

CITY OF GALVESTON
PROFESSIONAL SERVICES CONTRACT

THIS AGREEMENT is entered into this _____ day of _____, 2020, by and between the City of Galveston, Texas, hereinafter called the “City”, and HUB International Texas, Inc, hereinafter called “COMPANY”, located at 10000 North Central Expressway, Suite 1100, Dallas, TX 75231 in connection with the following project:

RFP 20-16 Health Benefits Consultant

This agreement between the Parties consist of the terms and conditions set forth herein, and in those documents, attached and incorporated for all purposes; Exhibit “A”, identified as Responsive Proposal from COMPANY. By entering into this Agreement, Company agrees that City is entering into this agreement in its governmental capacity, and not a proprietary one.

WHEREAS, the City desires to engage COMPANY to render certain services in connection with the above stated project.

NOW THEREFORE, the parties do mutually agree as follows:

PART I

1. Scope of Services

The Scope of Services shall be as set forth in the attached “Exhibit A”.

2 Contract Term - Contract shall be effective for three (3) years upon execution by the City of Galveston. It is agreed that City will have the option to extend the contract for up to two (2) one (1) year terms. To exercise this option, the City shall serve notice 30 days prior to contract termination or to the end of any one-year extension. The Option to Extend will not be considered if funding is unavailable or if the contractor’s past performance is not within the industry standard.

3 Independent Contractors – The parties are independent contractors as to each other. Nothing in this Contract shall be construed as creating any agency or employment relationship. Neither party shall make any representations tending to create an apparent or implied agency or employment relationship. Neither party has the authority to act for the other or to create obligations or debts binding on the other. Neither party shall be responsible for any obligations or expenses incurred by the other.

4 Standard of Care – The standard of care for all contractual and related services performed or furnished by COMPANY under this agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality.

- 5 Access to Information - It is agreed that all information, data, reports and records and maps as are existing, available and necessary for the carrying out of the work outlined above shall be furnished to COMPANY by the City and its agencies. The City and its agencies will cooperate with COMPANY in every way possible to facilitate the performance of the work described in the contract.
- 6 Appropriations - The obligations of the City to make payment under this Agreement are expressly subject to appropriations by the City of funds that are lawfully available to be applied to such purpose.
- 7 Compensation - The maximum amount of compensation and reimbursement to be paid hereunder shall not exceed rates, fees, and expenses set forth in “**Exhibit A**”. Invoices are submitted by COMPANY each month (not necessarily falling on the first or last day of the month). City shall notify COMPANY in writing, of any and all objections, if any, to an invoice within ten (10) days of the date of invoice. Otherwise, the invoice shall be deemed proper and acceptable by the City. Amounts indicated on invoices are due and payable immediately upon receipt. City’s account will be considered delinquent if COMPANY does not receive full payment within thirty (30) days after the invoice date.
- 8 The City shall not be responsible for payment to COMPANY for any additional services or expenses not specifically included in Exhibit “A”, except upon execution of an amendment to this Agreement in writing by both parties. Parties shall attempt to resolve any payment disputes within sixty (60) days or the matter may be submitted to mediation
- 9 INDEMNIFICATION: FOR CONSIDERATION RECEIVED, COMPANY shall indemnify, defend, save and hold the City of Galveston harmless, including City’s officers, agents, employees and servants, from any claims, actions, lawsuits, proceedings, damages, loss, damage, judgments, liabilities or expense on account of damage to property and injuries, including death, which may arise or result, in whole or in part from any negligent act or omission of COMPANY or those acting under COMPANY’S supervision or control. COMPANY shall not be responsible, however, for any loss, damage, liability or expense on account of damage to property and injuries, including death, which may arise from the sole negligence of the city. **COMPANY shall comply with the requirements of all current applicable laws, rules and regulations and shall indemnify, and hold harmless the City and its agency members from and against the failure to comply with those laws, and shall assume full responsibility for payments of Federal, State and local taxes on contributions imposed or required under the Social Security, worker's compensation and income tax laws.**
- 10 Construction – This Agreement shall be construed under and in accord with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Galveston County, Texas. Agreement shall be binding upon and insure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns where permitted by this Agreement. In any case, if one or more of the provisions contained in this Agreement shall for any reason be held to

be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

11 Termination of Contract for Cause. If, through any cause, COMPANY shall fail to fulfill in a timely and proper manner his/her obligations under this Contract, or if COMPANY shall violate any of the covenants, agreements, or stipulations of this Contract, the City shall thereupon have the right to terminate this Contract by giving written notice to COMPANY of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by COMPANY under this Contract shall, at the option of the City, become property of the City and the COMPANY shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, COMPANY shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Contract by COMPANY, and the City may withhold any payments to COMPANY for the purpose of set-off until such time as the exact amount of damages due the City from COMPANY is determined.

12 Termination for Convenience of the City. The City may terminate this Contract at any time by giving at least ten (10) days' notice in writing to COMPANY. If the Contract is terminated by the City as provided herein, COMPANY will be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of COMPANY, Paragraphs relative to termination shall apply.

13 Modification: No change in the terms of this Contract shall be binding unless it is in writing and signed by an authorized representative of both parties.

14 Force Majeure: No party to this agreement shall be deemed in violation if it is prevented from timely performing any of its obligations by reason of labor disputes, acts of God, acts of the public enemy, acts of superior governmental authority, or other circumstances for which the party is not responsible or which is not in its control.

15 Proof of Insurance: COMPANY shall maintain certain types of insurance protection throughout the duration of the project. All insurance policies are to be issued by an insurance company authorized to do business in the State of Texas, using an insurance company with an A.M. Best rating of a B+ or better.

16 Required Insurance: Commercial general liability insurance, naming the City of Galveston as an additional insured and as certificate holder, and waiving subrogation per the contractual requirements of this project; Automobile Liability Insurance, Worker's Compensation Insurance and Professional Liability Insurance. Limits are to be equal to or greater than:

a. **Commercial general liability insurance:**

\$2,000,000 general liability (includes products and personal, etc.)

\$1,000,000 fire damage
\$1,000,000 automobile damage
\$500,000 workers compensation employers' liability
Statutory limits for workers compensation
Insurance coverage shall be on an “**occurrence basis**”

- 17 Assignability: COMPANY shall not assign any interest on this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the City. Unless specifically stated to the contrary in any written consent to assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
- 18 Reports and Information: COMPANY, at such times and in such forms as the City may require, shall furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.
- 19 Findings Confidential: To the extent permitted by law, all of the reports, information, data, etc., prepared or assembled by COMPANY under this contract are confidential and COMPANY agrees that they shall not be made available to any individual or organization without the prior written approval of the City.
- 20 Copyright: No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of COMPANY.
- 21 Compliance with Local, State and Federal Laws: This Contract shall be construed under and in accordance with the laws of the State of Texas, with jurisdiction in the courts of the State of Texas and venue in Galveston, County regardless of where the obligations of the parties were performed. By execution of this Contract, the parties agree to subject themselves to the jurisdiction of the Courts of the State of Texas in all matters relating to or arising out of this Contract or the Work.
- 22 Notices: All notices required or permitted under this Contract shall be in writing and shall be deemed given when delivered in person or three days after deposit in the United States Mail, postage prepaid, addressed to the party's address reflected at the end of this Contract. A party's notice address may be changed from time to time by that party's providing written notice to the other. A copy of the notice to the City shall be sent to:

City Attorney
City of Galveston
823 Rosenberg, Room 203
P.O. Box 779
Galveston, Texas 77553



City of Galveston

Request for Proposal
20-16
Health Benefits Consultant
June 3, 2020

Julian Fontana, Employee Benefits Specialist
HUB International
10777 Westheimer Rd., Suite 300
Houston, TX 77042





Date: 5/14/2020
To: Prospective Proposers
Subject: Addendum No. 1
ACH Form

This addendum forms part of the proposal and contract documents and modifies the original solicitation documents dated 5/3/2020. Acknowledge receipt of this addendum in the space provided below. FAILURE TO DO SO WILL SUBJECT OFFEROR TO DISQUALIFICATION.

Do not return the ACH Form completed with banking and account information. Form can be returned upon award of the contract to Accounts Payable (accountspayable@galvestontx.gov), or Purchasing (purchasing@galvestontx.gov).

I hereby certify receipt of this addendum and have incorporated its information or changes in preparation of my submittal.

Authorized Signature

05/26/2020

Date

Julian Fontana

Printed Name

HUB International Texas, Inc.

Company Name

A COPY OF THE ADDENDUM MUST BE SIGNED AND RETURNED WITH YOUR PROPOSAL



Date: 5/20/2020
To: Prospective Proposers
Subject: Addendum No. 2
Questions and Answers

This addendum forms part of the proposal and contract documents and modifies the original solicitation documents dated 5/3/2020. Acknowledge receipt of this addendum in the space provided below. FAILURE TO DO SO WILL SUBJECT OFFEROR TO DISQUALIFICATION.

1. **Why are you going to bid and what would you like to change?**
The City Council approved a Professional Services Agreement in September of 2019 to perform consulting work and assist with the transition of a third-party administrator for employee health insurance. The City seeks to establish a long-term agreement with a qualified firm via the RFP process.
2. **When was the last time the City went to bid and how long has the current consultant/broker been in place?**
The health benefits consultants have been in place since June 10, 2019. This will be the first request for proposals for consultant services to the Health Board of Trustees.
3. **Is the City open to new innovative technologies that represent best in market solutions?** Yes
4. **Is cost to the employee more or less important than potential disruption to their health care experience?**
The Board routinely evaluates health care benefits and costs. It is the City's intent to maintain a health benefits plan that is both competitive in the market *and* affordable to plan members; both are important. The City strives to ensure plan members do not experience disruption of any kind in the health care experience.
5. **Any past experience where disruption or hassle factors lead to employee turn-over?** No
6. **Do most of the employees work for the City based on benefits or pay-scale?** The City maintains competitive pay rates when measured against market comparators. It is challenging to decipher the more valuable as the city offers both competitive pay and benefits.
7. **Is current leadership receptive to change to address the underlying aggregate medical, pharmacy and stop-loss spend?** Leadership is always receptive to changes that would reduce costs and improve benefits for plan members.



- 8. On a scale from 1- 10 (10 being very engaged), how engaged are your employees in your wellness program? 9 (Approximately 95% participated in Health Risk Assessment)
- 9. On a scale from 1-10 (10 being very important), how important are your benefits to encourage employee loyalty? 10
- 10. On a scale of 1-10 (10 being very motivated), how motivated is the City to change? Refer to Q#1. The City will be open to considering and reviewing all responses that will add value to the plan and its members.
- 11. Who is the current Broker? Gallagher
- 12. Are there any service issues? No
- 13. What is the current compensation to the Broker? Fee for service/Commission based? Combination of the two?
The City has agreed to pay \$55,000 for all consulting services. Payments are issued in monthly installments of \$4,583.33.
- 14. Is there an annual fee not to exceed amount? (Compensation Cap)
The current direct client fee will not exceed \$55,000.
- 15. Does the current broker return any commission over the annual cap? N/A
- 16. Are you currently utilizing an online billing and eligibility system for employee access and use? If not, is this of interest? Yes
- 17. Do you currently have a Health Management (Wellness) program in place? If yes, are you happy with the participation? Yes
- 18. Does the financial impact of COVID-19 affect the current budget put into place for Benefits?
At this time, the City does not anticipate a change in the current budget due to COVID-19.

I hereby certify receipt of this addendum and have incorporated its information or changes in preparation of my submittal.

Authorized Signature

05/26/2020

Date

Julian Fonatana

Printed Name

HUB International Texas, Inc.

