

ITEM TITLE:

A Resolution accepting the recommendation of the Chief Procurement Officer to approve a contract extension to PSA 2020-017 for Voluntary Benefit Services provided by The Comprehensive Companies for the administration of voluntary supplemental employee insurance benefits pursuant to Section 2-764(b), approval of change orders and contract modifications of the procurement code.

DEPARTMENT HEAD RECOMMENDATION:

Approval.

BRIEF HISTORY:

On July 1, 2020, the City entered into a Professional Services Agreement with The Comprehensive Companies for the administration of the citywide voluntary supplemental insurance employee benefits. The current contract is set to expire on December 31, 2021. The Human Resources Department would like to extend the existing agreement for an additional one (1) year period or until such time the best path forward has been finalized.

The city is currently undergoing a transition to a new Enterprise Resource Planning (ERP) system that will be utilized to facilitate all Human Resources tasks including the enrollment and management of employee benefits. Currently the City utilizes a third-party software provider (BenTek) to facilitate the online enrollment process for City sponsored benefit plans. Recently the City has been offered the option to manage all employee benefits through the INFOR platform. This opportunity will present the city with the ability to achieve greater efficiencies by eliminating the need to collaborate with external third-party vendors/software. At this time, it is projected that some of the functionality of the new ERP system is expected to be online in late 2022. At that time, it is anticipated that the Human Resources department will have the infrastructure in place to go live with the new ERP benefits software. Given this change in strategic direction, it is in the City's best interest to transition the in-place services to potential new vendors, concurrently with the ERP implementation.

The Comprehensive Companies is the city's current vendor that offers voluntary benefits such as short-term disability, long-term disability, critical illness, accident insurance, hospitalization insurance and other supplemental voluntary insurance benefits directly to city employees through individual payroll deductions. The city does not subsidize any portion of the cost for these benefits, nor for brokerage services. Based on the extension of the existing benefits, it is the expectation that HR will be able to facilitate an open enrollment period in mid-October.

Section 2-585 of the Procurement Code authorizes the City Manager to delegate authority to the Chief Procurement Officer to administer and make recommendations on City contracts. As such, the contract with The Comprehensive Companies may be extended under Section 2-764(b)of the Procurement Code entitled "Approval of Change Orders and Contract Modifications".

ATTACHMENT(S):

1. Resolution