



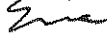
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ITEM #19
BOMA
05/27/14

MEMORANDUM

April 29, 2014

TO: Board of Mayor and Aldermen

FROM: Eric S. Stuckey, City Administrator 
Russell Truell, Assistant City Administrator / CFO
Shirley Harmon, Human Resources Director
Tammie Pitts, Assistant Human Resources Director / Benefits Manager
Brian Wilcox, Purchasing Manager

SUBJECT: Consideration of contract award to Cowan Benefit Services, Inc. of Franklin, TN for group employee insurance benefits consulting services in the total fixed flat fee amount of \$50,000 per year for a term of award of three (3) years, effective upon acceptance by the City, with two (2) options to extend the term of award, each time for up to one (1) additional year, for the Human Resources Department (Purchasing Office Procurement Solicitation No. 2014-021; \$60,000.00 budgeted in 110-82560-41650 for fiscal year 2014; Contract No. 2014-0107)

Purpose

The purpose of this procurement is to purchase group employee insurance benefits consulting services for a term of award of three (3) years, effective upon acceptance by the City, with two (2) options to extend the term of award, each time for up to one (1) additional year, for the Human Resources Department. These consulting services would be used to support the City's self-funded group health plan and other employee insurance benefit programs. As stated in the request for proposals, the consulting services are intended to provide expert advice on a continuing basis in areas such as, but not limited to, cost containment strategies, wellness programs, compliance with state and federal regulations including PPACA, procurement of group insurance benefits (both City-provided and voluntary), and benefits communications.

Background

The City published on February 13, 2014 a Notice to Proposers in the *Williamson Herald* for group employee insurance benefits consulting services. In addition, solicitation documents were sent on or about the same date directly to 29 potential proposers known or thought to be interested in this solicitation. Proposals from six (6) vendors were publicly opened at the submittal opening held on March 18, 2014. A tabulation of the proposals received for this solicitation is attached.

Financial Impact

The proposal ranked highest by the interview panel, from Cowan Benefit Services, Inc. of Franklin, TN, is in the total fixed flat fee amount of \$50,000 per year for a term of award of three (3) years, effective upon acceptance by the City, with two (2) options to extend the term of award, each time for up to one (1) additional year. The Human Resources Department budget for fiscal year 2014 allocates \$60,000 out of the General Fund for the purchase of consultant services.

Options

In accordance with the solicitation documents, the City reserves the right to reject any and all proposals.

Recommendation

Staff recommends that the City accept, contingent upon Law Department and City Administrator approval of City Contract No. 2014-0107, the proposal ranked highest by the interview panel, from Cowan Benefit Services, Inc. of Franklin, TN, for group employee insurance benefits consulting services in the total fixed flat fee amount of



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\$50,000 per year for a term of award of three (3) years, effective upon acceptance by the City, with two (2) options to extend the term of award, each time for up to one (1) additional year. Purchasing Manager Brian Wilcox is of the opinion that the prepared solicitation documents as distributed allowed for competition among multiple vendors, and that the staff recommendation appears to be made in a fair and impartial manner based upon the proposals received.

City of Franklin, Tennessee
Tabulation of Submittals*

Purchasing Office Solicitation No.:		2014-021 (group employee insurance benefits consulting services)					
Notice to proposers published in the <i>Williamson Herald</i> on:		2/13/14					
Number of potential proposers that were notified of / that submitted a proposal in response to this request for proposals:		29 / 6					
Date and time proposal due and publicly opened:		3/18/14 2:00 PM					
Present at opening of proposals:		Emil Senio of Cowan Benefit Services, Inc.; Bob Shupe of ESPinc.; Doug Rogers of Insurance Benefits Associates, Inc.; Erica Davis, Tammie Pitts and Tracy Harness of the City of Franklin Human Resources Department; and Dee Settle, Suzanne Ward and Brian Wilcox of the City of Franklin Purchasing Office					
Target meeting of BOMA at which recommendation will be considered:		5/27/14					
Proposals received from:	Does the proposal include all required documents?	Does the proposal take any exceptions to the City's procurement solicitation? / If so, how many?	Average points allocated by proposal evaluation team (out of a possible 100, utilizing evaluation criteria as listed in RFP):	Average points allocated by interview panel (out of a possible 100, utilizing evaluation criteria as listed in RFP):	Total quoted annual fixed flat fee:	Payment terms:	Proposal is valid and may be accepted through:
Cowan Benefit Services, Inc. 113 Seaboard Lane, Suite C170 Franklin, TN 37067 Matt Cowan, President 615/468-3212 mcowan@cowanbenefit.com	Yes	Proposer takes no exceptions	83.00	95.50	\$50,000.00	Net 30 days	9/1/2014
ESPinc 277 Wilson Pike Circle, Suite 203 Brentwood, TN 37027 Bob G. Shupe, President 615/812-6223 bob@esptn.com	Yes	Proposer takes no exceptions	75.75	not interviewed	\$20,000.00	Net 30 days	6/30/2014
Gallagher Benefit Services, Inc. 5205 Maryland Way, Suite 300 Brentwood, TN 37027 Katherine E. Mikus, Area VP, HR Consulting Svcs 615/324-1142	Yes	Proposer takes no exceptions	83.76	91.00	\$42,500.00	Net 30 days	7/30/2014
Insurance Benefits Associates, Inc. 1889 Gen. George Patton Drive, Suite 100 Franklin, TN 37067 Douglas Rogers, President 615/371-8900 Doug@ibabenefits.net	Yes	Proposer takes no exceptions	44.14	not interviewed	\$45,900.00	Net 30 days	7/31/2014
Sherrill Morgan 525 West 5th Street, Suite 310 Covington, KY 41011 Mark Morgan, President 859/291-6600 markm@sherrillmorgan.com	Yes	Proposer takes no exceptions	62.40	not interviewed	\$33,000.00	Net 30 days	8/1/2014
Wells Fargo Insurance Services 950 Breckenridge Lane, Suite 50 Louisville, KY 400207 Kelley Anderson, Sales Executive 502/741-7860 kelley.anderson@wellsfargo.com	No	Yes / 2 (affidavit of drug free workplace; former clients for reference)	65.00	not interviewed	\$50,000.00	Net 30 days	7/7/2014

* Shaded submittal is the submittal scored highest by the interview team