



City of Mesquite, Texas

Legislation Text

File #: 17-2552, **Version:** 1

RFP No. 2017-023 - Basic Term Life and Supplemental Life Insurance.

(Authorize the City Manager to finalize and execute a contract with The Standard effective March 1, 2017.)

The City of Mesquite issued a Request for Proposal for Basic Group Term Life and Supplemental Life Insurance. The City received four bids for life insurance coverage, including one from the City's current carrier, The Standard. All bids were reviewed by the City's benefits consultants Holmes Murphy, and McGriff, Seibels & Williams, in which finalists were selected and best and final offers were solicited.

The City provides basic life insurance to directors and employees at no cost. Coverage is three times annual salary for directors and two times annual salary for employees. The current monthly rate per \$1,000.00 of coverage is \$0.039 for an average monthly cost to the City of approximately \$4,600.00. The Standard provided the best value by increasing the maximum benefit amount for directors from \$300,000.00 to \$500,000.00 with no increase in the rates per thousand dollars of coverage. Additionally, the rates proposed are guaranteed for three additional years.

A renewal option is included as a part of the proposal for three additional one-year periods, renewable on the anniversary of the original date, provided that both parties are in mutual agreement of the terms and rates.

With The Standard increasing the policy limits from \$300,000.00 to \$500,000.00 for directors, monthly premiums will increase from \$4,600.00 per month to \$4,700.00 despite the unit rates remaining unchanged.

Staff recommends the City Manager be authorized to execute a contract with The Standard effective March 1, 2017.

Finalist Proposals

Jennifer Weldon

Rick French