Company Name

A COPY OF THE ADDENDUM MUST BE SIGNED AND RETURNED WITH YOUR PROPOSAL



June 3, 2020

City of Galveston
Purchasing Division
823 Rosenberg Street
Room 300
Galveston, TX 77550

HUB International

10777 Westheimer Rd., Suite 300
Houston, Texas 77042
(469)391-9022

hubinternational.com

To Whom it May Concern,

HUB International would like to thank you for the opportunity to provide the City of Galveston with a proposal for Health Benefits Consulting Services. We have reviewed the Scope of Work and are expertly prepared for meeting the items requested.

Our assigned service team has significant experience working with government sector employers and employees. There are few, if any, consultants in Texas who can match their experience. It is our belief that employers should treat each benefit dollar spent as an investment rather than an expense. Our value-added services are designed to provide the highest possible return on this investment while being focused on your objectives and impacts to your culture.

HUB will work with the City of Galveston's team to:

- Collaborate with the City, to develop a multi-year blueprint strategy which identifies opportunities for savings which can be gained through shifting plan subsidies, plan design modifications, network strategies, and potential alternative funding strategies. Other opportunities for savings include dental, vision, life, and disability.
- Assist leadership with a strategic review to identify areas for cost savings while maintaining a viable health and welfare employee benefit program that promotes employee choice and consumerism.
- Enhance your employees' understanding of their benefits, through careful planning and effective communication strategies, designed to engage and educate employees.
- Implement a wellness program and explore partnerships with local providers.
- Provide ongoing support throughout the year to work collaboratively with the District and provide updates on utilization trends, medical and Rx programs, alternative funding options, etc.

We are committed to being your trusted advisors. Thank you for this opportunity to provide a proposal to serve as your strategic partner.

Sincerely,

A handwritten signature in black ink that reads "Julian Fontana".

Julian Fontana, Employee Benefits Specialist

10777 Westheimer Rd., Suite 300

Houston, TX 77042

469-391-9022 office

julian.fontana@hubinternational.com

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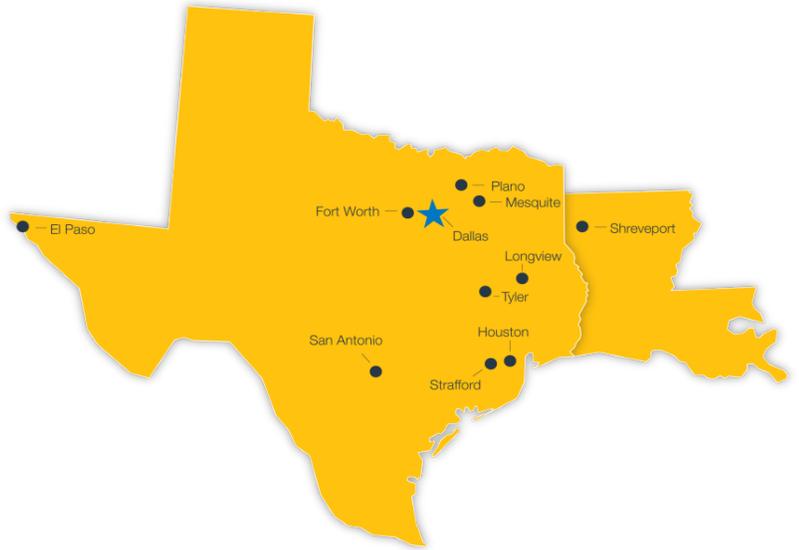
TAB A – Qualification and Experience

This section shall contain the full name and address of the firm submitting the Statement of Qualifications and a brief summary of the firm’s experience and individual experience for personnel who will provide this service.

1. Briefly introduce your firm, providing a summary of the administration, organization and staffing of your firm, including multiple offices, if applicable. Provide an organizational chart indicating the positions and names of the core management team which will undertake this engagement.

HUB International Texas, Inc. www.hubinternational.com

was born in 1998 with the merger of 11 privately held insurance brokerages. HUB is a private global insurance brokerage, ranked the 5th largest in the world, that puts you at the center of everything we do. Our reach and resources mean you have the insurance you need when you need it – and before you know you need it. With HUB, you’re at the center of an integrated network that spans North America — a one-of-a-kind aggregation of insurance professionals who understand the issues you face every day. HUB International is structured around large regional hubs, with over 450+ satellite offices strategically located throughout the U.S. and Canada. We are often asked what makes HUB different. The simple answer is that we strive to partner with our clients to make a positive impact on their business. We will take the time to thoroughly understand your objectives and culture so that we can build a long-term strategic relationship



11,000+ Employees



95% Client Retention



1 Million+ Clients



450+ Locations
In North America



TOP 5 Global Broker
Based on Revenue

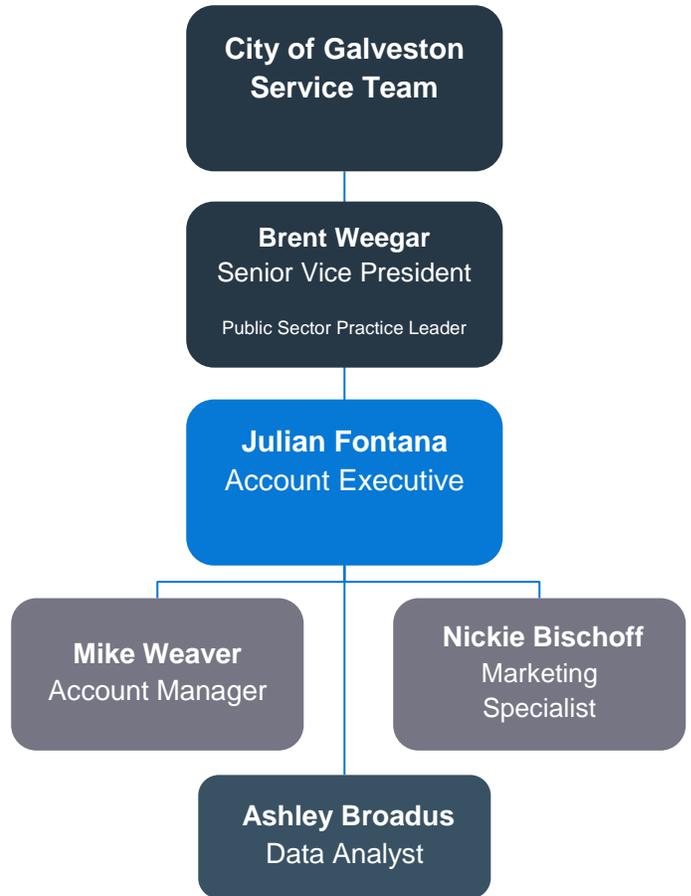


\$12 Billion+
In Premium

Local Representation

HUB International Texas, Inc. is incorporated in Fort Worth Texas and has approximately 250 employees locally serving over 14,000 clients, which encompass our Employee Benefits Practice, Commercial Lines, Private Client, Risk Services, Financial Services, and Transportation Specialty Group. In addition to our national offices in Coppell (Financial Services) and San Antonio (Transportation), HUB Texas has eleven locations in Austin, Dallas, El Paso, Fort Worth, Houston, Plano, Longview, Tyler and Shreveport (LA).

Your service team will be based out of our Houston and Austin offices. Julian Fontana, your primary contact, is authorized to execute the agreement as it pertains to this RFP. With the expertise and service tenure of HUB Texas, we will have no problems meeting and exceeding the District's expectations. Personal service, individual attention, and the ability to respond quickly to changing insurance needs and market influences are just a few of the benefits of HUB's local presence.



2. Identify the project manager and each individual who will work as part of this engagement. Include resumes for each person to be assigned. Include any professional designations and affiliations, certifications and licenses (General Lines Agent for Life and Health), etc.



Brent Weegar

**Public Sector Practice
Leader**

**University of North Texas –
MBA**

Baylor University – B.A

15 years Employee Benefits experience, with specialization in the Insurance Public Sector. Brent is the head of the public entity consulting unit for HUB Texas. Brent, being the Project Manager, will oversee the contract management and oversee the assigned team to ensure quality control and needs are being met.



Julian Fontana

Account Executive

**Southwest Texas State
University – B.A. in Political
Science**

Julian comes with over 30 years of employee benefits experience, including both carrier and consultant roles. Prior to joining HUB, Julian worked as a Senior Account Executive on public entity clientele and serving the needs of HR, finance and executive-level professionals. Julian will serve as the lead consultant for the District developing a strategic benefits path with short term and long term goals. When required he will lead the RFP process for benefit plans and analysis for presentation.



Mike Weaver

Account Manager

**B.B.A. – Texas A&M
University
MBA in Finance – University
of Houston**

Mike has been involved in the employee benefits field for over 20 years, working with corporate and public sector groups from 15 employees to over 10,000 employees. He will serve as your liaison with vendors, assist with implementation of new coverage(s), coordinate open enrollment, and handle day to day service issues.



Nickie Bischoff
Marketing Assistant

**America's Health Insurance
Programs – HIA, DIA & HSCA
Designations**

Nickie has over 24 years of experience in the health insurance, disability, and the purchasing of employee benefits. Prior to HUB, Nickie worked exclusively with the public sector for 15 years at the TML Health Pool with a strong focus on Technical Writing, Plan Design, and Implementation. As a Marketing Assistant, Nickie will support the coordination and management of the Request for Proposals along with other duties.



Mark Guajardo
**Consulting Actuary &
Director of Analytics**

**B.S. – The University of
Texas**

Mark serves as HUB's Texas Director of Analytics. As a credentialed actuary Mark has over 20 years of experience consulting clients on their defined benefit pension and retiree welfare plans under the Financial Accounting Standards Board (FASB), Governmental Accounting Standards Board (GASB), and International Accounting Standards (IASB). Mark will oversee IBNR Projections, Detailed Budget Projections, Plan Design Services, Ad-hoc Actuarial Consulting Services.



Sara Collins
Wellness Consultant

**B.A. – Concordia University
Wisconsin**

**Masters of Organizational
Leadership – Concordia
University Wisconsin**

**Wellness Council of America
– Certification of Workplace
Wellness Program
Management**

Sara brings with her a multi-faceted background in employee benefits and leadership development. She spent the prior 12 years with Humana, most recently as a Consumer Experience Consultant focused on wellness program design and engagement. Her areas of expertise include relationship management, strategic consulting, training and development, and technical writing. Sara will oversee health risk management strategy, incentive design, implementation, communication, and reporting.



Jack McStravock
Chief Compliance Officer

Bach. Of Science – LaSalle University

Master of Science – Lesley University

J.D. – Massachusetts School of Law

Member of the Central Region Employee Benefit Practice Teams. His area of expertise include consulting with large employers on matters related to the implications of the Affordable Care Act, ERISA, Cafeteria Plans, HIPAA, COBRA, FMLA, ADA, and related human resource matters. Jack will provide compliance and consulting services regarding health and other employee benefit administration.

3. Describe the experience of the firm in the last thirty-six (36) months in performing consulting services in similar size and scope.

As a company that serves over 130 Public Entities across the nation and 70 in Texas alone, we know there are a unique set of objectives, rules, and culture that apply to public entities.

