

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	47805	Agenda Number	31.
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Meeting Date:	August 20, 2015
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Department:	Purchasing
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### Subject

Authorize negotiation and execution of a 36-month contract with DAVIS VISION, INC., or one of the other qualified offerors to Request for Proposal JRD0308, to provide City employees and retirees with an employee paid vision plan in an amount not to exceed \$3,600,000, with three 12-month extension options in an amount not to exceed \$1,200,000 per extension option, for a total contract amount not to exceed \$7,200,000.

### Amount and Source of Funding

Funding in the amount of \$900,000 is contingent upon adoption of the Fiscal Year 2015-2016 Operating Budget of the Human Resources Department. Funding for the remaining 27-months of the original contract period and extension options is contingent upon available funding in future budgets.

### Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Best evaluated proposal received.
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Prior Council Action:	
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For More Information:	Jonathan Dalchau, Senior Buyer, 512-974-2938
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Boards and Commission Action:	
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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### Additional Backup Information

The contract will provide a vision insurance plan available to City employees, retirees, and eligible dependents to provide coverage for eye exams, lenses, frames, contact lenses, and a discount on refractive surgery. The vision plan premiums will be paid entirely by employees and retirees as a pass through within the Employee Benefits Fund of the Human Resources Department.

The evaluation panel, which included benefits personnel from the Human Resources Department, evaluated the proposals based on company experience, personnel qualifications, responsiveness to the scope of work, program design, number of network providers, and total estimated cost.

This request allows for the development of a contract with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

The current vision plan insurance contract expires on December 31, 2015. However, the vendor and contract needs to be finalized before September 1, 2015 to allow the Human Resources Department to prep and develop materials for the open enrollment period scheduled to begin in October 2015. If the City is unable to enter into a contract, the City will not be able to offer a vision plan beginning January 1, 2016.

MBE/WBE solicited: 2/2

MBE/WBE bid: 0/0

#### **PRICE ANALYSIS**

- a. Adequate competition
- b. 192 notices were sent, including two MBEs and two WBEs. Five proposals were received with no response from the MBEs/WBEs.

#### **APPROVAL JUSTIFICATION**

- a. Best evaluated proposal.
- b. The Purchasing Office recommends contract award consistent with the evaluation committee.
- c. Advertised in the Austin American Statesman and on the internet.