Internal Services

**COUNCIL PROJECT FORM  
(RFP)**

\*\*\*\*\***POSTING LANGUAGE BELOW**\*\*\*\*\*

Please place the following item on the **REGULAR** agenda for the Council Meeting of **June 21, 2022**.

**STRATEGIC GOAL NO. 6: Set the Standard for Sound Governance and Fiscal Management.**

The linkage to Strategic Plan is subsection 6.2 - Implement employee benefits and services that promote financial security.

**Award Summary:**

Discussion and action of the award of Solicitation No. 2022-0194R Benefit Consulting Services to Gallagher Benefits Services, Inc., for an initial term of five (5) years for an estimated amount of \$738,750.00. The award also includes a three (3) year option for an estimated amount of \$443,250.00. The total contract value is, including the initial term plus options is eight (8) years, for an estimated amount of \$1,182,000.00.

**Contract Variance:**

The difference based in comparison to the previous contract is as follows: An increase of \$204,150.00 for the initial term, which represents a 38.19% increase due to higher hourly rates and new services added to this contract.

Department:	Human Resources
Award to:	Gallagher Benefits Services, Inc. Rolling Meadows, IL
Item(s):	All
Initial Term:	5 years
Option to Extend:	3 years
Annual Estimated Award:	\$ 147,750.00
Initial Term Estimated Award:	\$ 738,750.00 (5 years)
Option Term Estimated Award:	\$ 443,250.00 (3 years)
Total Estimated Award:	\$1,182,000.00 (8 years)
Account No.:	209-3500-14045-521160-P1414
Funding Source:	Self Insurance Fund
District(s):	All

This is a Request for Proposal, requirements contract.

The Purchasing & Strategic Sourcing and the Human Resources Departments recommend award as indicated to Gallagher Benefits Services, Inc., the highest ranked proposer based on evaluation factors established for this procurement. In accordance with this award, the City Manager or designee is authorized to exercise future options if needed.

\*\*\*\*\***ADDITIONAL INFO BELOW**\*\*\*\*\*

## CITY OF EL PASO RFP SCORESHEET

PROJECT: 2022-0194R Benefits Consulting Services

*Evaluation of Submittal*

	MAX POINTS	Gallagher Benefit Services, Inc.	Hub International Texas, Inc.
<b>Factor A - Price</b>			
	<b>30</b>	\$ 147,750.00	\$ 227,300.00
		30.00	19.50
<b>Factor B - Experience – Comparable Contracts</b>			
	<b>30</b>	26.80	29.80
<b>Factor C - References</b>			
	<b>30</b>	28.00	18.00
<b>Factor D - Quality of Response and Presentation</b>			
	<b>10</b>	8.40	9.60
<b>TOTAL SCORE</b>	<b>100</b>	<b>93.20</b>	<b>76.90</b>
<b>Rank</b>		<b>1</b>	<b>2</b>



**CITY OF EL PASO  
REQUEST FOR PROPOSALS TABULATION FORM**



**Bid Opening Date: February 2, 2022**

**Solicitation #: 2022-0194R**

**Project Name: Benefits Consulting Services**

**Department: Human Resources**

BIDDER'S NAME:	LOCATION:	AMENDMENT(S) ACKNOWLEDGED:
Gallagher Benefit Services, Inc.	Austin, TX	No
Hub International Texas, Inc.	Fort Worth, TX	Yes
<b>RFPs SOLICITED: 17    LOCAL RFPs SOLICITED: 3    RFPs RECEIVED: 2    LOCAL RFPs RECEIVED: 0    NO RFPs: 0</b>		

**NOTE: The information contained in this RFP tabulation is for information only and does not constitute actual award/execution of contract.**

