

**AGREEMENT FOR
EMPLOYEE BENEFITS CONSULTING SERVICES**

City of Glendale Solicitation No. RFP 16-45

This Agreement for employee benefits consulting services ("Agreement") is effective and entered into between CITY OF GLENDALE, an Arizona municipal corporation ("City"), and Hays Companies, a Minnesota corporation, authorized to do business in Arizona, (the "Consultant"), as of the 25 day of October, 20

RECITALS

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, pursuant to Solicitation No. RFP 16-45 (the "Project");
- B. City desires to retain the services of Consultant to perform those specific duties and produce the specific work as set forth in the Project attached hereto;
- C. City and Consultant desire to memorialize their agreement with this document.

AGREEMENT

In consideration of the Recitals, which are confirmed as true and correct and incorporated by this reference, the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, City and Consultant agree as follows:

1. Key Personnel; Sub-contractors.

1.1 **Services.** Consultant will provide all services necessary to assure the Project is completed timely and efficiently consistent with Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other contractors or consultants, retained by City.

2. **Schedule.** The services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. Consultant's Work.

3.1 **Standard.** Consultant must perform services in accordance with the standards of due diligence, care, and quality prevailing among consultants having substantial experience with the successful furnishing of services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 **Licensing.** Consultant warrants that:

a. Consultant and Sub-contractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of services ("Approvals"); and

b. Neither Consultant nor any Sub-contractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").

(1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments or to examine Consultant's contracting ability.

(2) Consultant must notify City immediately if any Approvals or Debarment changes during the Agreement's duration and the failure of the Consultant to notify City as required will constitute a material default under the Agreement.

- 3.3 **Compliance.** Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.

Consultant must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Consultant will require any Sub-contractor to be bound to the same requirements as stated within this section. Consultant, and on behalf of any subcontractors, warrants compliance with this section.

3.4 **Coordination; Interaction.**

- a. For projects that the City believes requires the coordination of various professional services, Consultant will work in close consultation with City to proactively interact with any other professionals retained by City on the Project ("Coordinating Project Professionals").
- b. Subject to any limitations expressly stated in the Project Budget, Consultant will meet to review the Project, Schedule, Project Budget, and in-progress work with Coordinating Project Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.
- c. For projects not involving Coordinating Project Professionals, Consultant will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 **Work Product.**

- a. **Ownership.** Upon receipt of payment for services furnished, Consultant grants to City, and will cause its Sub-contractors to grant to the City, the exclusive ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").
 - (1) This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form.
 - (2) Consultant warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- b. **Delivery.** Consultant will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. **City Use.**
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Consultant, the City agrees to indemnify and hold Consultant harmless from any claim arising out of the Work Product.
 - (3) In such case, City shall also remove any seal and title block from the Work Product.

4. **Compensation for the Project.**

- 4.1 **Compensation.** Consultant's compensation for the Project, including those furnished by its Sub-contractors will not exceed \$302,500.00 for the five (5) year period if all renewal term options are

exercised and/or the price is adjusted during any renewal period in accordance with Section 14 (Term) herein and as specifically detailed in Exhibit B (the "Compensation").

4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated scope of services as outlined in the Project is significantly modified.

- a. Adjustments to the Compensation require a written amendment to this Agreement and may require City Council approval.
- b. Additional services which are outside the scope of the Project contained in this Agreement may not be performed by the Consultant without prior written authorization from the City.
- c. Notwithstanding the incorporation of the Exhibits to this Agreement by reference, should any conflict arise between the provisions of this Agreement and the provisions found in the Exhibits and accompanying attachments, the provisions of this Agreement shall take priority and govern the conduct of the parties.

5. **Billings and Payment.**

5.1 Applications.

- a. Consultant will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be one calendar month ending on the last day of the month or as specified in the solicitation.

5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to or conditioned upon City's receipt of:
 - (1) Completed work generated by Consultant and its Sub-contractors; and
 - (2) Unconditional waivers and releases on final payment from Sub-contractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.
- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

6. **Termination.**

6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 30 days following the date of delivery.

- a. Consultant will be equitably compensated for Goods or Services furnished prior to receipt of the termination notice and for reasonable costs incurred.
- b. Consultant will also be similarly compensated for any approved effort expended and approved costs incurred that are directly associated with project closeout and delivery of the required items to the City.

6.2 **For Cause.** City may terminate this Agreement for cause if Consultant fails to cure any material breach of this Agreement within seven days after receipt of written notice specifying the material breach.

- a. Consultant will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Consultant for Service and Repair furnished, City will pay the amount due to Consultant, less City's damages, in accordance with the provision of § 5.
- b. If City's direct damages exceed amounts otherwise due to Consultant, Consultant must pay the difference to City immediately upon demand; however, Consultant will not be subject to consequential damages of more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Consultant acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.**

8.1 **Requirements.** Consultant must obtain and maintain the following insurance ("Required Insurance"):

- a. **Consultant.** Consultant performing work or providing materials related to this Agreement must procure and maintain the insurance coverages described below (collectively referred to herein as the "Consultant's Policies"), until each Party's obligations under this Agreement are completed.
- b. **General Liability.**
 - (1) Consultant must at all times relevant hereto carry a commercial general liability policy with a combined single limit of at least \$2,000,000 per occurrence and \$1,000,000 annual aggregate for each property damage and contractual property.
 - (2) This commercial general liability insurance must include independent consultants' liability, contractual liability, broad form property coverage, XCU hazards if requested by the City, and a separation of insurance provision.
 - (3) These limits may be met through a combination of primary and excess liability coverage.
- c. **Auto.** A business auto policy providing a liability limit of at least \$1,000,000 per accident for Consultant and \$1,000,000 per accident for Sub-contractors and covering owned, non-owned and hired automobiles.
- d. **Professional Liability.** Consultant's policy shall cover professional misconduct or lack of ordinary skill in performing the services defined in the Scope of Services of this Agreement.

Each Claim	\$2,000,000
Annual Aggregate	\$2,000,000

Consultant warrants that any retroactive date under the policy shall precede the effective date of this Agreement; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Agreement is completed.

- d. **Workers' Compensation and Employer's Liability.** A workers' compensation and employer's liability policy providing at least the minimum benefits required by Arizona law.

- e. **Notice of Changes.** Consultant's Policies must provide for not less than 30 days' advance written notice to City Representative of:
 - (1) Cancellation or termination of Consultant's Policies;
 - (2) Reduction of the coverage limits of any of Consultant's Policies; and
 - (3) Any other material modification of Consultant's Policies related to this Agreement.