Client	# of Employees	Client	# of Employees
Brazoria County	1455	City of Richmond	160
Brazos River Authority	230	City of Rowlett	250
Canutillo Independent School District	100	City of Sachse	122
Capital Area Council of Governments	100	City of Santa Fe	69
City of Allen	719	City of Seabrook	85
City of Amarillo	2300	City of Socorro Texas	58
City of Angleton	120	City of Sugar Land	713
City of Bastrop	112	City of Texarkana	570
City of Bay City	140	City of The Colony	300
City of Bedford	339	City of Tomball	135
City of Belton	145	City of Watauga	165
City of Brady	107	City of West University Place	130
City of Burleson	314	City of Wichita Falls	1241
City of Carrollton	300	County of El Paso	2500
City of Celina	125	Dallas Central Appraisal District	250
City of Cleburne	314	Denton County Fresh Water Supply District #10	2
City of Colleyville	178	Edgewood ISD	1200
City of Conroe	582	El Paso County Medical Society	4
City of Coral Springs	909	El Paso County Water Improvement	97
City of Corinth	159	El Paso Independent School District	5300
City of Corpus Christi	2775	El Paso Leadership Academy	23
City of Denison	235	Fort Worth Country Day School	272
City of Duncanville	250	Gregg County	450
City of Eldorado	20	Hopkins County Hospital District	31

City of Euless	500	Housing Authority of the City of El Paso	250
City of Forney	175	Laredo ISD	3000
City of Fort Worth	5000	LaSalle Parish Police Jury	50
City of Heath	50	Lower Valley Water District	3
City of Hewitt	86	McLennan County Auditor's Office	900
City of Hurst	360	McLennan County Hospitalist Services, PA	15
City of Keene	45	Niles Township Government	6
City of La Porte	401	Northeast Texas Public Health District	135
City of Lago Vista	87	Nueces CAD	82
City of Lancaster	249	Pleasantview Fire Protection District	53
City of League City	485	San Antonio Police Officers Assn	100
City of Lewisville	759	San Elizario Independent School District	500
City of Live Oak	123	South Bossier Fire Dept.	15
City of Longview	1,100	Texoma Council of Governments	51
City of Melissa	50	Town of Trophy Club	70
City of Missouri City	312	Universal City	129
City of Nederland	121	University of North Texas System	40000
City of Pearland	683	Varnett Charter School	187
City of Pflugerville	330	Vernon Parish Police Jury	150
City of Plainview	179	Vernon Parish Sheriff's Department	155
City of Port Neches	121	Village of Columbus	20
City of Richardson	1039	Webb County	1300

4. Provide a copy of the latest audited Annual financial Report.

HUB International is a privately held firm and does not release financial information publicly. We keep formal annual financials that are audited by our independent audit partner each year. In 2018, HUB International's revenues were over \$2 Billion and we managed over \$14 Billion in insurance premiums. HUB International continues to manage its own operations under the HUB International umbrella of companies and remains financially solvent, growing steadily and overall remaining financially stable. We do not foresee any reasons or conditions that would impede HUB International's ability to complete the scope of work outlines in this RFP.

5. The same information must be provided for any associate firm or sub-consultant

HUB International will not require a sub-consultant to meet the requirements outlined in this RFP.

TAB B – Company Operational Information

- 1. Client History – Describe whether your firm (or any firm previously affiliated with your firm) has ever undergone an investigation by an outside agency pursuant to the filing of claims and describe the outcome of the investigation including ramifications to your firm or your firm’s client cities.**

HUB International Texas Inc., or any of our previously affiliated firms, have ever undergone an investigation by an outside agency pursuant to the filing of claims.

- 2. Describe whether your firm has ever lost an account due to concerns of improper billing practices, accusations or clients concerns of fraud as defined by applicable Federal or State Authorities.**

HUB International Texas Inc. has never lost an account due to concerns of improper billing practices, accusations or clients concerns of fraud as defined by applicable Federal or State Authorities.

- 3. Describe, in detail, whether your firm has ever lost an account due to breach of contract, or incurred any unfavorable contractual outcomes (to include any terminations, etc.)**

Hub International Texas has not failed to complete a contract. We have, however, lost clients due to changes in leadership. Please see below for two former client references.



City of McKinney

Tadd Phillips (Now with Georgetown)
HR Director
(512) 930-2504
Health & Welfare Benefits Consulting
2013-2015



City of Keller

Carolyn Nivens (Now Retired)
Director of Administrative
Cnhr55@verizon.net (phone unknown)
Health & Welfare Benefits Consulting
2016-2019

TAB C – Rates, Fees, and Expenses

1. Provide a detailed fee schedule for services related to the scope of work identified in this RFP.

HUB International (HUB), proposes a flat fee of \$79,500 with a two year guarantee, and a 2% increase on the third year of service for the scope of work as outlined. HUB would agree to an optional 4th and 5th year renewal at no increase as part of this agreement.

2. Identify and list all special services and identity charges, particularly disclosure requirements

ThinkHR: Advisory Services when you need it (included no-cost)

Many organizations are facing a growing knowledge gap when it comes to understanding the complexities of federal and state regulations. When a Human Resource question arises, an accurate answer is often needed right away. We are committed to helping you reduce risk and liability as well as save time and resources.

Our partnership with ThinkHR, the leader in live HR support, provides you with a comprehensive value add platform of web-based services, including access to —live HR consultants (where permitted by state regulations). As a supplement to HUB's in-house compliance resources, ThinkHR provides an expert resource on a wide range of HR issues, including:

- State law issues – typically leave or payroll related employer obligations
- FMLA and other leave of absence questions
- Wage & Hour/Equal Pay Act
- Discrimination – EEO, ADA
- Statutory Compliance
- Workers' Compensation
- Safety
- Policy & Procedure
- Employee behavior and relations

HRconnection™ (included no-cost)

A complete online employee self-serve tool, HRconnection™ enables you to manage and communicate important company information in one secure and convenient location. Employees can access the system at any time from any computer with Internet access. The portal can be customized with your company logo and color palette and includes the following functionality:

- Supplies self-serve communication to employees including announcements, company policies, forms, and complete information about benefit plans.
- Enables employees to access their personal information and online benefit elections.
- Offers a customizable menu system and detailed benefits pages tailored to your company plans
- Allows employees to make benefits elections online
- Tracks employee time-off requests and holidays

ChooseWell Online(included no-cost)

HUB has created a proprietary employer-level website called ChooseWell Online that delivers the information and resources HR needs to implement a broad range of wellness strategies and programs. ChooseWell Online is 100% free to our clients and provides turn-key resources in the following areas:

- Getting Started with Wellness includes an annual planning calendar, gaining leadership support, and a guide on starting a wellness committee
- Data Collection and Evaluation includes sample surveys, environmental assessments, and case studies
- Over 30 turn-key Awareness Campaigns and easy-to-administer Wellness Challenges
- Program Planning Tools and Guidance including sample program policies, a wellness program and compliance checklist, incentive designs and budgeting calculators, guides on how to deploy a successful health fair or flu shot event, and more
- Employee Communication Pieces including unique monthly newsletters, tip sheets, posters and flyers

Many clients have benefitted by using ChooseWell Online to both design their own wellness programming (for example, through a wellness committee) and/or supplement their partnership with a wellness vendor (for example, conducting an environmental assessment).

HR 360 (included no-cost)

The City of Galveston's administration will have access to HR360 which includes an on-line library of HR/Benefits information, model forms/policies/checklists, Sample employee handbooks, news, links and resources.

Benefit Connector (optional \$4.50 per employee per month)

Our Benefits & HR Administration Service, powered by Benefit Connector™, is an electronic system that “communicates” with payroll to keep track of enrollment and eligibility. Benefit Connector can also provide a monthly data feed to the carriers for eligibility purposes. This program includes:

- Year Round On-Line Enrollment
- Documents library for Benefits Guide and Carrier SBCs
- EDI Connection Feed to Carriers
- Aggregated Billing for all Plans
- Full Service Cobra Administration

TAB E – References

1. Provide references for similarly successful projects from five (5) governmental agencies. For each reference, include the dates of service, name of the agency, contact name, telephone and email address. Firms may use the form provided in Appendix A.I.5. References or may utilize their own format.

Reference: City of Richardson, TX – 1,039 Employees
Location: Richardson, Texas
Length of Service: 2011 to Present
Contact: Jose Moreno
 Jose.moreno@cor.gov
 972-744-4002
Services Provided: Health and Welfare Benefits Consulting



Reference: City of Wichita Falls, TX – 1,241 Employees
Location: Wichita Falls, Texas
Length of Service: 2010 to Present
Contact: Christie Klyn
 Christi.Klyn@wichitafallstx.gov
 940-761-7633
Services Provided: Health and Welfare Benefits Consulting



Reference: City of Sugar Land, TX – 713 Employees
Location: Sugar Land, Texas
Length of Service: 2014 to Present
Contact: Paula Kutchka
 pkutchka@sugarlandtx.gov
 281-275-2735
Services Provided: Health and Welfare Benefits Consulting



Reference: City of Longview, TX – 750 Employees
Location: Lewisville, Texas
Length of Service: 2017 to Present
Contact: Mary Ann Miller
 mmiller@longviewtexas.gov
 903-237-1014
Services Provided: Health and Welfare Benefits Consulting



Reference: City of Pearland, TX – 650 Employees
Location: Pearland, Texas
Length of Service: 2009 to Present
Contact: Michelle Graham
 mgraham@pearlandtx.gov
 281-652-1600
Services Provided: Health and Welfare Benefits Consulting



TAB F – Consultant Qualifications Questionnaire

The City is interested in entering into a relationship with a benefits consultant who is able to maximize the value of the health benefit plan. This will require a consultant who is experienced with cities in Texas and/or other public entities, and who is available and accessible to the staff. To assist in the evaluation of qualifications, please answer the following questions:

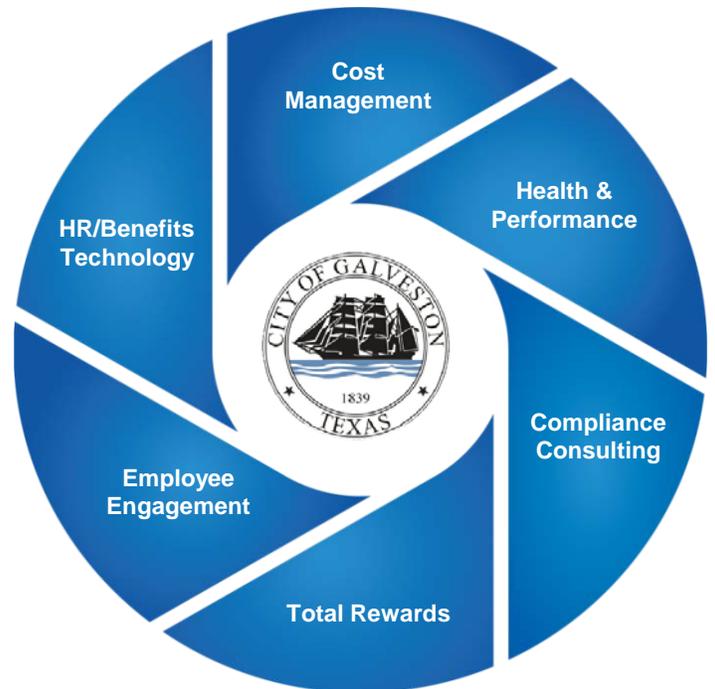
1. Explain what separates your company from its competitors and what specifically qualifies you to be a consultant for the City.

As a leading broker and advisor for Employee Benefits, HUB International partners with you to create a customized, multi-year strategic plan with the detailed action steps you need to achieve your objectives. As a broker, we leverage our relationships to get you the best deal and reduce your costs short-term. As a benefits consultant, we work with you to create a long-term strategy that manages your plan costs, ensures compliance and improves your employees' health and productivity. HUB International will not be taking an exceptions to the specifications of this RFQ.

Our approach to employee benefits transforms the insurance purchasing pattern from annual and episodic to a long-term strategic decision. We guide employers from merely treating disease to improving population health and wellbeing. We empower clients with the ability to move from managing insurance as an expense to optimizing their investment. The lasting result—lower premium costs.