Approved:           /s/          

Date:   2/9/2022

**2022-0194R Benefits Consulting Services**

**BBVA COMPASS  
ATTN: JIM VOLK  
690 SUNLAND PARK DRIVE  
EL PASO, TX 79912**

**Mercer Human Resources Consultants  
1225 17<sup>TH</sup> STREET  
UNIT 2200  
DENVER, CO 80202**

**AMERICAN BENEFIT CONSULTANTS  
9575 KATY FREEWAY  
# 150  
HOUSTON, TX 77024**

**HEWITT ASSOCIATES  
2201 WEST ROYAL LANE SUITE 100  
IRVING, TX 75063**

**FINANCIAL BENEFIT SERVICES, LLC  
2175 N. GLENVILLE DRIVE  
RICHARDSON, TX 75082**

**HOLMES MURPHY  
12712 PARK CENTRAL DRIVE  
SUITE 100  
DALLAS, TX 75251**

**MILLIMAN CONSULTANTS AND ACTUARIES  
ATTN: DONALD M. SIMS  
3000 BAYPORT DRIVE, SUITE 1050  
TAMPA, FL 33607**

**RWL GROUP  
300 N. COIT ROAD #810  
RICHARDSON, TX 75080**

**SEGAL  
ATTN: GARY L PETERSEN  
1230 WEST WASHINGTON STREET, SUITE  
501  
TEMPE, ARIZONA 85281-1248**

**THE ABE PEINADO INSURANCE GROUP  
ATTN: ABE PEINADO  
1444 MONTANA  
SUITE 100  
EL PASO, TX 79902**

**MARKETING DEPARTMENT  
VITECH SYSTEMS GROUP, INC.  
401 PARK AVENUE SOUTH  
NEW YORK, NY 10016**

**SMITH & ASSOCIATES CONSULTING  
P.O. BOX 92398  
SOUTHLAKE, TX 76092**

**AON RISK SOLUTIONS – EMP. BENEFITS  
CONSULTING GROUP  
ATTN: REBECCA ELLIS – ACCT. EXECUTIVE  
6501 AMERICAS PARKWAY NE  
ONE PARK SQUARE  
ALBUQUERQUE, NM 87110**

**GALLAGER BENEFIT SERVICES INC  
6399 SOUTH FIDDLER'S GREEN CIRCLE  
SUITE 200  
GREENWOOD VILLAGE, CO 80111-4949**

**BUCK CONSULTANTS (AN ACS COMPANY)  
ATTN: ROBYN BAYNE OR TIMOTHY D.  
OLIVER  
14911 QUORUM DRIVE SUITE 200  
DALLAS, TEXAS 75254**