- f. **Certificates of Insurance.**
 - (1) Within 10 business days after the execution of the Agreement, Consultant must deliver to City Representative certificates of insurance for each of Consultant and Sub-contractor's Policies, which will confirm the existence or issuance of Consultant and Sub-contractor's Policies in accordance with the provisions of this section, and copies of the endorsements of Consultant and Sub-contractor's Policies in accordance with the provisions of this section.
 - (2) City is and will be under no obligation either to ascertain or confirm the existence or issuance of Consultant and Sub-contractor's Policies, or to examine Consultant and Sub-contractor's Policies, or to inform Consultant or Sub-contractor in the event that any coverage does not comply with the requirements of this section.
 - (3) Consultant's failure to secure and maintain Consultant Policies and to assure Sub-contractor policies as required will constitute a material default under the Agreement.

- g. **Other Consultants or Vendors.**
 - (1) Other consultants or vendors that may be contracted with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular contract.
 - (2) This insurance coverage must comply with the requirements set forth above for Consultant's Policies (e.g., the requirements pertaining to endorsements to name the parties as additional insured parties and certificates of insurance).

- h. **Policies.** Except with respect to workers' compensation and employer's liability coverages, City must be named and properly endorsed as additional insureds on all liability policies required by this section.
 - (1) The coverage extended to additional insureds must be primary and must not contribute with any insurance or self insurance policies or programs maintained by the additional insureds.
 - (2) All insurance policies obtained pursuant to this section must be with companies legally authorized to do business in the State of Arizona and reasonably acceptable to all parties.

8.2 Sub-contractors.

- a. Consultant must also cause its Sub-contractors to obtain and maintain the Required Insurance.
- b. City may consider waiving these insurance requirements for a specific Sub-contractor if City is satisfied the amounts required are not commercially available to the Sub-contractor and the insurance the Sub-contractor does have is appropriate for the Sub-contractor's work under this Agreement.
- c. Consultant and Sub-contractors must provide to the City proof of the Required Insurance whenever requested.

8.3 **Indemnification.**

- a. To the fullest extent permitted by law, Consultant must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties"), for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense"; collectively, "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Consultant) and that arises out of or results from the breach of this Agreement by the Consultant or the Consultant's negligent actions, errors or omissions (including any Sub-contractor or other person or firm employed by Consultant), whether sustained before or after completion of the Project.
- b. This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Consultant shall be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Consultant or of any person or entity for whom Consultant is responsible.
- c. Consultant is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

9. **E-verify, Records and Audits.** To the extent applicable under A.R.S. § 41-4401, the Consultant warrant their compliance and that of its subcontractors with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under A.R.S. § 23-214(A). The Consultant or subcontractor's breach of this warranty shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by the City under the terms of this Agreement. The City retains the legal right to randomly inspect the papers and records of the other party to ensure that the other party is complying with the above-mentioned warranty. The Consultant and subcontractor warrant to keep their respective papers and records open for random inspection during normal business hours by the other party. The parties shall cooperate with the City's random inspections, including granting the inspecting party entry rights onto their respective properties to perform the random inspections and waiving their respective rights to keep such papers and records confidential.

10. **No Boycott of Israel.** The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35-393.

11. **Notices.**

11.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:

- a. The Notice is in writing; and
- b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested); and
- c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day, or before 5:00 p.m., at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service on or before 5:00 p.m.; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.

- d. The burden of proof of the place and time of delivery is upon the Party giving the Notice; and
- e. Digitalized signatures and copies of signatures will have the same effect as original signatures.

11.2 Representatives.

- a. Consultant. Consultant's representative (the "Consultant's Representative") authorized to act on Consultant's behalf with respect to the Project, and his or her address for Notice delivery is:

Hays Group dba Hays Companies
 c/o Sloan Christensen, Vice President
 3200 East Camelback Road, Suite 129
 Phoenix, Arizona 85018

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
 c/o Vicki Moss, HR Admin
 5850 West Glendale Avenue
 Glendale, Arizona 85301
 623-930-2297

With required copy to:

City Manager
 City of Glendale
 5850 West Glendale Avenue
 Glendale, Arizona 85301

City Attorney
 City of Glendale
 5850 West Glendale Avenue
 Glendale, Arizona 85301

- c. Concurrent Notices.
 - (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
 - (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by City Manager and City Attorney.
 - (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Consultant identifying the designee(s) and their respective addresses for notices.
- d. Changes. Consultant or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

12. Financing Assignment. City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.

13. Entire Agreement; Survival; Counterparts; Signatures.

13.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Consultant and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.

- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.

- b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.
- c. The solicitation, any addendums and the response submitted by the Consultant are incorporated into this Agreement as if attached hereto. Any Consultant response modifies the original solicitation as stated. Inconsistencies between the solicitation, any addendums and the response or any excerpts attached as Exhibit A and this Agreement will be resolved by the terms and conditions stated in this Agreement.

13.2 Interpretation.

- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
- b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
- c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

13.3 Survival. Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.

13.4 Amendment. No amendment to this Agreement will be binding unless in writing and executed by the parties. Any amendment may be subject to City Council approval. Electronic signature blocks do not constitute execution.

13.5 Remedies. All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.

13.6 Severability. If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be deemed reformed to conform to applicable law.

13.7 Counterparts. This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

14. Term. The term of this Agreement commences upon the effective date and continues for a one (1)-year initial period. The City may, at its option and with the approval of the Consultant, extend the term of this Agreement an additional four (4) years, renewable on an annual basis. Consultant will be notified in writing by the City of its intent to extend the Agreement period at least thirty (30) calendar days prior to the expiration of the original or any renewal Agreement period. Price adjustments will only be reviewed during the Agreement renewal period and any such price adjustment will be a determining factor for any renewal. There are no automatic renewals of this Agreement.

15. Dispute Resolution. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered according to the American Arbitration Association's Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

16. Exhibits. The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

- Exhibit A Project
- Exhibit B Compensation

The parties enter into this Agreement as of the effective date shown above.

City of Glendale,
an Arizona municipal corporation

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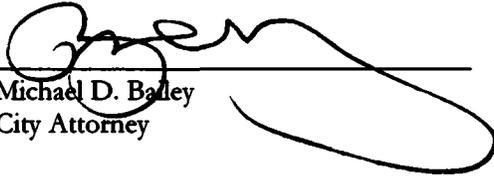
By: Kevin R. Phelps
Its: City Manager

ATTEST:



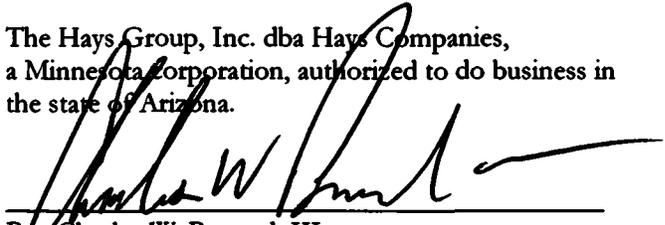
Julie K. Bower
City Clerk (SEAL)

APPROVED AS TO FORM:



Michael D. Bailey
City Attorney

The Hays Group, Inc. dba Hays Companies,
a Minnesota Corporation, authorized to do business in
the state of Arizona.