Our focus is to be the City's one partner who makes benefits work. To that end, your account team has a passion for exceeding our client's expectations and will work with the City of Galveston on the following:

- **Build a Strategic Benefits Plan to Optimize your Benefits Spend** - Although planning seems to be a very basic cornerstone in every facet of business, most organizations don't do it when it comes to their benefits. We will help construct a multi-year strategic blueprint to clearly define the strategies driving the desired results ensuring as you continue to grow domestically and internationally.
- **Streamline Benefits Technology** - Our team of Benefits Technology leaders work with you to identify technology solutions that are intelligent, automated and configurable to meet your specific needs.



- **Offload Tactical Administration** - Like most organizations, you are being asked to do more with less. We shift the tactical burden of benefits administration away from your team so they can focus on critical business issues. We accomplish this through implementing our benefits administration system, *Benefit Connector*™, designing and printing engaging communication and educational materials, resolving administrative and claims issues with carriers, and ensuring you stay in legal and regulatory compliance.
- **Create a Culture of Health** - Improving the health of your employees yields results in both cost management and productivity. Most programs fail because employers don't have the resources to dedicate to the Wellness initiative. HUB's Health & Performance team is unmatched and allows us to design and implement results-focused programs that are tied to risk reduction goals (and we have the data to prove it).
- **Ensure Compliance** - With today's complex regulatory environment, staying on top of the most recent Health Care Reform requirements and state mandates can be a daunting. Have you done your analysis to ensure your plans meet affordability and minimum value PPACA requirements? How do you stay informed of changing regulations? HUB's dedicated compliance team monitors the latest legislation, interprets its meaning, and most importantly will discuss what it means to you. We help our clients stay in compliance and avoid potential infractions and penalties.

HUB provides large self-insured public entities across the state with consulting expertise and resources available not only for public sector clients but also large private sector clients with national / international operations. We have over 14,000 clients including 70 public entity clients in Texas alone. We have built a comprehensive set of consulting services to handle all of your risk management needs including Health and Welfare Benefits, Retiree Benefits, Property and Casualty, Workers Compensation, HR Consulting, Technology Consulting to name a few. In regard to Health and Welfare Benefits, we will be able to accommodate the consulting scope of services as outlined in the proposal. Below lists a sampling of the types of services we provide for our large self-insured public entities.

RFP Services

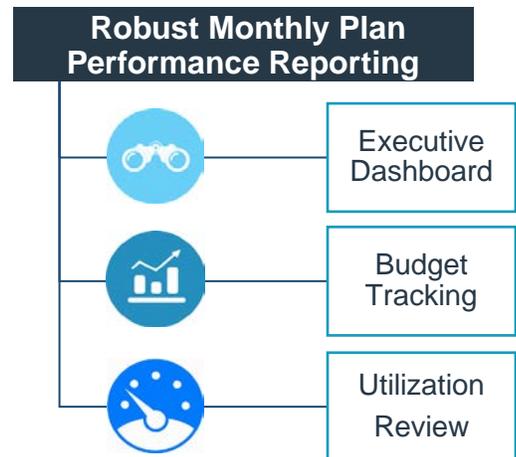
- RFP Drafting, Release and Support Services
- Comprehensive Cost / Benefit Analysis
- Medical Network Disruption and Repricing
- Pharmacy Network Formulary Disruption
- Reinsurance Analysis and Retention Level Recommendations
- Contract Review and Comparisons
- Performance Guarantee and Rate Guarantee Analysis
- Vendor Scoring
- Finalist Meetings and Negotiations
- Report and Recommendations
- Full Support Implementation

Account Management

- Liaison between City of Galveston and Carriers
- Coordinate benefits communication strategy and materials
- Handle escalated employee issues with vendors, claims, etc.
- Conduct employee surveys
- Assist with carrier billing inquiries
- Implement new / renewing contracts
- Provide industry updates, newsletters, white papers
- Conduct ongoing meetings to monitor client satisfaction
- Conduct claim / premium audits as needed
- Review plan documents and contracts

Analytics

- Benchmarking: Industry / Size / Geography Specific
- Monthly Claim Reporting / Quarterly Claim Analysis
- Data Warehouse – Artemis System
- In-house Actuarial Services
- Utilization Reporting and Trend Identification
- Employee Contribution Analysis and Modeling
- Plan Modeling
- Risk Retention Review
- Plan Cost Forecasts
- Budget Development
- IBNR Reserve Analysis
- COBRA Rates
- Network Reviews
- Affordable Care Act Impact Analysis and Projections



Administrative Services (Available at Additional Cost)

- Online, self-service enrollment
- Payroll / Carrier Feeds
- HR Portal and Billing Reports
- Employee Advocate Hotline call center

Compliance Services

- Compliance Audit and Checklist
- Legislation Updates
- Webinars & Training
- In-House ERISA attorneys
- Federal Annual Notices
- Custom Compliance Calendars
- Onsite HIPAA Training
- Provide WRAP document

Pharmacy Consulting

- An extensive array of PBM options is available to lower your drug costs and improve your benefits.
- Analysis of your current contract and assistance in conducting an RFP
- Model plan costs
- Access to national networks and significant discounts
- Ability to procure contractual guaranteed discount and rebate provisions

Health & Performance

- Wellness consulting – current program review/recommendations
- Health and Wellness Clinics
- Wellness education
- Vendor review and management
- Data collection management and reports
- Dashboard implementation/tracking
- Targeted health management
- ChooseWell online portal

2. Disclose your past and present financial relationship to any and all insurance companies, Third Party Administrators (TPA), and/or any other providers of services similar to the ones you may provide for the City of Galveston. Be specific relating to the disclosure of types of income commissions, fees, and/ or overrides.

HUB is a privately held brokerage and is not affiliated with any insurance company, third party administrative service agencies, or provider networks. We are completely carrier/vendor agnostic and strive to match the right carrier/vendor that will support our client's strategy and achieve the objectives established.

3. What types of services do you provide to self-funded health plan clients? Be specific relating to areas of expertise, and the duties you perform(ed).

Each client has a dedicated team assigned to meet their needs with regard to employee benefits in a self-funded plan environment. These allow us to deliver strategy, analytics, innovation and benchmarking to our customers. HUB International has nationwide alliances with multiple strategic partners that leverage our size and purchasing power to benefit you.

HUB provides monthly reporting related to the self-funded medical plan, this tracks the fixed cost for plan administration and stop loss reinsurance as well as medical and prescription claims. We meet with our clients quarterly to review plan performance and utilization trends. At budget time HUB prepares a cost estimate for the next plan year with the Human Resources and Finance departments. We coordinate with Purchasing to facilitate the annual request for proposal for stop loss reinsurance for the plan.

HUB utilizes the Artemis Analytics Platform which will be set up to receive monthly feeds of Medical, Pharmacy and Utilization data for the City of Galveston. Artemis audits and identifies areas of actionable areas over spend. Findings from our assessment are used to design plans and benefits structures that comply with best practices. The Artemis Platform empowers HUB clients with out-of-the-box reporting or custom deep dives, allowing the City of Galveston to make impactful changes to their benefits strategies. Artemis provides a holistic view of all benefits programs and initiatives, allows comparison and correlation across data feeds, and enhances data with proprietary models to show real-world impact. Additionally, the Platform enables cohort analyses, ROI calculations, visualizations, sharing, and more.

4. Describe which of the following services you have provided to your clients as well as the most significant findings of each.

- **Claims audits of a TPA or insurance company for a self-funded health plan.**

HUB recommends a complete claims and operations audit for our partial self-insured clients at least every three years in order to monitor plan performance. We work with preferred audit vendors specializing in both medical and pharmacy claims payments to ensure performance guarantees are met. Following recent audits of Aetna, BCBS, Cigna and UHC to review accuracy and performance standards versus plan performance guarantees there hasn't been a remarkable discovery of note although performance penalties were discovered that may have otherwise been overlooked.

- **Deployment of specialized Disease Management Programs/Wellness Programs.**

Organizations focused on wellness as a strategic initiative have healthier employees and a more efficient, effective company. HUB has more than a decade of experience in developing strategies and implementing programs for the small-to middle-market employer, so you can trust our expertise. Our proven wellness and health management solutions create a shift in corporate culture—it's no longer just about managing disease, but supporting holistic wellbeing.

HUB differs from firms that only use a biometric model. We feel that exclusive use of this model narrowly identifies cardiovascular risk factors and attempts to tie those risks to medical costs. Instead, we take a broader view to recognize the root cause of poor health and wellbeing. With attention to significant factors like the environment, workplace policies/practices, social norms, and other lifestyle aspects, our strategies go beyond impacting just medical costs. By combining research and expertise, we set your program up for success across multiple metrics. The results: increased productivity, improved morale, improved retention, and a measurable value on investment, which often includes better control of health insurance trend.

Clients receive tangible value from HUB's Health and Performance team. With competitor brokers, an account executive might also serve as wellness consultant. At HUB, we believe you deserve our undivided attention—and our 20-plus dedicated full-time H&P specialists are 100% focused on your corporate wellness. HUB consultants direct clients through a phased,

multi-year roadmap designed to optimize corporate wellness by emphasizing awareness, participation, engagement, and accountability. In subsequent years, our focus could advance to increased clinical intervention and integrated disease management protocols.

We have an exceptional reputation with wellness vendors and medical carriers, and we work closely with each to stay on top of the latest trends. As innovators, we constantly work to enhance your overall strategy year after year. Our consulting and compliance teams ensure that our clients' wellness programs are compliant with ACA, EEOC, ADA, and GINA. HUB understands these regulatory complexities and partners with clients to ensure compliance in both program and incentive design. Our H&P team has been abundantly successful in accomplishing this, as our wellness programs have garnered local and national awards for our clients.

- **Establishment and negotiation of local direct provider contracts for specific health related services.**

HUB International will explore possibilities of direct contracting for health plan services on the behalf of the City of Galveston. We have implemented direct contracts for primary, specialty, lab / imaging, inpatient, outpatient and pharmaceutical care for our client. As part of our discovery phase we will outline potential opportunities for direct contracting based on data analytics.

HUB created a direct contracting relationship with UTMB and League City from 2017-2019 in order to replace the City's clinic contract with CareHere. CareHere had been greatly under performing in service and cost were not meeting budget standards. The immediate opportunity for access and the matching local footprint of UTMB in League City and surrounding areas made this a community relationship that made sense.

5. Identify the number and types of RFPs you have completed in the past 12 months for cities or public entities. Provide at least one real example of savings realized as a result of a single RFP.

HUB has released over 48 RFPs for our public entities over the past 12 months, including but not limited to both fully insured and self-insured medical, Stop Loss, Wellness, Disease Management Network, Savings Account Administration, Health Clinic, Accountable Care Organization, Direct Contracts, Dental, Vision, EAP Life and Disability, Pharmacy Benefit Management, and Healthcare Advocate Service.

Recently, HUB International saved one of our clients over \$786,169 dollars through an RFP for TPA, Network and PBM services. TPA fees were reduced by \$89,911, improved AWP discounts on pharmacy pricing estimated savings of \$567,384 and increased pharmacy rebates of \$128,874.

6. Identify three of your most significant accomplishments on behalf of a municipal organization or similar city in Texas. For each accomplishment, please include a client or former client's name and telephone number who can confirm each claim.

City of League City, Texas - We have saved the City over \$1,490,000 dollars in negotiated contract savings through a competitive RFP in 2019. These savings were prior to any plan design changes being made. Improved network discounts estimated at \$933,00, improved AWP discounts on pharmacy pricing estimated savings of \$260,000 and increased pharmacy rebates of \$297,000.

Janet Shirley – HR Director – (281) 554-1014

City of La Porte, Texas - We have saved the City over \$869,000 dollars in negotiated contract savings through a competitive RFP in 2019. These savings were prior to any plan design changes being made. TPA fees were reduced by \$32,000, improved AWP discounts on pharmacy pricing estimated savings of \$412,000 and increased pharmacy rebates of \$425,000..

