



# City of Long Beach

Working Together to Serve

## Memorandum

**Date:** June 15, 2018

**To:** Patrick H. West, City Manager *P. West*

**From:** Alejandrina Basquez, Director of Human Resources *A. Basquez*

**For:** Mayor and Members of the City Council

**Subject:** Council File 18-0444 – Employee Benefits Consultant

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At the June 12, 2018 City Council meeting, the Human Resources Department recommended approval of Specifications No. RFP HR17-104 and award of a contract to Alliant Insurance Services for healthcare, employee benefits consulting and actuarial services, and issue a Blanket Purchase Order (BPO) to Alliant Insurance Services.

The City Council laid over this item to its following meeting (June 19, 2018) to provide additional time for the Human Resources Department to meet with union representatives to discuss utilizing a secondary benefits consultant to conduct a review of the medical insurance rates for 2019. The City Council further requested the City Manager to identify funds for this service.

The Human Resources Department convened an emergency meeting with the Health Insurance Advisory Committee (HIAC) on the matter on June 14, 2018, at 9:00 a.m. HIAC members had the option of attending the meeting in person or via a dial-in telephone number. Six of the 11 bargaining units were represented at the meeting. The union representatives who participated are listed below:

**Primary Representative**

Adrienne Henderson  
David Roberts  
James Foster  
Kevin Scott  
Meghan Weeks  
Omar Ramos

**Association**

IAM & Aerospace Workers  
LB Supervisors Employees Association  
Police Officers Association  
Firefighters Association  
LB Management Association  
Association of Confidential Employees

**Alternate Representative**

Richard Chambers  
Tony Esparza

**Association**

Police Officers Association  
LB Supervisors Employees Association

The HIAC unanimously adopted a motion to request the City utilize the services of Keenan & Associates as a secondary benefits consultant, to provide a review of the 2019 health plan renewal. The Human Resources Department is currently in the process of securing a BPO with Keenan & Associates. Staff has confirmed with the City Attorney and the Purchasing and Business Services Manager that it is within the City Manager's purchasing authority to issue the BPO.

During the City Council meeting, there was a question regarding the proposed contract term and the services covered under the BPO. The proposed term of the contract is three years with the option to renew for three additional one-year periods, which mirrors the term outlined in the RFP. The services covered under the BPO are for services provided by Alliant as the incumbent provider while the RFP process was underway. The prior contract with Alliant expired on October 31, 2017, and the BPO was utilized to continue the benefits consulting services. The BPO amount has been revised to \$160,000, which includes actuarial services provided from November 2017 through June 2018.

The City Council letter recommendations should be revised as follows:

Adopt Specifications No. RFP HR17-104 and award a contract to Alliant Insurance Services, Inc., of Newport Beach, CA, for healthcare, employee benefits consulting, and actuarial services, in an annual amount not to exceed \$350,000, for a period of three years with the option to renew for three additional one-year periods, at the discretion of the City Manager; and,

Authorize the City Manager, or designee, to issue a Blanket Purchase Order (BPO) to Alliant Insurance Services, Inc., of Newport Beach, CA, for healthcare, employee benefits consulting, and actuarial services provided from November 2017 through June 2018, in the amount of \$160,000.

Should you have any questions, please feel free to contact me at (562) 570-6140.

AB:MH

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CC: CHARLES PARKIN, CITY ATTORNEY  
TOM MODICA, ASSISTANT CITY MANAGER  
KEVIN JACKSON, DEPUTY CITY MANAGER  
REBECCA GARNER, ASSISTANT TO THE CITY MANAGER  
MONIQUE DE LA GARZA, CITY CLERK (REF. FILE #18-0444)