By: Charles W. Broucek III
Its: Senior Vice President

EXHIBIT A
EMPLOYEE BENEFITS CONSULTING SERVICES
RFP 16-45
PROJECT

The Consultant will provide general benefits consulting expertise to include but not limited to multi-year strategic planning, financial analysis, strategic analysis of medical and pharmacy plan design changes, modeling contribution strategies for active employees and retirees, wellness strategies, negotiating and implementing the best coverage and cost for selective employee benefit programs to include, Health, Dental, Vision, Life and Ancillary/Voluntary benefits, provide guidance to remain in compliance with the Patient Protection and Affordable Care Act, monitoring contracts to ensure contract compliance, analyzing claims history and insurance utilization at least quarterly, assisting with design of employee benefits communications and may participate in Benefit Fairs and annual enrollment processes, evaluate various insurance products submitted for consideration by insurance carriers, assist in compliance in legislative updates, FMLA regulations, may assist with employee communications and open enrollment communications and provide a key contact person to be available to answer questions and resolve issues that arise during the year regarding employee benefits, contract administration and service provisions.. As needed, the Consultant would also assist in the preparation of Requests for Proposals soliciting benefits providers. RFP 16-45 is attached and specifically incorporated as part of this Agreement.



CITY OF GLENDALE MATERIALS MANAGEMENT REQUEST FOR PROPOSAL

SOLICITATION NUMBER: RFP 16-45

DESCRIPTION: EMPLOYEE BENEFITS CONSULTING SERVICES

PUBLISHED DATE: APRIL 21, 2016

OFFER DUE DATE AND TIME: MAY 24, 2016 BEFORE 2:00 PM (local time)

PRE-OFFER CONFERENCE: Thursday, April 28, 2016 at 1:30 PM
Location: City of Glendale 5850 W. Glendale Avenue Municipal Building, Third Floor, Conference Room 3A, Glendale, AZ 85301 – Attendance is optional

SUBMITTAL LOCATION: City of Glendale
Materials Management
5850 West Glendale Avenue, Suite 317
Glendale, Arizona 85301

Proposals must be in the actual possession of Materials Management on or prior to the time and date, and at the location indicated. Materials Management is located on the third (3rd) floor of the Glendale Municipal Office Complex (City Hall) in the Engineering Department. Proposals are accepted from the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, unless otherwise indicated for a holiday. All proposals will be received and time/date stamped at the Engineering Department's window. Late proposals will not be considered.

Proposals must be submitted in a sealed envelope with the Solicitation Number and the Offeror's name and address clearly indicated on the envelope. See Section 4.2 for additional instructions for preparing an offer.

Proposals shall be opened publicly at the time, place and location designated on this page. Only the name of each Offeror shall be publicly read and recorded. All other information contained in the proposals shall be confidential so as to avoid disclosure of contents prejudicial to competing Offerors.

OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION.

For questions regarding this solicitation contact:
Crista Clevenger, Contract Analyst
(623) 930-2865
CClevenger@glendaleaz.com



**City of Glendale
Materials Management
Solicitation Number: RFP 16-45
EMPLOYEE BENEFITS CONSULTING SERVICES**

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Glendale, Arizona 85301**

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**City of Glendale
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**CITY OF GLENDALE
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5850 West Glendale
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1.0 INTRODUCTION

1.1 The City of Glendale invites proposals for general Employee Benefits Consulting Services (“Services”). The City is seeking a qualified consultant who will provide general benefits consulting expertise to include but not limited to multi-year strategic planning, financial analysis, strategic analysis of medical and pharmacy plan design changes, modeling contribution strategies for active employees and retirees, wellness strategies, negotiating and implementing the best coverage and cost for selective employee benefit programs to include, Health, Dental, Vision, Life and Ancillary/Voluntary benefits, provide guidance to remain in compliance with the Patient Protection and Affordable Care Act, monitoring contracts to ensure contract compliance, analyzing claims history and insurance utilization at least quarterly, assisting with design of employee benefits communications and may participate in Benefit Fairs and annual enrollment processes, evaluate various insurance products submitted for consideration by insurance carriers, assist in compliance in legislative updates, FMLA regulations, may assist with employee communications and open enrollment communications and provide a key contact person to be available to answer questions and resolve issues that arise during the year regarding employee benefits, contract administration and service provisions.. As needed, the consultant would also assist in the preparation of Requests for Proposals soliciting benefits providers.

2.0 OVERVIEW

2.1 The City of Glendale, Arizona is the fifth largest city in the state with a population of approximately 234,000 people. Located in the northwestern part of the metropolitan Phoenix area and occupying approximately 59 square miles of land, the City is home to the Arizona Cardinals and the Arizona Coyotes. The City is also the owner of Camelback Ranch, the spring training facility for the Los Angeles Dodgers and the Chicago White Sox.

The City was incorporated in 1910 and has operated under the council-manager form of government since its incorporation. Policy-making and legislative authority are vested in the City Council which consists of the Mayor and six other members. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees and hiring the City Manager, Clerk, Attorney, Municipal Judge and City Auditor (Internal). The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The Council is elected on a non-partisan basis. Council members serve four-year terms, with three Council members elected every two years. The Mayor is elected to serve a four-year term.

The City provides a full range of services including police and fire protection, water, sewer and sanitation services, the construction and maintenance of highways, streets, public facilities and other infrastructure, recreational activities and cultural events. Certain housing services are provided by the City’s public housing authority, which functions, in essence as a department of the City.

2.2 The Human Resources and Risk Management Department provides services including labor and employee relations, recruitment, classification and compensation, organization development, employee benefits and risk management to include workers’ compensation, for all City departments. Human Resources & Risk Management employs 20 full and part time staff with three (3) employees working in the benefits division.

2.3 The City is looking for a creative consultant that can incorporate public sector needs and provide solutions to today’s challenging health care environment through innovative plan design



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strategies and analysis to assist the City in providing excellent health care options for our employees yet still remain fiscally sustainable into the future.