Matt Hartlieb – HR Director – (281) 470-5025

Brazoria County, Texas – HUB International saved the County over \$786,169 dollars through an RFP for TPA, Network and PBM services. TPA fees were reduced by \$89,911, improved AWP discounts on pharmacy pricing estimated savings of \$567,384 and increased pharmacy rebates of \$128,874.

Holly Fox – HR Director – (979) 864-1797

TAB G – Required Documents and Addenda

- 1. Include all forms requiring signature, or completion, and issued addenda in this section. The pages of the RFP indicated in Appendix A should also be in this section.**

Appendix A – Proposal Document

Submittal Checklist: (To determine validity of Proposal)

X Appendix A (pages 9 through 18) must be included in the submittal.

X Appendix B – G (pages 20 through 26) all forms must be complete and included in the submittal.

By checking the below box(es), you are acknowledging the contents of the document(s) relating to the listed appendices, and agreeing to their terms:

Appendix B – Conflict of Interest

Appendix E – Nepotism Statement

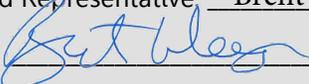
Appendix C – House Bill 89 Verification

Appendix F – Non-Collusion Statement

Appendix D – Property Tax Statement

Appendix G – Certification Regarding Debarment

X Appendix J (pages 28 through 35) must be included in the submittal.

All Proposals delivered to the City of Galveston shall include this page with the submittal.			
RFP Number:	20-16		
Project Title:	Health Benefits Consultant		
Submittal Deadline:	Wednesday, June 3, 2020 @ 2:00 p.m. CST		
Submit in person: City of Galveston Purchasing Division, 823 Rosenberg St., Room 300, Galveston, Texas 77550			
or by mail: City of Galveston Purchasing Division, PO Box 779, Galveston, Texas 77553			
Proposer Information:			
Proposer's Legal Name:	HUB International Texas, Inc		
Address:	10000 North Central Expressway, Suite 1100.		
City, State & Zip	Dallas TX 75231		
Federal Employers Identification Number #	75-1473193		
Phone Number:	214-443-2400	Fax Number:	
E-Mail Address:	brent.weegar@hubinternational.com		
Proposer Authorization			
I, the undersigned, have the authority to execute this Proposal in its entirety as submitted and enter into a contract on behalf of the Offeror.			
Printed Name and Position of Authorized Representative: <u>Brent Weegar</u>			
Signature of Authorized Representative: 			
Signed this <u>26</u> (day) of <u>May</u> (month), <u>2020</u> (year)			

Appendix A – Proposal Document (continued)

I. *REQUIRED PROPOSAL INFORMATION. IN ORDER FOR A PROPOSAL TO BE CONSIDERED COMPLETE, AND TO BE EVALUATED FOR A CONTRACT AWARD BY THE CITY, PROPOSER MUST SUBMIT ALL OF THE FOLLOWING INFORMATION*

1. Proposed Products and/or Services

- A. Product or Service Description: Proposers should utilize this section to describe the technical aspects, capabilities, features and options of the service or product and/or service proposed in accordance with the required Scope of Services as identified in Appendix J. Promotional literature, brochures, or other technical information may be used.
- B. Material Safety Data Sheets (MSDS): If applicable, the successful Proposer shall provide the City with applicable MSDS documentation as required by applicable laws and regulations.
- C. Guarantees and Warranties: Each Proposer shall submit a complete copy of any warranties or guarantees provided by the manufacturer or Proposer with the Proposal submitted.
- D. Project Schedule/Delivery Date: Proposer must provide a project schedule noting all projected completion dates for segments of the Project, from start-up to completion, and all delivery dates for goods covered by the ITB. The Proposal Document must show the number of days required to deliver and install the product or equipment after the receipt of the City’s Purchase Order.

2. Cost of Proposed Products and/or Services

- A. Pricing: Pricing shall reflect the full Scope of Services defined herein, inclusive of all associated cost for delivery, labor, insurance, taxes, overhead, and profit.
- B. Schedule of Pricing: Proposer shall quote unit pricing in accordance with the itemized listing of products or contract segments stated in the Scope of Services and using the following format:

Item #	Quantity	Description of Products/Services	Unit Cost	Extended Price
RFP 20-16	1	Health Benefits Consultant	\$ 79,500	\$
			\$	\$
			\$	\$
		TOTAL ALL LINE ITEMS	\$ 79,500	\$

3. Term of Contract and Option to Extend:

Any contract resulting from this RFP shall be effective for three (3) years upon execution by the City of Galveston. The City anticipates that contract shall be renewed pursuant to the availability of funds and at the discretion of the City. The following clauses shall be included in the contract:

- A. Option Clause: It is agreed that City will have the option to extend the contract for up to two (2) additional years, in one-year intervals. To exercise this option, the City shall serve notice 30 days prior to contract termination or to the end of any one-year extension. The Option to Extend will not be considered if funding is unavailable or if the contractor’s past performance is not within the industry standard.

- B. Escalation Clause: Should market conditions prevail which dictate an increase, the successful contractor may submit documentation requesting permission to increase pricing no later than 30 days after receiving notice from the City of its intent to extend the agreement. Escalation may only occur at the time of renewal and only upon securing the approval of the City in writing. Requests for price adjustments must be solely for the purpose of accommodating an increase in the contractor's cost, not profits.

Vendors shall show in this quote their anticipated percent of escalation if/when the option to extend is exercised. The percent quoted will be a maximum. In addition, the percentage proposed will be a factor in determining the best value to the City. It is the average price over the period of the contract that will be the price factor considered in the evaluation of this quote. Quotes in which negative or no escalation is shown will be considered as 0% escalation.

- C. Price Increases Upon Extension: If approved by the City, the Contractor shall modify the rates charged by the Contractor to reflect any changes shown in the comparative statement delivered to the City. The maximum increase allowed under this provision shall be two percent (2%) per year. The City of Galveston will not accept, or agree, to any escalation clause higher than two percent (2%) per year. If an escalation clause of greater than the maximum allowed by the City, as stated previously, is inserted in the blanks below, the City will consider that the amount of escalation is 0%. The City shall have authority, in its reasonable discretion, to determine the validity of any change in Contractor's rates. City cannot exercise the Option to Extend with any price increases unless the Vendor completes the section of the Quote requesting anticipated percentage of annual escalation. The escalation time frame will be determined by the City's Fiscal Year which begins in October and ends the following September. (example: FY 2017 October 1, 2016 – September 30, 2017)

FIRST ADDITIONAL YEAR (FY 2024) ESCALATION 2 %
SECOND ADDITIONAL YEAR (FY 2025) ESCALATION 0 %

4. Proposer's Experience / Staff

- A. Project Team: Identify all members of the Proposer's team (including both team members and management) who will be providing any services proposed and include information which details their experience.
- B. Removal or Replacement of Staff: If an assigned staff person must be removed or replaced for any reason, the replacement person must be approved by City prior to joining the project.
- C. Business Establishment: State the number of years the Proposer's business has been established and operating. If Proposer's business has changed names or if the principals operating the business operate any similar businesses under different names, or have operated any other businesses or changed the legal status or form of the business within the last five (5) years, all names, of predecessor business names, affiliated entities, and previous business entities operated by the principals, if different than present, must be provided;

State the number of years' experience the business has: 22 ; **and the number of employees:** 252 .

D. Project Related Experience: All Proposals must include detailed information that details the Proposer’s experience and expertise in providing the requested services that demonstrates the Proposer’s ability to logically plan and complete the requested project.

5. References – This section is required.

Proposer shall provide five (5) references where Proposer has performed similar to or the same types of services as described herein. Proposer shall provide references not affiliated with the City of Galveston, or any of its employees.

Reference #1:

Client / Company Name: City of Wichita Falls	
Contact Name: Christie Klyn	Contact Title: Director of Human Resources
Phone: 940-761-7633	Email: christi.klyn@wichitafallstx.gov
Date and Scope of Services Provided: Health and Benefits Consulting	

Reference #2:

Client / Company Name: City of Longview	
Contact Name: Mary Ann Miller	Contact Title: Director of Administration
Phone: 903-237-1014	Email: mmiller@longviewtexas.gov
Date and Scope of Services Provided: Health and Benefits Consulting	

Reference #3:

Client / Company Name: City of Pearland	
Contact Name: Michelle Graham	Contact Title: HR Director
Phone: 281-652-1600	Email: mgraham@pearlandtx.gov
Date and Scope of Services Provided: Health and Benefits Consulting	

Reference #4:

Client / Company Name: City of Sugar Land	
Contact Name: Paula Kutchka	Contact Title: Director of Human Resources
Phone: 281-275-2735	Email: plutchka@sugarlandtx.gov
Date and Scope of Services Provided: Health and Benefits Consulting	

Reference #5:

Client / Company Name: City of Richardson	
Contact Name: Jose Moreno	Contact Title: Director of Human Resources
Phone: 972-744-4002	Email: jose.moreno@cor.gov
Date and Scope of Services Provided: Health and Benefits Consulting	

6. Trade Secrets and/or Confidential Information

Trade Secrets and/or Confidential Information: This proposal ___ (does) ___ (does not) contain trade secrets and/or confidential information. If applicable, describe such trade secrets and confidential information, and the basis for your assertion that such material qualifies for legal protection from disclosure.

7. Federal, State and/or Local Identification Information

- A. Centralized Master Bidders List registration number: _____.
- B. Prime contractor HUB / MWBE registration number: _____.
- C. An individual Proposer acting as a sole proprietor must also enter the Proposer’s Social Security Number: # _____ - _____ - _____.
- D. Dun and Bradstreet Number - Data Universal Numbering System (DUNS):
151545746_____.
- E. All vendors contracting with the City of Galveston may be required to register, or have an active registration with the System for Award Management (SAM.gov). Registration is free. The System for Award Management (SAM) is the official registration required prior to bidding on a contract with any federal government agency, including local governments who receive federal funds. Registration must be completed prior to contract award by City Council. Registering online is accomplished on the SAM website here: <https://www.sam.gov/portal/SAM/##11#1>.

8. Emergency Business Services Contact Notice

During a natural disaster, or homeland security event, there may be a need for the City of Galveston to access your business for products or services after normal business hours and/or holidays. The City may request City employee pick up or vendor delivery of product or services.

For this purpose, a primary and secondary emergency contact name and phone number are required. It is critical the vendor’s emergency contact information remains current. City shall be contacted by E-mail with any change to a contact name or phone number of these emergency contacts. Updates may be emailed to **purchasing@galvestontx.gov**.

All products or services requested during an emergency event are to be supplied as per the established contract prices, terms and conditions. The vendor shall provide the fee (pricing) for an after-hours emergency opening of the business, if any. In general, orders will be placed

using a City of Galveston procurement card (Master Card) or City issued Purchase Order. The billing is to include the emergency opening fee, if applicable.

The contractor shall provide the names, phone numbers and fee (pricing), if any, for an after-hours emergency opening of the business listed below.

Business Name: HUB International Texas, Inc

Contract #: RFP 20-16 Health Benefits Consultant

Description: Insurance brokerage

Primary Contact (Name): Julian Fontana

Primary Contact Phone Numbers: Home: _____ Cell: 469-391-9022

Secondary Contact (Name): Brent Weegar

Secondary Contact Phone Numbers: Home: _____ Cell: 214-443-2429

After Hours emergency opening fee, if applicable: \$ N/A

9. Cooperative Governmental Purchasing Notice

Other governmental entities maintaining inter-local agreements with the City, may desire, but are not obligated, to purchase goods and services defined in this RFP from the successful Proposer. All purchases by governmental entities, other than the City, will be billed directly to and paid by that governmental entity. The City will not be responsible for another governmental entity's debts. Each governmental entity will place their own orders with the successful Proposer and be responsible for ensuring full compliance with the RFP specifications. Prior to other governmental entities placing orders, the City will notify the successful Proposer of their intent.