**KORN FERRY  
2101 CEDAR SPRINGS ROAD  
SUITE 1450  
DALLAS, TX 75201**

**HUB INTERNATIONAL  
201 E. MAIN DR. # 800  
EL PASO, TX 79901**

**EXECUTIVE SUMMARY**  
**2022-0194R Benefit Consulting Services**  
**VENDORS: Gallagher Benefit Services, Inc.**

<b>NATURE OF ITEM: (NEW CONTRACT, REPLACEMENT CONTRACT, EXTENSION, COOP PURCHASE, ETC.)</b>	Replacement Contract													
<b>ADVERTISEMENT DATES:</b>	12/14/2021 & 12/21/2021													
<b>POSTCARDS MAILED ON:</b>	12/16/2021													
<b>POSTED ON CITY WEBSITE:</b>	12/14/2021													
<b>EMAIL (PURMAIL) NOTIFICATION:</b>	1/28/2021													
<b>BIDS OPENED:</b>	3/3/2021													
<b>BIDS SOLICITED:</b>	17													
<b>BIDS RECEIVED:</b>	2													
<b>LOCAL BIDDERS CONTACTED:</b>	3													
<b>LOCAL BIDDERS RESPONDED:</b>	0													
<b>LOCATION OF VENDOR:</b>	Rolling Meadows, IL													
<b>ANNUAL / INITIAL or EXTENSION TERM AMOUNTS and PERIOD:</b>	Initial Term: 5 years Option to Extend: 3 years Annual Estimated Award: \$ 147,750.00 Initial Term Estimated Award: \$ 738,750.00 (5 years) Option Term Estimated Award \$ 443,250.00 (3 years) Total Estimated Award: \$1,182,000.00 (8 years)													
<b>PREVIOUS AND EXISTING CONTRACTS (SAME VENDOR):</b>	NA													
<b>EVALUATION CRITERIA:</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">EVALUATION FACTORS</th> <th style="text-align: center;">MAXIMUM POINTS</th> </tr> </thead> <tbody> <tr> <td>A. Fee Proposal</td> <td style="text-align: center;">30 Points</td> </tr> <tr> <td>B. Experience &amp; Qualifications</td> <td style="text-align: center;">30 Points</td> </tr> <tr> <td>C. Response of References</td> <td style="text-align: center;">30 Points</td> </tr> <tr> <td>D. Quality of Response &amp; Presentation</td> <td style="text-align: center;">10 Points</td> </tr> <tr> <td style="text-align: center;"><b>TOTAL</b></td> <td style="text-align: center;"><b>100 Points</b></td> </tr> </tbody> </table>		EVALUATION FACTORS	MAXIMUM POINTS	A. Fee Proposal	30 Points	B. Experience & Qualifications	30 Points	C. Response of References	30 Points	D. Quality of Response & Presentation	10 Points	<b>TOTAL</b>	<b>100 Points</b>
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C. Response of References	30 Points													
D. Quality of Response & Presentation	10 Points													
<b>TOTAL</b>	<b>100 Points</b>													
<b>PRINCIPAL STRENGTHS:</b>	Highest ranked proposer based on evaluation factors established for this procurement.													
<b>VENDOR PERFORMANCE HISTORY:</b>	NA													
<b>PRICE REASONABLENESS (COMPARED TO PREVIOUS OR COOP CONTRACT):</b>	(Refer to attachment)													

**EXECUTIVE SUMMARY**  
**2022-0194R Benefit Consulting Services**  
**VENDORS: Gallagher Benefit Services, Inc.**

**OTHER INFORMATION:**

**The Strategic Goal for this item is:**

STRATEGIC GOAL NO. 6: Set the Standard for Sound Governance and Fiscal Management.

**The linkage to Strategic Plan is subsection 6.2** - Implement employee benefits and services that promote financial security. This contract will allow the City of El Paso to obtain general benefit consulting advice.

This is a Request for Proposals procurement for Benefit Consulting Services Item had 46 viewers online, 2 proposals were received, none being a local vendor. An inadequate competition survey was conducted.

No protest received for this requirement.

We are recommending to award Gallagher Benefit Services, Inc., the highest ranked proposer based on evaluation factors established for this procurement.

**Contract Variance:**

The difference based in comparison to the previous contract is as follows: An increase of \$204,150.00 for the initial term, which represents a 38.19% increase due to higher hourly rates and new services added to this contract.



**SUMMARY**  
**2022-0194R Benefit Consulting Services**

	Project	Hourly Rate	Hourly Rate	Variance		
		2012-031R	2022-0194R			
1	Benefit Bid Development & Analysis (estimate at minimum 10 proposals submitted for TPA & associated services)	\$ 210.00	\$ 200.00	\$ (10.00)	5.00%	Decrease
2	Annual Health Plan Rate Development for budget	\$ 210.00	\$ 400.00	\$ 190.00	90.48%	Increase
3	Annual actuarial analysis of the Health Fund*	\$ 355.00	\$ 275.00	\$ (80.00)	29.09%	Decrease
4	GASB45 valuation and report (1)	\$ 210.00	Not under this contract	-	-	-
5	Guidance and update on Federal & State Laws & Regulations	New service, not under this contract	\$ 200.00	-	-	New service
6	Workers' Compensation Guidance	New service, not under this contract	\$ 200.00	\$ 200.00	100.00%	New service
7	HIPPA Consultant Services	\$ 210.00	\$ 200.00	\$ (10.00)	5.00%	Decrease
8	Deferred Compensation	\$ 210.00	\$ 200.00	\$ (10.00)	5.00%	Decrease
Additional Services						
1	CBA - FD	New service, not under this contract	Included in Consulting Fee	-	-	New service
2	CBA - PD	New service, not under this contract	Included in Consulting Fee	-	-	New service

Increase 90.48%  
Decrease 40.34%  
Overall Increase 50.14%