- 2.4** Since 1993, the City has had self-funded health plans and provides an EPO, PPO, and HDHP through Blue Cross Blue Shield of Arizona (BCBS). Plan participants include employees, retirees and COBRA enrollees. Currently, the City medical plan has a three-tiered rate structure; employee, employee + 1 and employee + family. The prescription plan through BCBS has both retail and mail-order components and is a Medicare Part D-qualified plan. Managed mental health care benefits are provided through the BCBS Biodyne program, which is set to expire on 06/30/2016. At which time, the mental health component will be administered through BCBS directly. The City also provides coaching and counseling through an Employee Assistance Program (EAP) through EAP Preferred. The City offers two dental plans, a PPO (Delta Dental) and an HMO (EDS) as well as a vision plan (Avesis). Each having a three-tiered rate structure. Basic and voluntary life, as well as Flexible Spending Accounts (FSA) and Dependent Care Accounts (DCA) are also a part of the package.
- 2.5** All employees both regular full-time, regular part-time and temporaries working more than 30 hours per week are eligible for benefits as are elected officials, appointed officials, retirees and COBRA participants. Current enrollment in the medical program consists of approximately 1793 enrollees (employees, retirees and COBRA enrollees) plus their dependents. The annual medical plan claims expense for FY 2016/2017 is approximately \$25,000,000.



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3.0 SCOPE OF WORK

3.1 THE SELECTED CONSULTANT SHALL PROVIDE THE FOLLOWING SERVICES:

Innovative plan design strategy and analysis
Cost modeling
Financial monitoring and budgeting
Employee contribution strategies
Utilization data analysis
Wellness strategies
Guidance regarding the Patient Protection and Affordable Care Act
Guidance on other issues related to benefits management
Requests for Proposal for benefit providers as needed

- 3.1.1 Meet with city staff as reasonably requested. Provide research and prompt response to benefits questions from the Benefits Division.
- 3.1.2 Provide training and educational presentations on benefits-related matters to City staff on requested topics (approx. 2 per year).
- 3.1.3 In a timely manner, provide recommendations on benefits related issues, such as compliance with the Patient Protection and Affordable Care Act.
- 3.1.4 Respond to City Benefits Division communications the same business day in general; if not practicable, response should be within twenty-four hours
- 3.1.5 Key personnel available between 8:00 a.m. and 5:00 p.m. Mountain Standard Time.
- 3.1.6 Meet or exceed the City's time expectations and renewal calendar
- 3.1.7 Perform any additional work not specifically enumerated here related to accomplishing the Scope of Work
- 3.1.8 Keeps City advised on current laws, court decisions and regulations applicable to benefits management
- 3.1.9 Provides monthly reports on progress of work, including consultant staff hours, status on all deliverables with highlights of work completed, critical issues, problems or potential problems and recommended solutions.
- 3.1.10 If other services are included in your fee for this section of the Scope of Work, please state them in the Method of Approach section of your proposal. Indicate that the services are provided in addition to the requested scope of work.

3.2 PERFORMANCE INTERFERENCE

Contractor shall notify the department contact immediately of any occurrence and/or condition that interferes with the full performance of the contract, and confirm it in writing within twenty-four (24) hours. Department Contact: Vicki Moss, Benefits Administrator, Phone: 623-930-2297.

3.3 CONTRACTOR'S PERFORMANCE

Contractor shall use those efforts which a skilled, competent, experienced, and prudent person or organization would use to perform and complete the requirements of this Contract in a timely and professional manner conforming to the standards and quality generally recognized and accepted within the profession throughout the United States. Contractor shall furnish all necessary labor, tools, equipment, and supplies to perform the required services.

The City's authorized representative will decide all questions which may arise as to the quality and acceptability of any work performed under the Contract. If, in the opinion of the City's authorized representative, performance becomes unsatisfactory, the City shall notify the Contractor.



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The Contractor will have ten (10) days from that time to correct any specific instances of unsatisfactory performance. In the event the unsatisfactory performance is not corrected within the time specified above, the City shall have the immediate right to complete the work to its satisfaction and shall deduct the cost to cover from any balances due or to become due the Contractor. Repeated incidences of unsatisfactory performance may result in cancellation of the Contract for default.

3.4 ACCOUNT STAFFING

The Contractor agrees to assign experienced personnel to provide for successful and timely accomplishment of the Scope of Work. Changes in personnel assigned to perform services under this Contract are subject to approval by the City. The City reserves the right at any time and for any reason during the Contract to reject any Contractor staff from performing services on behalf of the City.

3.5 TIME IS OF THE ESSENCE

The parties agree that time is of the essence in the performance of the Scope of Work.



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4.0 SPECIAL INSTRUCTIONS

- 4.1 RETURN OF OFFERS** The Offeror shall submit five (5) hardcopies marked as “Copies”. The offeror shall submit a complete proposal on a CD or flash drive as one file folder. The folder shall be identified as “RFP 16-45 – ‘Original - Name of Offeror.’” (For example: RFP 16-45 – Original - ABC Company.)

The proposal responses shall be submitted in a bound format (i.e. three (3) ring loose-leaf binders, spiral and/or report covers). Proposals should be divided by tab sections according to items listed in the **Preparation of Proposal Package Instructions section 4.2**. This will assist the evaluation panel in identifying items and information submitted within the proposal. Offerors may reproduce the forms and recreate information, but all of the required information must be presented in the order requested.

The Offeror shall complete all sections of the solicitation in the format given in the space provided. If additional space is needed than what is given, enter “See attachment for detail.” Proposals that do not conform to the above format may be rejected.

The Offeror shall bear all costs associated with submitting the proposal, including proposal preparation, site visitation or any travel connected with submission of the proposal. The City shall have no liability whatsoever for such costs.

- 4.2 PREPARATION OF OFFER PACKAGE** The following items shall be completed and returned including the written, narrative responses required in section 4.5 Submission Requirements. Failure to include all the items may result in an offer being rejected. Offer packages shall be submitted in the following order:

- 4.2.1 COVER SHEET**
- 4.2.2 OFFER SHEET, Section 6.0**
- 4.2.3 COST PROPOSAL, Section 7.0**
- 4.2.4 ADDENDUM, Return all addenda (if applicable).**
- 4.2.5 EXPERIENCE & QUALIFICATIONS, Section 4.6 (written narrative)**
- 4.2.6 METHOD OF APPROACH, Section 4.7 (written narrative)**
- 4.2.7 SUBMISSION REQUIREMENTS, Section 4.5 (written narrative)**

- 4.3 EVALUATION CRITERIA** The criteria is listed below with their relative weights.

4.3.1	Experience & Qualifications	40%
4.3.2	Method of Approach	40%
4.3.3	Cost Proposal	20%

- 4.4 EVALUATION CRITERIA AND FORMAT** Proposals will be evaluated and scored by members of an evaluation committee in accordance with Section 4.3 Evaluation criteria.

In addition, the committee MAY request a formal presentation or interview from the highest ranked Proposers before a final recommendation.

All timely proposals will be reviewed to determine whether the minimal qualification requirements have been met. Proposals that do not meet all qualifications requirements will be considered non-responsive and will be rejected.