Please indicate below if you will permit other governmental entities to purchase from your agreement with the City.

Yes, Others can purchase purchase.

No, Only the City can purchase.

II. ***CONTRACT TERMS AND CONDITIONS. EXCEPT WHERE PROPOSER MAKES SPECIFIC EXCEPTION IN THE SUBMITTED PROPOSAL, ANY CONTRACT RESULTING FROM THIS RFP WILL CONTAIN THE FOLLOWING TERMS AND CONDITIONS, WHICH PROPOSER HEREBY ACKNOWLEDGES, AND TO WHICH PROPOSER AGREES BY SUBMITTING A PROPOSAL:***

1. **Delivery of Products and/or Services**

A. **Payment Terms:** Unless otherwise specified in the Scope of Services or otherwise agreed to in writing by the City, payment terms for the City are Net 30 days upon receipt of invoice. Refer to Texas Local Government Code 2251, Payment for Goods and Services. Otherwise known as the Prompt Payment Act. Send all invoices to City of Galveston Attention: Accounts Payable, PO Box 779, Galveston, Texas 77553 or email: accountspayable@galvestontx.gov. See Appendix H for ACH Payment Information, if you elect to receive your payments according to Appendix H, fill out the form and return with your documents.

- B. Warranty of Products and Services: All products furnished under this contract shall be warranted to be merchantable and good quality and fit for the purposes intended as described in this Proposal, to the satisfaction of City and in accordance with the specifications, terms, and conditions of the Scope of Services, and all services performed shall be warranted to be of a good and workmanlike quality, in addition to, and not in lieu of, any other express written warranties provided.
- C. Late Delivery or Performance: If Proposer fails to deliver acceptable goods or services within the timeframes established in the Project Schedule, the City shall be authorized to purchase the goods or services from another source and assess any increase in costs to the defaulting Proposer, who agrees to pay such costs within ten days of invoice.
- D. FOB (delivery charges): All products offered shall be FOB final destination, with all delivery charges to be prepaid by the Proposer. The City does not accept C.O.D. or collect shipments. The contract price shall include all charges, including delivery, installation and set-up fees. All packing, crating, or other debris resulting from the delivery or set-up of the commodity purchased shall be removed and properly disposed by the successful Proposer at no additional cost to the City.
- E. Title to Goods and Risk of Loss: For goods to be provided by Proposers hereunder, if any, the title and risk of loss of the goods shall not pass to City until City actually receives, takes possession, and accepts the goods and the installation of such goods, has tested the system, and determined that it is in good and acceptable working order.
- F. Force Majeure: If by reason of Force Majeure either party shall be rendered unable, wholly or in part, to carry out its responsibilities under this contract by any occurrence by reason of Force Majeure, then the party unable to carry out its responsibility shall give the other party notice and full particulars of such Force Majeure in writing within a reasonable time after the occurrence of the event, and such notice shall suspend the party's responsibility for the continuance of the Forced Majeure claimed, but for no longer period. Force Majeure means acts of God, floods, hurricanes, tropical storms, tornadoes, earthquakes, or other natural disasters, acts of public enemy, acts of terrorism, sovereign conduct, riots, civil commotion, strikes or lockouts, and other causes that are not occasioned by either Party's conduct which by the exercise of due diligence the party is unable to overcome and which substantially interferes with operations.
- G. Liquidated Damages: This section left intentionally blank.
- H. Change Orders: per Texas Local Government Code Sec. 252.048. CHANGE ORDERS.
- (a) If changes in plans or specifications are necessary after the performance of the contract is begun or if it is necessary to decrease or increase the quantity of work to be performed or of materials, equipment, or supplies to be furnished, the governing body of the municipality may approve change orders making the changes.
- (b) The total contract price may not be increased because of the changes unless additional money for increased costs is appropriated for that purpose from available funds or is provided for by the authorization of the issuance of time warrants.
- (c) If a change order involves a decrease or an increase of \$50,000 or less, the governing body may grant general authority to an administrative official of the municipality to approve the change orders.

(c-1) If a change order for a public works contract in a municipality with a population of 300,000 or more involves a decrease or an increase of \$100,000 or less, or a lesser amount as provided by ordinance, the governing body of the municipality may grant general authority to an administrative official of the municipality to approve the change order.

(d) The original contract price may not be increased under this section by more than 25 percent. The original contract price may not be decreased under this section by more than 25 percent without the consent of the contractor.

2. **Miscellaneous**

- A. Independent Contractor: Proposer agrees that Proposer and Proposer's employees and agents have no employer-employee relationship with City. Proposer agrees that if Proposer is selected and awarded a contract, City shall not be responsible for the Federal Insurance Contribution Act (FICA) payments, Federal or State unemployment taxes, income tax withholding, Workers Compensation Insurance payments, or any other insurance payments, nor will City furnish any medical or retirement benefits or any paid vacation or sick leave.
- B. Assignments: The rights and duties awarded the successful Proposer shall not be assigned to another without the written consent of the Purchasing Supervisor. Such consent shall not relieve the assigner of liability in the event of default by the assignee.
- C. Liens: Proposer shall indemnify and save harmless the City against any and all liens and encumbrances for all labor, goods, and services which may be provided to the City by Proposer or Proposer's vendor(s), and if the City requests, a proper release of all liens or satisfactory evidence of freedom from liens shall be delivered to the City.
- D. Gratuities / Bribes: Proposer certifies that no bribes in the form of entertainment, gifts, or otherwise, were offered or given by the successful Proposer, or its agent or representative, to any City officer, employee or elected representative, with respect to this RFP or any contract with the City, and that if any such bribe is found to have been made this shall be grounds for voiding of the contract
- E. Financial Participation: Proposer certifies that it has not received compensation from the City to participate in preparing the specifications or RFP on which the Proposal is based and acknowledges that this contract may be terminated and/or payment withheld if this certification is inaccurate.
- F. Required Licenses: Proposer certifies that he holds all licenses required by the State of Texas for a provider of the goods and/or services described by the Scope of Services herein.
- G. Authority to Submit Proposal and Enter Contract: The person signing on behalf of Proposer certifies that the signer has authority to submit the Proposal on behalf of the Proposer and to bind the Proposer to any resulting contract.
- H. Authority to Enter Contract – City: The City Manager is the only person authorized to execute contracts on behalf of the City. All signature pages must include "approved as to form" and be signed by the City Attorney before the City Manager will execute the contract. Neither department heads nor elected officials are authorized to sign any binding contracts or agreements prior to being properly placed on the City Councils agenda and approved in an open meeting. Department heads and other elected officials are not authorized to enter into any type of agreement or contract on behalf of the City of Galveston. Only the City Manager may enter into a contract on behalf of the City of Galveston as authorized by City Council and the City Charter. Additionally, department heads and other elected officials are not authorized to agree to any type of supplemental agreements or contracts for goods or services. Supplemental agreements are subject to review by the City's Legal Department prior to being signed by the City Manager, (City's authorized representative).

- I. Compliance with Applicable Law: Proposer agrees that the contract will be subject to, and Proposer will strictly comply with, all applicable federal, state, and local laws, ordinances, rules, and regulations.
- J. Non-Discrimination: During the performance of this contract, the contractor agrees as follows: (1) The contractor will not discriminate against any employee or applicant for employment because of race, age, disability, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants and employees are not discriminated against on the basis of race, age, disability, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause. (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, age, disability, color, religion, sex or national origin. (3) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

3. **Financial Responsibility Provisions**

- A. Insurance: The Proposer, consistent with its status as an independent contractor, shall carry, and shall require any of its subcontractors to carry, at least the following insurance in such form, with such companies, and in such amounts (unless otherwise specified in the Scope of Services, Appendix J) as City may require, naming the City of Galveston as the additional insured:
 - i. Worker's Compensation and Employer's Liability insurance, including All States Endorsement, to the extent required by federal law and complying with the laws of the State of Texas;
 - ii. Commercial General Liability insurance for at least One Million Dollars (\$1,000,000) on a per occurrence basis, with a Two Million (\$2,000,000) aggregate. Blanket Contractual Liability, Broad Form Property Damage, Personal Injury, Completed Operations/Products Liability, Premises Liability, Medical Payments, and Broad Form General Liability Endorsements;
 - iii. Comprehensive Automobile Liability insurance covering all owned, non-owned or hired automobiles to be used by the Contractor, with coverage at the minimum State of Texas requirements;
 - iv. Professional Liability, Errors and Omissions in an amount to be determined in the Scope of Services.

Insurance coverage shall be on an "occurrence basis"

- B. **Indemnification:** In Accordance with State Law, the contractor agrees to indemnify, save, and hold harmless the City of Galveston, Texas, its employees, officials, and agents from any and all claims, actions, damages, lawsuits, proceedings, judgements, or liabilities, for personal injury, death, or property damage resulting from the acts or omissions of anyone under the contractor's supervision or control.

In the event of any cause of action or claim asserted by a party to this agreement or any third party, the City will provide the contractor with timely notice of such claim, dispute or notice. Thereafter, the contractor shall at its own expense, faithfully and completely defend and protect the City against any and all liabilities arising from this claim, cause of action, or notice.

- i. **Indemnity for Intellectual Property:** Proposer hereby warrants that the use or sale of the products, materials and services delivered hereunder will not infringe on the rights of any trade secrets, patent, copyright, registered trademark, or other intellectual property by right covering such materials and the successful Proposer agrees to indemnify and hold harmless the City for any and all costs, expenses, judgments, and damages which the City may have to pay or incur.
- C. **Bond Requirements:** If applicable, per the Scope of Work, prior to the commencement of work on this Project, Offeror shall deliver to the City the following bonds issued by a good and sufficient surety licensed by the State of Texas and satisfactory to the City, unless otherwise stated below:
- i. Bid bonds are required for bids over \$25,000.00 in the amount of 5% of the total bid amount. This must be issued by a good and sufficient surety licensed by the State of Texas and satisfactory to the City, or a Cashier's Check.
 - ii. A payment bond in the amount of 100% of the total contract amount insuring the full and prompt payment of all persons performing labor and/or furnishing materials in connection with this Project;
 - iii. A performance bond in the amount of 100% of the total contract amount insuring full, faithful, and prompt performance of the responsibilities contained in this contract within the time parameters provided herein; and
 - iv. A maintenance bond insuring full and prompt maintenance, repair and/or replacement of the goods to be provided by Bidder for a period of two years from date of acceptance by the City.

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor or other person doing business with local governmental entity

FORM CIQ

N/A

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

**OFFICE
USE
ONLY**

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

Date Received

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

1. Name of person who has a business relationship with local governmental entity.

2. Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3. Name of local government officer with whom filer has employment or business relationship.

 Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

- A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?
 Yes No
- B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?
 Yes No
- C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?
 Yes No
- D. Describe each employment or business relationship with the local government officer named in this section.

4. 

 Signature of person doing business with the governmental entity

05-26-2020

 Date

Adopted 06-29-2007

THIS DOCUMENT MUST BE COMPLETED AND SUBMITTED AS IT IS A PART OF THE SOLICITATION PACKAGE AS MENTIONED IN SECTION 6B OF THE PROPOSAL.

