

# City of Mesquite, Texas

## Legislation Details (With Text)

<b>File #:</b>	21-5661	<b>Version:</b>	1	<b>Name:</b>	Vol Life Marketing Analysis
<b>Type:</b>	Agenda Item	<b>Status:</b>	Passed		
<b>File created:</b>	9/23/2021	<b>In control:</b>	City Council		
<b>On agenda:</b>	10/4/2021	<b>Final action:</b>	10/4/2021		
<b>Title:</b>	RFP No. 2021-084 - Basic Term Life, Voluntary Life and Voluntary AD&D Insurance. (Authorize the City Manager to finalize and execute a contract with Dearborn Life Insurance Company, d/b/a Blue Cross and Blue Shield of Texas (Dearborn Life Insurance), effective January 1, 2022, through December 31, 2022. The term of this contract is for one year, with four additional one-year renewal options. The City Manager is authorized to exercise the renewal options, subject to appropriation of funds.)				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. Life & Vol Life Marketing Analysis BAFO, 2. Contract				

Date	Ver.	Action By	Action	Result
10/4/2021	1	City Council	Approved	Pass

RFP No. 2021-084 - Basic Term Life, Voluntary Life and Voluntary AD&D Insurance. (Authorize the City Manager to finalize and execute a contract with Dearborn Life Insurance Company, d/b/a Blue Cross and Blue Shield of Texas (Dearborn Life Insurance), effective January 1, 2022, through December 31, 2022. The term of this contract is for one year, with four additional one-year renewal options. The City Manager is authorized to exercise the renewal options, subject to appropriation of funds.)

Human Resources

**Project/Budgeted Amount**  
\$75,000.00

**Sum of Bid/Bid Amount**  
\$75,000.00

### Body

The City of Mesquite issued a Request for Proposal for Basic Term Life and Voluntary Life and Voluntary AD&D Insurance. Bid documents were broadcast through Periscope Holdings electronic bidding system, posted on the City's website and Advertisement for Bid notice was published in the Daily Commercial Record newspaper. The City received three bids for Basic Term Life Insurance from The Standard (current carrier), Dearborn Life Insurance, and Lincoln. The City's benefits consultants Holmes Murphy and McGriff, Siebel's and Williams reviewed and evaluated all proposals with staff. The established scoring parameters are captured in the attached spreadsheet evaluating the proposals.

The City provides basic life insurance to all employees at no cost. Coverage is three times annual salary for directors and two times annual salary for employees. The current monthly rate per \$1,000 of coverage is \$.030 for an average total monthly cost of \$4,200. If the City continues with the current carrier, the proposed rate will

increase to \$.065, for an average total monthly of \$8,800 per month. Dearborn Life Insurance provided the lowest monthly rate of \$.045, per \$1,000 of coverage, averaging \$6,300 per total monthly. Dearborn Life Insurance provided the best value by proposing a lower rate while maintaining current level of coverage for all employees. Additionally, the rates from Dearborn Life Insurance are guaranteed for the first three years of the five-year period referenced herein.

An option is included as part of the proposal whereby the City retains the right to review this agreement on each anniversary, provided that both parties are in mutual agreement of the terms and rates.

**Recommended/Desired Action**

Staff recommends City Council authorize the City Manager to finalize and execute a contract with Dearborn Life Insurance Company, d/b/a Blue Cross and Blue Shield of Texas, effective January 1, 2022. The contract is for one year, with four one-year renewable options.

**Attachment(s)**

Life & Vol Life Marketing Analysis BAFO  
Contract

**Drafter**

Rick French

**Head of Department**

Rick French