4.5 SUBMISSION REQUIREMENTS

Offeror’s should provide written, narrative responses for each item requested within the criteria below. *Unnecessarily elaborate responses beyond that sufficient to present a complete and effective response to this solicitation are not desired. Do not provide general answers or reference to sales*



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literature. When applicable, supporting documents should be attached and reference the appropriate criterion. Offeror's, at a minimum must submit the following information:

4.6 EXPERIENCE AND QUALIFICATIONS - 40%

4.6.1 Provide your company history and provide any background data that will help identify financial stability. Describe your company's organization, philosophy, and management. Include the date established, the number of years providing benefits consulting services and the number of public sector clients your firm currently provides consulting services to. Include a discussion of the areas of expertise and resources available to provide the services outlined in the Scope of Work. Not to exceed six (6) pages.

4.6.2 Confirm you are a licensed broker in the State of Arizona by providing current documentation. Confirm that you serve as a broker, independently, and are not employed by any insurance company, third party administrative agency or provider network.

4.6.3 Key Personnel:

List the proposed key members of staff to be assigned to the City's contract including their roles and estimated participation in delivering the services. Identify the person who is proposed as the account manager.

Please provide the location of the consultant team.

Attach a resume for only each person who is proposed to perform the work listed in the Scope of Work. Include education and training. Resumes must state clearly any experience specifically related to the Scope of Work and list any similar work successfully completed, stating with particularity any public entity experience. Resumes should highlight exceptional customer service accomplishments. Limit three (3) pages per resume.

Include an organizational chart that highlights the positions that will provide the actual day-to-day service on the account.

4.6.4 Adverse Actions/Potential Impact:

State whether the company is currently involved in any litigation, threatened litigation, investigation, reorganization, receivership, filing, strike, audit, corporate acquisition, unpaid judgments or other action that could have an adverse impact on your ability to provide the required RFP needs. If so, please describe the nature of the item and its potential impact.

State whether your firm has been unable to complete a contract, been removed from a contract, or been replaced during a contract period in the past five years. If so, explain what happened and why.

4.6.5 Public Sector/Corporate Experience:

State your firm's experience in providing services to public sector employers with the same size and structure. State your firm's experience with any public sector organizations. Corporate experience must be similar in complexity to the City of Glendale, and demonstrate the proposer's ability and experience to successfully perform the services. Also state your firm's experience in performing the Scope of Work outlined in the RFP. Not to exceed 6 pages.



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4.6.6 Other Relevant Information:

4.6.6.1 Detail your administrative capabilities on benefits plan compliance issues.

4.6.6.2 Describe your firm's experience in developing Wellness Programs, Disease Management Programs, Health Fairs or Employee Assistance Programs

4.6.7 References:

Please provide a list of four (4) verifiable public sector references, all of whom are able to comment on your organization's relevant experience. Please include group name, contact name, and telephone number. Please furnish:

- a. Services you provided
- b. Benefit programs addressed
- c. Time period covered
- d. Number of covered employees
- e. Contact name and phone number

4.6.8 It is the vendor's responsibility to provide valid reference information; the City reserves the right to use reference checks in its evaluation of proposals.

4.7 METHOD OF APPROACH – 40%

4.7.1 Describe the level of service and support provided to the City of Glendale by your consultants(s) on a day-to-day basis.

4.7.2 Explain how your firm provides continuing education to ensure that each consultant is educated on current market trends and legislative developments and how this information is communicated to your clients.

4.7.3 Describe how you build an understanding of the direction and priorities of the City employee benefit program and how you would utilize this information to recommend changes and project future trends.

4.7.4 Detail how your organization assists clients in developing a strategic benefit plan.

4.7.5 Describe your organization's anticipated involvement in the annual renewal process. Include information regarding process timeframes, negotiation of rates and vendor selection.

4.7.6 Detail how your firm will assist the City of Glendale in developing plan specifications and explain your process for providing plan recommendations to your clients.

4.7.7 Detail how you develop a benefit communication strategy with your clients. Include what tools or resources you have available to assist your clients in effectively communicating not only the specific plan details but also the value of the benefits offered.

4.7.8 Describe what capabilities your company offers in providing on-line web enrollment capabilities.

4.7.9 Describe how your organization strives to streamline benefit administration for your clients. Include any services you provide for automation of the benefit process (i.e. electronic capabilities, outsourcing options). Attach any associated costs for these services on a separate fee schedule.



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- 4.7.10 Describe how your organization has assisted other vendors in the evaluation and /or formulation of any Healthcare Reimbursement Accounts or Healthcare Spending Accounts). Attach any associated costs for these services on a separate fee schedule.
- 4.7.11 Please provide a list of the vendors you have relationships with in regard to health, disability, life, supplemental health, and dental insurance plans.
- 4.7.12 Describe or provide a sample claims audit report, progress report, and invoices.
- 4.7.13 Detail any training resources your organization provides to assist your clients in educating and training their benefit staff.
- 4.7.14 Describe how you will facilitate or participate in the implementation, communication, and enrollment process to assure a seamless product transition.
- 4.7.15 Describe how your firm uses technology in performing services.
- 4.7.16 Provide an explanation of your firm's quality control procedures.
- 4.7.17 **Other relevant information:**
 - 4.7.17.1 Do you provide a consolidated employer HR web portal to access all benefit data to include plan summaries, certificates, network links, plan costs and census data on all employer programs?
 - 4.7.17.2 Does your firm provide the necessary resources to generate annual "Employee Benefit Statements"? 1094/1095-C reporting?

4.8 COST PROPOSAL – 20%

- 4.8.1 Proposers must submit prices in accordance with the Fee Schedule in Section 7.0. This Fee Schedule represents the City of Glendale's official request for pricing and **MUST** be completed by the Proposer in the requested manner. The pricing stated herein must be firm.

- 4.9 **ALTERNATE OFFERS/EXCEPTIONS** Offers submitted as alternates, or on the basis of exceptions to specific conditions of purchase and/or required specifications, must be submitted as an attachment referencing the specific paragraph number(s) and adequately defining the alternate or exception submitted. Offeror shall clearly and specifically detail all exceptions to the exact requirements imposed by this solicitation. Detailed product brochures and/or technical literature, suitable for evaluation, must be submitted with the Offer. If no exceptions are taken, City will expect and require complete compliance with the specifications and all conditions of purchase.

- 4.10 **INQUIRIES** Any question related to the Request for Proposal shall be directed to the Contract Officer whose name appears above. An Offeror shall not contact or ask questions of the department for whom the requirement is being procured. The Contract Officer may require any and all questions be submitted in writing. Offerors are encouraged to submit written questions via electronic mail or facsimile, no later than **five days** prior to the proposal due date. Any correspondence related to a solicitation should refer to the appropriate Request for Proposal number, page and paragraph number. An envelope containing questions should be identified as such; otherwise it may not be opened until after the official proposal due date and time. Oral interpretations or clarifications will be without legal effect. Only questions answered by a formal written amendment to the Request for Proposal will be binding.