Appendix C - House Bill 89 Verification

Pursuant to Sections 2270.001, 2270.002, 808.001, Texas Government Code:

1. *"Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and*
2. *"Company" has the meaning assigned by Section 808.001, except that the term does not include a sole proprietorship.*
3. *Section only applies to a contract that is between a governmental entity and a company with 10 or more full-time employees; and has a value of \$100,000 or more that is to be paid wholly or partly from public funds of the governmental entity.*

I, Brent Weegar (Person name), the undersigned representative of (Company or Business Name) HUB International Texas, Inc. (hereinafter referred to as Company)

being an adult over the age of eighteen (18) years of age, after being duly sworn by the undersigned notary, do hereby depose and verify under oath that the company named-above, under the provisions of Subtitle F, Title 10, Government Code Chapter 2270::

- a. **Does not boycott Israel currently; and**
- b. **Will not boycott Israel during the term of the contract the above-named Company, business or individual with the City of Galveston, Texas.**

05/26/2020
DATE


SIGNATURE OF COMPANY REPRESENTATIVE

THIS DOCUMENT MUST BE COMPLETED AND SUBMITTED AS IT IS A PART OF THE SOLICITATION PACKAGE AS MENTIONED IN SECTION 6B OF THE PROPOSAL.

Appendix D – Property Tax Statement

FAILURE TO COMPLETE THIS ATTACHMENT SHALL RESULT IN THE PURCHASING SUPERVISOR DEEMING YOUR BID OR PROPOSAL "NON-RESPONSIVE."

The City of Galveston, Texas has adopted the following policy:

The City of Galveston will not do business with any person or business that owes delinquent property taxes to the City.

Please indicate whether you or your company, owe delinquent property taxes to the City whether an assumed name, partnership, corporation, or any other legal form.

I do not owe the City property taxes that are delinquent.

I owe City property taxes that are delinquent on property located at

Brent Weegar
Proposer's Printed or Typed Name


Proposer's Signature

05/26/2020
Date

THIS DOCUMENT MUST BE COMPLETED, SIGNED, AND SUBMITTED AS IT IS A PART OF THE SOLICITATION PACKAGE AS MENTIONED IN SECTION 6B OF THE PROPOSAL.

Appendix E – Nepotism Statement

FAILURE TO COMPLETE THIS ATTACHMENT SHALL RESULT IN THE PURCHASING SUPERVISOR DEEMING YOUR BID OR PROPOSAL “NON-RESPONSIVE.”

The Bidder or Proposer or any officer, if the Bidder or Proposer is other than an individual, shall state whether Bidder or Proposer has a relationship, either by blood or marriage, with any official or employee of the City of Galveston by completing the following:

If the Proposer or Bidder is an individual:

_____ I am not related by blood or marriage to any official or employee of the City of Galveston

_____ I am related by blood or marriage to the following official(s) or employee(s) of the City of Galveston

Name and title of City Official

Or employee: _____

Relationship: _____

If the Bidder or Proposer is **NOT** an individual:

The officers of the company submitting this bid or proposal are not related by blood or marriage to any official or employee of the City of Galveston.

_____ The officers of the company submitting this Proposal are related by blood or marriage to the following official(s) or employee(s) of the City of Galveston.

Name and title of officer: _____

Employee and title of City Official or Employee: _____

Relationship: _____

THIS DOCUMENT MUST BE COMPLETED AND SUBMITTED AS IT IS A PART OF THE SOLICITATION PACKAGE AS MENTIONED IN SECTION 6B OF THE PROPOSAL.

Appendix F – Non-Collusion Statement

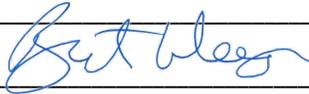
THE UNDERSIGNED AFFIRM THAT THEY ARE DULY AUTHORIZED TO EXECUTE THIS CONTRACT, THAT THIS COMPANY, FIRM, PARTNERSHIP OR INDIVIDUAL HAS NOT PREPARED THIS PROPOSAL IN COLLUSION WITH ANY OTHER PROPOSER, AND THAT THE CONTENTS OF THIS PROPOSAL AS TO PRICES, TERMS OR CONDITIONS OF SAID PROPOSAL HAVE NOT BEEN COMMUNICATED BY THE UNDERSIGNED NOR BY ANY EMPLOYEE OR AGENT TO ANY OTHER PERSON ENGAGED IN THIS TYPE OF BUSINESS PRIOR TO THE OFFICIAL OPENING OF THIS PROPOSAL.

VENDOR HUB International Texas, Inc

ADDRESS 10000 North Central Expressway, Suite 1100. Dallas TX 75231

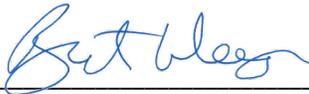
PHONE 214-443-2400

FAX _____

PROPOSER (SIGNATURE) 

PROPOSER (PRINTED NAME) Brent Weegar

POSITION WITH COMPANY Senior Vice President, Public Sector Practice Leader

SIGNATURE OF COMPANY OFFICIAL
AUTHORIZING THIS PROPOSAL 

COMPANY OFFICIAL
(PRINTED NAME) Brent Weegar

OFFICIAL POSITION Senior Vice President, Public Sector Practice Leader

THIS DOCUMENT MUST BE COMPLETED, SIGNED, AND SUBMITTED AS IT IS A PART OF THE SOLICITATION PACKAGE AS MENTIONED IN SECTION 6B OF THE PROPOSAL.

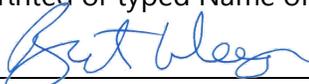
**Appendix G – Document 00435
The City of Galveston, Texas**

**PROPOSER’S CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY
AND VOLUNTARY EXCLUSION (49 CFR PART 29)**

The undersigned certifies, by submission of this proposal or acceptance of this contract, that neither Contractor nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. Proposer agrees that by submitting this proposal that Proposer will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts, and subcontracts. Where the Proposer or any lower tier participant is unable to certify to this statement, that participant shall attach an explanation to this document.

Certification-the above information is true and complete to the best of my knowledge and belief.

Brent Weegar
(Printed or typed Name of Signatory)


(Signature)

05-26-2020
(Date)

NOTE: The penalty for making false statements in offers is prescribed in **18 U.S.C. 1001**

END OF DOCUMENT 00435-FAA

**THIS DOCUMENT MUST BE COMPLETED, SIGNED, AND SUBMITTED AS IT IS A
PART OF THE SOLICITATION PACKAGE AS MENTIONED IN SECTION 6B OF THE
PROPOSAL.**



ACH Payment Agreement Form

Authorization Agreement

I hereby authorize the City of Galveston to initiate ACH deposits to my account at the financial institution named below.

Further, I agree not to hold the City of Galveston responsible for any delay or loss of funds due to incorrect or incomplete information supplied by me or by my financial institution, or due to an error on the part of my financial institution in depositing funds to my account.

This agreement will remain in effect until the City of Galveston receives a written notice of cancellation from me or my financial institution, or until I submit a new ACH Payment Agreement Form to the City of Galveston Finance Department.

Account Information

Name of Financial Institution: _____

Financial Institute Address: _____

Routing Number: _____

Account Number: _____

SWIFT Code: (if applicable) _____

Executed agreement must include a confirmation of the banking information from an Authorized Bank Official on bank letterhead with the Authorized Bank Official's business card.

Signature

Company Name: _____

Authorized Signature: _____

Printed Name: _____ Title: _____

Contact Phone Number: _____ Date: _____

FOR CITY USE ONLY:

Verified by: _____ Date Verified: _____

THIS FORM IS OPTIONAL; IT CAN BE RETURNED WITH FIRST INVOICE AFTER AWARD.

Appendix J – Scope of Services

1. Project Title: RFP 20-16 Health Benefits Consultant.

2. Scope of Services Contact

Questions about the technical nature of the Scope of Services will be directed to the **Purchasing Division**, Phone. 409.797.3579, e-mail: purchasing@galvestontx.gov.

3. Special Conditions

There are no bonding requirements for this solicitation.

Proposal submittals must be uploaded to the City’s online electronic submission portal here: [Click Here to Upload Submittal](#).

4. Proposal Evaluation Factors

Emphasis	Factor
20	Qualifications & Experience
10	Company Operational Information
25	Rates, Fees, and Expenses
15	References
30	Consultant Qualifications Questionnaire

5. Brand Manufacture Reference

The City has determined that any manufacturer’s brand defined in the Scope of Services meets the City’s product and support need. The manufacturer’s reference is not intended to be restrictive, and is only descriptive of the type and quality the City desires to purchase. Quotes for similar manufactured products of like quality will be considered if the Proposal is fully noted with the manufacturer’s brand name and model. The City reserves the right to determine products and support of equal value, and whether other brands or models meet the City’s product and support needs.

6. Key Events Schedule

Proposal Release Date	May 3, 2020
Deadline for Submittal of Written Questions	May 18, 2020 @ 2:00 p.m. CST
Sealed Proposals Due to and Opened by City	June 3, 2020 @ 2:00 p.m. CST
Anticipated Committee Evaluation Review Date	June 2020
Anticipated Award Date	June 2020

7. Scope of Services

1. Introduction:

The City of Galveston's Human Resources Department ("HR") and the Board of Trustees for the Health Benefits Plan (the "Board") is responsible for the administration of the City's self-funded health insurance plan and other associated benefits offered to eligible employees. Given the rapid changes in the healthcare environment, it is the goal of the City to select a single firm to provide consulting services as outlined in this RFP, thus ensuring member accessibility to a competitive and affordable (according to market standards) health benefit plan. Benefits as established under the health plan are extended to all eligible employees, retirees, and/or dependents of the City, Galveston Island Park Board, and Port of Galveston.

1.1. Clarification and Interpretation of RFP

1.1.1. The words "must" or "will" or "shall" in this RFP indicate mandatory requirements. Taking exception to any mandatory requirement will be grounds for rejection of the proposal.

1.1.2. The City desires to avoid any misunderstanding where it is assumed that a feature is included in the proposal and turns out to be an optional, extra cost feature. As such, any question answered with an indication of compliance will be considered included at no additional cost. Any service that is referred to in the body of this response (does not pertain to attachments and brochures) will be considered included in the basic offer.

1.2. Purpose

1.2.1. The purpose of this RFP is to provide minimum requirements, solicit proposals, and gain adequate information from which the City may evaluate the Proposer's products and services as they compare to other providers and as they pertain to the needs of the City's organization as defined in this document.

2. Background Information:

2.1. General Information About the City

2.1.1. The City of Galveston is a home-rule municipality with a Council / Manager form of government. The City offers a full range of municipal services to its citizens and visitors alike, including police and fire protection; animal control; water and sanitary sewer utilities; construction of streets, drainage, and other infrastructure; parks and recreational activities including a swimming pool and other facilities used for various cultural and civic activities. The City provides solid waste collection services and operates a "drop-off" recycling center. The Scholes International Airport, Municipal Court, and Island Transit are also operated by the City of Galveston.

2.2. General Information About the Health Plan

2.2.1. Currently, there are approximately 750 benefit-eligible employees and 19 retirees enrolled in the City's self-funded medical plan. Another 200 benefit-eligible employees from the Port of Galveston and the Galveston Island Park Board are also on the City's medical plan pursuant to separate Interlocal Agreements made in accordance with Chapter 791 of the Texas Government Code.

2.2.2. A Board of Trustees was created under Chapter 172 of the Local Government Code to manage the City's self-funded medical plan. The current "Insurance Plan Year," as established by the Board, coincides with the calendar year – January 1st to December 31st.

