



DATE: August 9, 2006
TO: Honorable Mayor and City Councilmembers
FROM: Human Resources Department
SUBJECT: **APPROVAL TO SELECT AN EMPLOYEE BENEFITS BROKER**

SYNOPSIS

Staff recommends that the City Council approve Driver Alliant as the City's sole employee benefits broker and direct staff to enter into a future professional services agreement with Driver Alliant.

BACKGROUND

On June 1, 2006, the City of Oceanside issued a request for proposal (RFP) for an employee benefits broker. Thirteen local, regional and national brokers were invited to bid on the RFP; seven agencies satisfactorily responded to the RFP. The seven responding agencies were: Mercer (formerly Marsh Inc.), ABD Insurance and Financial Services, Driver Alliant, Barney and Barney, Paragon Consulting Services, Willis, and Keenan and Associates.

A Broker Selection Committee comprised of Human Resources Department staff and bargaining unit representatives was established to evaluate the proposals received.

ANALYSIS

The Broker Selection Committee evaluated the proposals received and invited all seven responding agencies to participate in the selection process. The selection process consisted of an oral presentation and a structured question-and-answer interview.

The Committee scored each of the agencies on their responses to the various requirements of the RFP. Scores were evaluated with Driver Alliant receiving the highest overall rating. (Attachment 1 provides a summary of the scoring criteria and final ratings.)

Reference checks on Driver Alliant confirmed that the agency is competent, service-oriented and can provide a unique combination of client services and focused industry knowledge.

FISCAL IMPACT

There is no direct fiscal impact, however, it is anticipated that the consolidation of the City's benefit programs under one broker will result in efficient cost-containment measures (i.e., provide lower benefit premiums).

COMMISSION OR COMMITTEE REPORT

Does not apply.

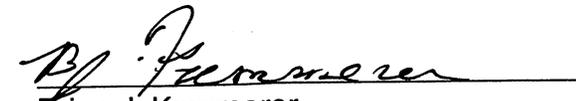
CITY ATTORNEY'S ANALYSIS

Does not apply.

RECOMMENDATION

Staff recommends that the City Council approve Driver Alliant as the City's sole employee benefits broker and direct staff to enter into a future professional services agreement with Driver Alliant.

PREPARED BY:



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