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- 4.11 EVALUATION PANEL** Offeror submittals will be evaluated by an evaluation panel. Award shall be made to the responsive, responsible Offeror whose proposal is determined to be the most advantageous to the City.
- 4.12 PANEL CONTACT** Offerors shall have no exclusive meetings, conversations or communications with an individual evaluation panel member on any aspect of the RFP, after submittal.
- 4.13 SHORTLIST** The City reserves the right to shortlist the Proposers on all of the stated criteria. However, the City may determine that shortlisting is not necessary.
- 4.14 INTERVIEWS** The City reserves the right to conduct interviews with some or all of the Proposers at any point during the evaluation process. However, the City may determine that interviews are not necessary. In the event interviews are conducted, information provided during the interview process shall be taken into consideration when evaluating the stated criteria. The City will not reimburse the Proposer for the costs associated with the interview process.
- Interviews, if scheduled, will be held at a time and place specified by the City. Each of the Proposer's key project team members including any subcontractors, who will be assigned to the project, must attend the interview/demonstration.
- 4.15 ADDITIONAL INVESTIGATIONS** The City reserves the right to make such additional investigations as it deems necessary to establish the competence and financial stability of any proposer submitting a proposal including, without limitation, information provided by former employees and/or creditors.
- 4.16 DISCUSSIONS AND REVISIONS TO PROPOSAL** Discussions may be conducted with responsible Offerors who submit proposals determined to be reasonably susceptible of being selected for award; and may obtain pertinent information for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Should the City elect to call for 'best and final' offers, Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Offerors. The purposes of such discussions shall be to:
- 4.16.1** Determine in greater detail such Offeror's qualifications, and
 - 4.16.2** Explore with the scope and nature of the project, the Offeror's proposed method of performance, and the relative utility of alternate methods of approach;
 - 4.16.3** Determining that the Offeror will make available the necessary personnel and facilities to perform within the required time;
 - 4.16.4** Agreeing upon compensation which is fair and reasonable, taking into account the estimated value of the required services, and the scope, complexity and nature of such services.
- 4.17 BEST AND FINAL OFFERS** The City may request best and final offers if deemed necessary, and will determine the scope and subject of any best and final request.
- 4.18 PROPOSAL EVALUATION** The City reserves the right to secure additional information from the Offeror in various forms and or to award based on submitted information.
- 4.19 PRIOR EXPERIENCE** Experiences with the City and entities that evaluation committee members represent may be taken into consideration when evaluating the qualifications and experience.



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- 4.20 OVERALL EVALUATION OF THE PROPOSAL RESPONSE** The overall completeness, accuracy and quality of the proposal may be taken into consideration when evaluating the qualifications and experience.
- 4.21 COST JUSTIFICATION**
In the event only one response is received, the City may require that the proposer submit a cost proposal in sufficient detail for the City to perform a cost/price analysis to determine if the proposal price is fair and reasonable.
- 4.22 NOTICE OF INTENT TO AWARD AND PROTEST PERIOD** Information about the recommended award for this solicitation will be posted on the Internet. The information will be available for review on the City's Materials Management Internet home page www.glendaleaz.com/purchasing immediately after the City has completed its evaluation process of the offers received. If you have any questions, or would like further information about an intended award, contact the contract analyst immediately. Any protest must be submitted to the Materials Manager no later than seven (7) calendar days from the date of posting on the Internet. Please go to: <http://www.glendaleaz.com/Purchasing/doingbusinesswithglendale.cfm> for information and instructions on how to file a protest with the City of Glendale.
- 4.23 WITHDRAWAL OF PROPOSAL** At any time prior to the specified solicitation due date and time, an Offeror may formally withdraw the proposal by a written letter, facsimile or electronic mail from the Offeror or a designated representative. Telephonic or oral withdrawals shall not be considered.
- 4.24 OFFER ERRORS OMISSIONS AND CORRECTIONS** The City will not be responsible for any offeror errors or omissions. All prices and notations shall be written in ink or typed. Changes or corrections made on the offer form must be initialed in ink by the individual signing the offer. No corrections will be permitted after the offers have been opened.
- 4.25 COMPETITIVE NEGOTIATIONS** Exclusive or concurrent negotiations may be conducted with responsible Offeror(s) for the purpose of altering or otherwise changing the conditions, terms and price of the proposed contract unless prohibited. Offerors shall be accorded fair and equal treatment in conducting negotiations and there shall be no disclosure of any information derived from proposals submitted by competing offerors. Exclusive or concurrent negotiations shall not constitute a contract award nor shall it confer any property rights to the successful Offeror. In the event the City deems that negotiations are not progressing, the City may formally terminate these negotiations and may enter into subsequent concurrent or exclusive negotiations with the next most qualified offeror(s).
- 4.26 NO CONTACT, NO INFLUENCE DURING THE RFP PROCESS** The City is conducting a competitive RFP process for the contract, free from improper influence or lobbying. There shall be no contact concerning this RFP from Offerors submitting a Proposal with any member of the City Council, RFP Evaluation Committee Members, or anyone connected with the process for or on behalf of the City. Contact includes direct or indirect contact by the Offeror, its employees, attorneys, lobbyists, surrogates, etc. in an attempt to influence the RFP process.

From the time the RFP is issued until the expiration of the protest period or the resolution of any protest, whichever is later (the "Black-Out Period"), Offerors, directly or indirectly through others, are restricted from attempting to influence in any manner the decision making process through, including but not limited to, the use of paid media; contacting or lobbying the City Council or City Manager or any other City employee (other than Material Management employees); the use of any media for the purpose of influencing the outcome; or in any other way that could be construed to influence any part of the decision-making process about this RFP. This



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provision shall not prohibit an Offeror from petitioning an elected official or engaging in any other protected first amendment activity after the protest period has run or any protest has been resolved, whichever is later.

Violation of this provision will cause the proposal or offer of the Offeror to be found in violation and to be rejected.

- 4.27 PROPRIETARY INFORMATION** An Offeror shall clearly mark any proprietary information contained in its bid with the words "Proprietary Information." Offeror shall not mark any Solicitation Form as proprietary. Pricing data shall not be considered proprietary. Marking all, or nearly all, of a bid as proprietary may result in rejection of the bid.

Offeror's acknowledge that the City is required by law to make certain records available for public inspection. In the event that the City receives a request for disclosure of Proprietary Information by any person, court, agency or administrative body, or otherwise has a reasonable belief that it is obligated to disclose the Proprietary Information to any such person or authority, the City will provide Offeror with prompt written notice so that Offeror may seek a protective order or other appropriate remedy. The Offeror, by submission of materials marked Proprietary Information, acknowledges and agrees that the City will have no obligation to advocate for non-disclosure in any forum or any liability to the Offeror in the event that the City must legally disclose the Proprietary Information.