3. Scope of Work:

3.1. General

A list of service requirements and engagement responsibilities include the following:

- Serve the City as an advisor, which includes the preparation of the City's RFP for health plan design and content when necessary.
- Review, on an ongoing basis, the existing health benefit plan for competitiveness, appropriateness and overall acceptance by plan participants.
- Serve and assist the City in negotiating benefits provider contract(s) resulting from the review and recommendations noted above. Provide the City underwriting data and evaluation services to support contract modifications such as benefit differentials and funding options.
- Negotiate, when appropriate, long-term rate(s)/service guarantees designed to meet the service delivery and financial plan of the City.
- Assist the City in preparing periodic reports to the City Council, City Manager or Human Resources Director on the progress, applicability and overall performance of a specific plan benefit(s).
- Review utilization rates on a quarterly basis and evaluate each on the City's best option as it relates to self-funded or fully-funded plans.
- Assist the City with plan design changes, plan implementation strategies, plan design and/or benefits communications relating to coverage; integrating appropriate assignments of duties to vendors, while maintaining proper oversight/responsibilities.
- Review new or proposed administrative services provided by the City or outside vendor(s) to determine the most effective and efficient service delivery strategies.
- Assist the City with premium funding projections during its annual budget process. Review long term healthcare contribution philosophy and budgetary agenda and best strategies for applying identified resources to a meaningful long-term benefit package.
- Provide the City with overall plan management and quality assurance services including, but not limited to the following:
 - Periodic Plan Financial Reports
 - Renewal Analysis
 - Monitoring and Reporting market trends
 - Annual Financial Reports
 - Carrier Marketing and Negotiations
 - Legislative and Corporate Compliance Support
 - Administrative Functions
 - Board attendance as needed

4. Contract Terms and Conditions:

4.1. General

The selected firm shall be required to enter into a formal agreement acceptable to the City Attorney for a period of three (3) years with the option to renew for two (2) additional one (1) year periods. All rates/fees shall be fixed for the contract term.

4.2. Release

It is understood that any resulting contract executed will contain the following language:

The firm assumes full responsibility for the work to be performed hereunder and hereby releases, relinquishes, and discharges the City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person and any loss of or damage to any property that

is caused by, alleged to be caused by, arising out of, or in connection with the firm's work to be performed hereunder. This release shall apply regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance and regardless of whether such injury, death, loss, or damage was caused in whole or in part by the negligence of the City, any other party released hereunder, the firm, or any third party.

4.3. Management

Should there be a change in ownership or management, the contract shall be canceled unless a mutual agreement is reached with the new owner or manager to continue the contract with its present provisions and pricing. This contract is non-transferable by either party.

4.4. Insurance

The awarded vendor will be required to provide the City their certificate of insurance, meeting all of the City's requirements, within five (5) working days of award notification. Failure to provide the documentation within the required time frame may result in disqualification of award.

5. Instructions to Bidders:

5.1. General

This section outlines specific instructions for proposal submissions. **Proposers not adhering to these instructions shall be disqualified without further consideration.**

At the public opening, there will be no disclosure of contents to competing firms, and all proposals will be kept confidential during the negotiation process. Except for trade secrets and confidential information which the firm identifies as proprietary, all proposals will be open for public inspection after the contract award. All proposals become the property of the City of Galveston.

The City of Galveston requires comprehensive responses to every section within this RFP. Conciseness and clarity of content are emphasized and encouraged. Vague and general proposals will be considered non-responsive and will result in disqualifications. To facilitate the review of the responses, Firms shall follow the described proposal format. The intent of the proposal format requirements is to expedite review and evaluation. It is not the intent to constrain vendors with regard to content, but to assure that the specific requirements set forth in this RFP are addressed in a uniform manner amenable to review and evaluation. Failure to arrange the proposal as requested may result in the disqualification of the proposal.

Proposals shall have 1" margins and be single-sided, single spaced, using Times New Roman 12-point font. *It is requested that proposals be limited to no more than 50 pages, excluding resumes and any sample documents.* All pages of the proposals must be numbered and the proposal must contain an organized, paginated table of contents corresponding to the sections and pages of the proposal.

5.2. TAB A – Qualifications and Experience

5.2.1. Briefly introduce your firm, providing a summary of the administration, organization and staffing of your firm, including multiple offices, if applicable. Provide an organizational chart indicating the positions and names of the core management team which will undertake this engagement.

5.2.2. Identify the project manager and each individual who will work as part of this engagement. Include resumes for each person to be assigned. Include any professional designations and affiliations, certifications and licenses (General Lines Agent for Life and Health), etc.

- 5.2.3. Describe the experience of the firm in the last thirty-six (36) months in performing consulting services in similar size and scope.
- 5.2.4. Provide a copy of latest audited Annual Financial Report.
- 5.2.5. The same information must be provided for any associate firm or sub-consultant.

5.3. TAB B – Company Operational Information

- 5.3.1. Client History – Describe whether your firm (or any firm previously affiliated with your firm) has ever undergone an investigation by an outside agency pursuant to the filing of claims and describe the outcome of the investigation including ramifications to your firm or your firm’s client cities.
- 5.3.2. Describe whether your firm has ever lost an account due to concerns of improper billing practices, accusations or clients concerns of fraud as defined by applicable Federal or State Authorities.
- 5.3.3. Describe, in detail, whether your firm has ever lost an account due to breach of contract, or incurred any unfavorable contractual outcomes (to include any terminations, etc.)

5.4. TAB C – Rates, Fees and Expenses

- 5.4.1. Provide a detailed fee schedule for services related to the scope of work identified in this RFP.
- 5.4.2. Identify and list all special services and identify charges, particularly disclosure requirements.

5.5. TAB E – References

- 5.5.1. Provide references for similarly successful projects from five (5) governmental agencies. For each reference, include the dates of service, name of the agency, contact name, telephone and email address. Firms may use the form provided in Appendix A.I.5. References may utilize their own format.

5.6. TAB F – Consultant Qualifications Questionnaire

The City is interested in entering into a relationship with a benefits consultant who is able to maximize the value of the health benefit plan. This will require a consultant who is experienced with cities in Texas and/or other public entities, and who is available and accessible to the staff. To assist in the evaluation of qualifications, please answer the following questions:

- 5.6.1. Explain what separates your company from its competitors and what specifically qualifies you to be a consultant for the City.
- 5.6.2. Disclose your past and present financial relationship to any and all insurance companies, Third Party Administrators (TPA), and/or any other providers of services similar to the ones you may provide for the City of Galveston. Be specific relating to the disclosure of types of income commissions, fees, and/ or overrides.
- 5.6.3. What types of services do you provide to self-funded health plan clients? Be specific relating to areas of expertise, and the duties you perform(ed).
- 5.6.4. Describe which of the following services you have provided to your clients as well as the most significant findings of each.
 - o Claims audits of a TPA or insurance company for a self-funded health plan.
 - o Deployment of specialized Disease Management Programs/Wellness Programs.
 - o Establishment and negotiation of local direct provider contracts for specific health related services.
- 5.6.5. Identify the number and types of RFPs you have completed in the past 12 months for cities or public entities. Provide at least one real example of savings realized as a result of a single RFP.

- 5.6.6. Identify three of your most significant accomplishments on behalf of a municipal organization or similar city in Texas. For each accomplishment, please include a client or former client's name and telephone number who can confirm each claim.

5.7. TAB G – Required Documents and Addenda

- 5.7.1. Include all forms requiring signature, or completion, and issued addenda in this section. The pages of the RFP indicated in Appendix A should also be included in this section.

6. Proposal Evaluation Process:

All proposals will be screened by an evaluation committee. The evaluation committee shall screen and rate all of the responses that are submitted. A sample evaluation form is included as Attachment A of the RFP. Proposers selected for a short list may be invited to attend an interview, at the proposers' own expense. Any invitation for an oral presentation will be solely for the purpose of clarifying proposals received from each qualifying proposer, and will not represent any decision on the part of the evaluation committee as to the selection of a successful proposer.

The City's process is as follows:

- 6.1. City staff shall recommend an evaluation committee which will be used to evaluate all proposals. The City will evaluate all proposals based on the following criteria:
 - 6.1.1. **Qualifications and Experience – 20%**
 - 6.1.2. **Company Operational Information – 10%**
 - 6.1.3. **Rates, Fees, and Expenses – 25%**
 - 6.1.4. **References – 15%**
 - 6.1.5. **Consultant Qualifications Questionnaire – 30%**
- 6.2. Once proposals are scored, the evaluation team will select finalists and decide whether interviews should be conducted. After interviews are performed, if needed, the evaluation team may request the finalists to submit a Best and Final Offer (BAFO).
- 6.3. Should negotiations be unsuccessful, the City shall enter into negotiations with the next, highest ranked vendor. The process shall continue until an agreement is reached with a qualified vendor.
- 6.4. This RFP does not commit the City to pay for any direct and/or indirect costs incurred in the preparation and presentation of a response. All finalist(s) shall pay their own costs incurred in preparing for, traveling to, and attending interviews.
- 6.5. The City reserves the right to negotiate the final fee prior to recommending any vendor for a contract.
- 6.6. The City reserves the right to use all pertinent information (also learned from sources other than disclosed in the RFP process) that might affect the City's judgment as to the appropriateness of an award to the best evaluated proposer. This information may be appended to the proposal evaluation process results.



REQUEST FOR PROPOSAL _____
Month, XX, XXXX

RFP TITLE

EVALUATION MATRIX

**INSTRUCTIONS AND DIRECTIONS FOR COMPLETING
RFP EVALUATION MATRIX**

1. Complete "Proposer Name" by filling in the name of respondent being evaluated.
2. Each respondent is to be scored by the following scale:
 - 5 = Exceptional, exceeds and fully meets all requirements
 - 4 = Advantageous, exceeds some requirements
 - 3 = Meets minimal requirements
 - 2 = Addresses most of minimal requirements
 - 1 = Addresses part of minimal requirements
 - 0 = Unacceptable
3. Respondent scores are to be multiplied by the weight applied to each evaluation factor. The weight of each evaluation factor is listed on the evaluation matrix and listed within the "WEIGHT" column.
4. Extend the total of each score to the "SCORE TOTAL" column of the evaluation matrix for each evaluation factor.
5. After each evaluation factor has been scored and totaled, add the score of each evaluation factor to determine the overall "PROPOSER SCORE" for each respondent.
6. Pricing will be scored by Purchasing, or a non-committee member, and as follows: Pricing should be evaluated strictly on a formula based system with no margin for opinions. Purchasing or a non-committee member will score pricing or fees based on a simple formula. The lowest price proposed is divided by the current bid amount then multiplied by total maximum points. So if \$50,000 was the lowest for 25 points, it would look like $(50,000/50,000) \times 25 = 25$. If 65,000 was the second lowest bid..... $(50,000/65,000) \times 25 = 19.23$ points.

Evaluator Name: _____
(Printed)

Evaluator Signature: _____



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/1/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hub International Northeast Limited -NY 1065 Avenue of the Americas/ 5 Bryant Park New York NY 10018	CONTACT NAME: PHONE (A/C. No. Ext): 212-338-2000		FAX (A/C. No): 212-338-2100	
	E-MAIL ADDRESS:			
INSURED Hub International Texas Inc. Hub International Limited c/o Hub International N.E. Limited New York NY 10018	021071	INSURER(S) AFFORDING COVERAGE		
		INSURER A : Zurich American Insurance Company		NAIC # 16535
		INSURER B : Chubb Indemnity Insurance Company		12777
		INSURER C :		
		INSURER D :		
		INSURER E :		
INSURER F :				

COVERAGES

CERTIFICATE NUMBER: 1398540425

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			GLO5472010-08	6/1/2020	6/1/2021	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
							MED EXP (Any one person)	\$ 10,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ 2,000,000
							Host Liquor Liab.	\$ 1,000,000
A	<input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			BAP5472012-08	6/1/2020	6/1/2021	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
B B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	7175-19-47 - All State except CA 7176-35-33 - CA only	11/1/2019 11/1/2019	11/1/2020 11/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER	E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Certificate holder is included as additional insured under General Liability if required by written contract.

CERTIFICATE HOLDER**CANCELLATION**

City of Galveston 823 Rosenberg Galveston, Texas 77553	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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