



## Legislation Text

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**File #:** Res. 2018-121R, **Version:** 1

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### **AGENDA CAPTION:**

Consider approval of Resolution 2018-121R, approving contracts through Ochs, Inc. with Minnesota Life Insurance Company, and Madison National Life Insurance Company for Basic Term Life, Voluntary Life, AD&D, and Long Term Disability Administration (RFP 218-172), for an estimated annual amount of \$90,000.00 with expected growth each year for city employee pool growth in an amount not to exceed \$567,130.00; authorizing the City Manager or his designee to execute the appropriate documents on behalf of the City; and declaring an effective date.

**Meeting date:** August 7, 2018

**Department:** Human Resources Department - Linda Spacek, Director (By Lynda Williams, Purchasing Manager)

### **Amount & Source of Funding**

**Funds Required:** estimated \$90,000 the first year with an estimated total cost of \$567,130 over a five (5) year term.

**Account Number:** 50065 Object Code for all Departments

**Funds Available:** [Click or tap here to enter text.](#)

**Account Name:** [Click or tap here to enter text.](#)

### **Fiscal Note:**

**Prior Council Action:** [Click or tap here to enter text.](#)

**City Council Strategic Initiative:** [Please select from the dropdown menu below]

[Choose an item.](#)

[Choose an item.](#)

[Choose an item.](#)

**Comprehensive Plan Element (s):** [Please select the Plan element(s) and Goal # from dropdown menu below]

☐ Economic Development - [Choose an item.](#)

☐ Environment & Resource Protection - [Choose an item.](#)

☐ Land Use - [Choose an item.](#)

- ☐ Neighborhoods & Housing - Choose an item.
- ☐ Parks, Public Spaces & Facilities - Choose an item.
- ☐ Transportation - Choose an item.
- ☐ Not Applicable

**Master Plan:** *[Please select the corresponding Master Plan from the dropdown menu below (if applicable)]*

Choose an item.

**Background Information:**

On May 30, 2018, the City received nine (9) proposals for Basic Term Life and AD&D, Voluntary Life and AD&D, and Long Term Disability Administration (RFP 218-172). An evaluation committee of City staff reviewed, evaluated, and scored the proposals according to the evaluation criteria established in the Request for Proposals (RFP).

Three (3) firms were subsequently interviewed and the evaluation team concluded that OCHS, Inc., located in St. Paul, Minnesota, A Securian Company, underwritten by Minnesota Life Insurance Company, and Madison National Life Insurance Company, was the most highly qualified proponent providing the most competitive benefits for City of San Marcos. Because of the competitive rates the City was able to negotiate with OCHS, the City is able to continue the current \$25,000 Basic Term Life Insurance as well as provide Long Term Disability Insurance for employees.

The City has completed the application for these services with OCHS, Inc. This request is for Council's approval that the final policies be negotiated by staff and executed by the city manager for an estimated annual contract cost of \$90,000 in the first year with an estimated total cost of \$567,130 over a five (5) year term which provides for increase in employee head count.

**Council Committee, Board/Commission Action:**

Click or tap here to enter text.

**Alternatives:**

Click or tap here to enter text.

**Recommendation:**