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5.0 SPECIAL TERMS AND CONDITIONS

5.1 TERM OF AGREEMENT The initial term of the contract shall be one (1) year upon approval by the City Council.

5.2 OPTION TO EXTEND The City may, at its option and with the approval of the Contractor, extend the term of this agreement four (4) additional years in one (1) year increments based on satisfactory Contractor performance. Contractor shall be notified in writing by the City Materials Manager of the City's intention to extend the contract period at least sixty (60) calendar days prior to the expiration of the original contract period. Price adjustments will only be reviewed during contract renewal.

5.3 PRICE ADJUSTMENTS Contractor shall submit a request for a rate increase a minimum of sixty (60) days prior to the contract renewal date. The request shall be in writing and include supportive justification for the proposed increase. The rate increase shall only be considered at time of contract extension. The City will review the request and shall determine if the increase shall be granted or if an alternate option is in the best interest of the City. The price increase adjustment, if approved, will be effective and executed via a contract amendment.

5.4 INCORPORATION BY REFERENCE All responses shall incorporate by reference the Scope/Specifications, terms and conditions, general instructions and conditions and any attachments or exhibits. The Standard Terms and Conditions applicable to this solicitation are posted on the Internet. They are available for review and download at the City's Materials Management Internet home page, www.glendaleaz.com/purchasing. Offerors are advised to review all provisions of the General Instructions and Conditions for this solicitation.

5.5 SOURCES OF BROKER COMPENSATION Contractor is prohibited from receiving any contingent commissions or compensation from carriers. Insurance premiums will be negotiated net of commission. However, Contractor may receive commissions from carriers for direct placement of policies as set forth in the Scope of Work. It is acknowledged that intermediaries may be used and compensated by insurers out of paid premium. All sources of broker compensation must be disclosed at the time insurance policy quotes are presented to the City. Further, in order to prevent a conflict of interest, Contractor will disclose at the time of each insurance policy quote any commissions or fees payable to wholesalers, MGA's or other intermediaries.

In a Tenant User Liability Insurance Program, which may be arranged by the City as a service to third parties using premises such as the convention center or parks, premium is paid by the third parties using the program, and therefore, the Contractor may receive commission on such a program.

5.6 INSURANCE Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The City in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.



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5.6.1 MINIMUM SCOPE AND LIMIT OF INSURANCE Contractor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

A program of self-insurance acceptable to the City may be used to satisfy these insurance requirements.

Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage and broad form contractual liability coverage.

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

Policy shall be endorsed to include the following additional insured language: "The City of Glendale shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".

Worker's Compensation and Employers' Liability

Broker shall provide Workers' Compensation Statutory Employers' Liability

Each Accident	\$ 100,000
Disease – Each Employee	\$ 100,000
Disease – Policy Limit	\$ 500,000

Policy shall contain a waiver of subrogation against the City of Glendale.

This requirement shall not apply when a contractor or subcontractor is exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate sole proprietor waiver form.

Professional Liability (Errors and Omissions Liability)

Broker's policy shall cover professional misconduct or lack of ordinary skill in performing the services defined in the Scope of Services of this Contract.

Each Claim	\$2,000,000
Annual Aggregate	\$2,000,000

Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

Automobile Liability: covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.

Technology Errors and Omissions Liability

The policy shall cover errors and omissions, product failure, security failure, professional liability and personal injury for those positions as defined in the Scope of Services of this contract.

Each Claim	\$1,000,000
Annual Aggregate	\$1,000,000



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In the event that this insurance is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

5.7 ADDITIONAL INSURANCE REQUIREMENTS The policies shall include, or be endorsed to include, the following provisions:

On insurance policies where the City of Glendale is named as an additional insured, the City of Glendale shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.

Each insurance policy shall be primary insurance and non-contributory with respect to the City's program of insurance and self-insurance.

5.8 NOTICE OF CANCELLATION For each insurance policy required by the insurance provisions of this Contract, the Contractor must provide to the City, within 2 business days of receipt, a notice if a policy is suspended, voided or cancelled for any reason. Such notice shall be mailed, emailed, hand delivered or sent by facsimile transmission to City of Glendale, Benefits Division, 5850 W. Glendale Avenue, Glendale, Arizona 85301, Attn: Benefits Administrator, vmoss@glendaleaz.com Fax: 623-435-5347.

5.9 ACCEPTABILITY OF INSURERS Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

5.10 VERIFICATION OF COVERAGE Contractor shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be received and approved by the City before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to City of Glendale, Benefits Administrator, 5850 W. Glendale Avenue, Glendale, Arizona 85301. The City project/contract number and project description shall be noted on the certificate of insurance.

5.11 SUBCONTRACTORS Contractors' certificate(s) shall include all subcontractors as additional insureds under its policies or Contractor shall furnish to the City separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

5.12 INDEMNIFICATION CLAUSE Contractor shall indemnify, defend, save and hold harmless the City of Glendale and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of



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Materials Management
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301**

such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this Contract, the Contractor agrees to waive all rights of subrogation against the City, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the City. This indemnification paragraph shall survive the termination of this contract.

- 5.13 CONFLICT OF INTEREST** Contractor shall disclose the following: 1) the name(s) and position(s) of each Contractor's employee or subcontractor that participated in the preparation of the submittal or who will be involved, directly or indirectly, with performing the contract, if awarded; 2) the name(s) of any City of Glendale employee who is a relative of persons identified pursuant to No. 1; 3) the name(s) and position(s) of Contractor's personnel that have a financial or proprietary interest in the contract; 4) the name(s) of any City of Glendale employee who is a relative of persons identified pursuant to No. 3.

Providing such disclosure will not necessarily disqualify a Contractor. Failure to disclose the requested information or any potential conflict of interest pursuant to A.R.S. § 38-501 et seq. may result in rejection of the proposal or bid or any contract being void or terminated.

For purposes of this provision, the following definitions apply:

"Employee" means all persons who are employed on a full-time, part-time or contract basis by the City of Glendale.

"Relative" means the spouse, child, child's child, parent, grandparent, brother or sister of the whole or half blood and their spouses and the parent, brother, sister or child of a spouse.

- 5.14 COOPERATIVE USE OF CONTRACT** This agreement may be extended for use by other governmental agencies and political subdivisions of the State, including all members of SAVE (Strategic Alliance for Volume Expenditures). Any such usage by other entities must be in accord with the ordinances, charter, rules and regulations of the respective entity and the approval of the Contractor and City. For a list of SAVE members, click on the following link: <http://www.maricopa.gov/Materials/save.aspx>.

- 5.15 PUBLIC RECORD** Contractor acknowledges that the City is a public agency and must comply with all Public Records laws. All proposals submitted in response to the Solicitation shall become the property of the City and, subsequent to award recommendation, become a matter of public record available for review pursuant to Arizona Public Records Law.

