



# City of Killeen

## Legislation Text

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**File #:** RS-22-076, **Version:** 1

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Consider a memorandum/resolution awarding RFP 22-23, Health Benefits Consultant, to Lockton Dunning in the amount of \$90,000.

**DATE:** June 7, 2022

**TO:** Kent Cagle, City Manager

**FROM:** Eva Bark, Executive Director of Human Resources

**SUBJECT: PROFESSIONAL SERVICES AGREEMENT WITH LOCKTON DUNNING BENEFITS CONSULTING SERVICES**

### **BACKGROUND AND FINDINGS:**

City staff has utilized the Request for Proposal (RFP) process to identify a healthcare consulting firm with whom to partner. Currently, the City of Killeen is in partnership with Lockton Dunning.

This RFP was designed to select a qualified, innovative healthcare consultant who has a proven track record of providing effective services in healthcare for public employers. The City is particularly interested in entities demonstrating competent, timely, functional, and cost-effective methods to accomplish the range of healthcare professional services.

Purchasing staff distributed the RFP to interested entities, posted the RFP on the City website, Negometrix, DemandStar, and the State of Texas ESBD (Electronic State Business Daily), and advertised in the Killeen Daily Herald. Six (6) entities submitted proposals: BKCW, Gallagher Benefit Services, Holmes Murphy, Hub International Texas, Inc., Lockton Dunning, and McGriff Insurance Services. As part of the RFP process, entities were asked to describe their scope of services to provide health benefit consulting services and their experience working with public sector entities.

A group of City of Killeen staff from the Finance and Human Resources Departments utilized the following criteria to evaluate proposals submitted by these six entities:

- Qualifications/Experience (35 points)
- Methodology to Achieve End Result (35 points)
- Completeness of Proposal (20 points)
- Cost of Services (10 points)

After a thorough analysis of the proposals received, it is recommended that the City Council authorize the City of Killeen to enter into an agreement with Lockton Dunning to continue to serve as the City's healthcare benefit consultant and assist the City with healthcare professional services.

**THE ALTERNATIVES CONSIDERED:**

Alternatives considered: (1) to not consider Lockton Dunning, the current health care consultant, as the City's Healthcare Consultant, and consider one of the other five consultants; (2) to consider Lockton Dunning to continue providing healthcare consulting services for the City of Killeen.

**Which alternative is recommended? Why?**

Staff recommends alternative two because Lockton Dunning has been a great partner with the City of Killeen in transitioning the City to self-funding and by providing effective strategies for healthcare.

**CONFORMITY TO CITY POLICY:**

Yes.

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

This expenditure is \$90,000 per year starting in FY 2023. The agreement will be effective for a period of 15 months with the option to renew up to four additional years.

**Is this a one-time or recurring expenditure?**

Recurring

**Is this expenditure budgeted?**

Funds will be included in the FY 2023 Proposed Budget in the Health Insurance Fund in account 615-2305-418.47-01.

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Yes

**RECOMMENDATION:**

It is recommended that City Council award RFP 22-23, Health Benefits Consultant to Lockton Dunning in the amount of \$90,000, effective October 1, 2022, and authorize the City Manager to execute any and all necessary change orders in accordance with state and local law.

**DEPARTMENTAL CLEARANCES:**

Purchasing  
Finance

Legal

**ATTACHED SUPPORTING DOCUMENTS:**

Contract

Certificate of Interested Parties