If a Contractor believes that a specific section of its Proposal response is confidential, that should be withheld from the public record, and Contractor shall isolate the pages and mark each page confidential in a specific and clearly labeled section of its Proposal response. The Contractor shall include a written statement as to the basis for considering the marked pages confidential including the specific harm or prejudice if disclosed. The City Materials Management Division will review the material and make a determination as to the confidentiality of any of the information and/or material contained within the Submittal. In the event of a public records request for documents Contractor deems confidential, the City will notify Contractor of the request and if Contractor claims such documents are confidential, it shall be the Contractor's sole responsibility, including sole cost, to take appropriate action, including legal action, to protect such documents. Price is not confidential and will not be withheld.



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5.16 PERMITS AND LICENSES Contractor shall possess at the time of submittal and shall keep current federal, state, and local licenses and permits required for the performance of the services and the operation of the business conducted by the Contractor as applicable to this Contract.

5.17 CERTIFICATION By signature on the Offer/Bid page, solicitation Amendment(s), or cover letter accompanying the submittal documents, Contractor certifies:

The submission of the offer did not involve collusion, and without any agreement, understanding or planned common course of action with, any other vendor of materials, supplies, equipment or services described in the invitation to bid, designed to limit independent bidding or competition or other anti-competitive practices. The Contractor shall not discriminate against any employee or applicant for employment in violation of Federal or State law. The Contractor has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, meal or service to a public servant in connection with the submitted offer. The Contractor hereby certifies that the individual signing the submittal is an authorized agent for the Contractor and has the authority to bind the Contractor to the Contract.

5.18 PRICE & PRICE ADJUSTMENTS All prices quoted shall be firm and fixed for the initial contract period. Price adjustments shall be addressed a minimum of sixty (60) days prior to the contract renewal date, shall be in writing and include supportive justification for the proposed increase. The rate increase shall only be considered at time of contract extension. The City will review the request and shall determine if the increase shall be granted or if an alternate option is in the best interest of the City. The price increase adjustment, if approved, will be effective and executed via a contract amendment.

5.19 ADDITIONS OF PRODUCTS OR SERVICES The City reserves the right to add additional products or services to this contract when deemed necessary by the City. If this occurs, the Contractor will be requested to submit a negotiable quotation for the additions. Upon approval and authorization by the Materials Manager such additions will be added to and become a part of the contract through properly executed forms.

5.20 METHOD OF INVOICING Invoices must include the following:

- A. City contract agreement number.
- B. Description of services (i.e., "Annual fee, installment 1 of 4") and amount per item
- C. Applicable tax and fees, such as surplus lines tax and fees, itemized separately
- E. Invoice number and date

5.21 METHOD OF PAYMENT

All invoices shall be directed to:

City of Glendale
Benefits Division
Attn: Vicki Moss
5850 W. Glendale Avenue, B56
Glendale, AZ 85301

5.22 NON-DISCRIMINATION By submitting this Offer, Contractor agrees not to discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.

 <p>GLENDALÉ</p>	<p align="center"> City of Glendale Materials Management Solicitation Number: RFP 16-45 EMPLOYEE BENEFITS CONSULTING SERVICES </p>	<p align="center"> CITY OF GLENDALE Materials Management 5850 West Glendale Avenue, Suite 317 Glendale, Arizona 85301 </p>
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6.0 OFFER SHEET

6.1 OFFER Offeror certifies that they have read, understand, and will fully and faithfully comply with this solicitation, its attachments and any referenced documents. Offeror also certifies that the prices offered were independently developed without consultation with any of the other Offerors or potential Offerors.

 <hr/> Authorized Signature	<hr/> Hays Group dba Hays Companies Company's Legal Name
<hr/> Sloan Christensen Printed Name	<hr/> 3200 East Camelback Road, Suite 129 Address
<hr/> Vice President Title	<hr/> Phoenix, Arizona 85018 City, State & Zip Code
<hr/> 602-977-3820 Telephone Number	<hr/> 602-977-3801 FAX Number
<hr/> schristensen@hayscompanies.com Authorized Signature Email Address	<hr/> May 24, 2016 Date

For questions regarding this offer: (If different from above)

<hr/> Contact Name	<hr/> Phone Number	<hr/> Fax Number
<hr/> schristensen@hayscompanies.com Email Address		

FEDERAL TAXPAYER ID NUMBER: 41-1784898

Arizona Sales Tax No. _____ Tax Rate _____

Offeror certifies it is a: Proprietorship ___ Partnership ___ Corporation x

Minority or woman owned business: Yes ___ No x



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7.0

PROPOSAL FEES

7.1 **COST PROPOSAL**

Include a comprehensive specific description indicating how the firm would price the City's scope of work and the estimated annual cost of the services. Indicate whether pricing is based on an annual fee, fee for service, commission or a combination of two or more. Include any and all commissions and fees that the firm would expect to receive from the existing programs for services requested herein, as well as additional services that are being recommended. Identify any split commission or joint marketing arrangements with other agents, brokers, firms or associations. With this description, please include an explanation as to how the firm would provide the City with the best price at the time of negotiations. The City reserves the right to review and/or audit any records of the selected consultant related to commissions, fees, etc. related to the City.

It is extremely important that both City of Glendale and Hays Companies both feel the compensation provided to Hays Companies for brokerage/consulting services is fair and equitable. We want to build a long-term relationship that will benefit both parties for many years to come.

Hays Companies prefers flat, fixed fee compensation arrangements. Our flat, fixed fee arrangement would be inclusive of all services reference in the Scope of Services, as well as, all services referenced in our RFP response. With a fixed fee arrangement, we would ensure that all plan policies are placed net of commissions, and generally bill our clients on a monthly basis. This arrangement is flexible for both parties and allows Hays Companies to perform the necessary consulting regardless of the hours spent on specific projects or day-to-day service and consulting.

Hays Companies is proposing a flat annual service fee of \$60,000 for the services requested in the RFP. We are proposing this annual fee based on our experience with customers of similar size, plan considerations, and other factors.

Hays may receive additional compensation from certain insurers, wholesalers and insurance markets with whom it places business and to whom it provides services. This additional compensation may be based on or computed according to a variety of factors, including but not limited to the overall volume of business placed, size of placements, growth, and/or profitability.

All compensation for services provided is disclosed on the Annual 5500 Filing or as requested.

7.1.1 **PAYMENT** The Contractor shall provide monthly statements of itemized services. Payment will be reviewed and approved by the Contract Administrator or designee.

7.1.2 **PROCUREMENT CARD ORDERING CAPABILITY** Please check appropriate box.

YES, I will accept payment under this contract with the Procurement Card.

NO, I will not accept payment under this contract with the Procurement Card.

OFFEROR NAME: Hays Companies of Arizona