

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 12, 2012

Board Item: V-E-2

Employee Benefit Consulting Services Contract # 14483A

Action by Consent

Action

Information

The Board requires employee benefit consulting services to support the work of the Human Resources staff. Some of the consulting services provided are actuarial services, consulting services regarding the Board's Health and Welfare Plans, and financial reporting and monitoring services, among others.

A Request for Proposal was sent to ninety-five (95) potential proposers, five (5) of whom responded. Three (3) respondents attended interviews with the selection committee to discuss their experience, qualifications and approach to providing employee benefit consulting services. Due to the experience, qualifications, references and analytical tools provided by the firm, it was determined that Gallagher Benefit Services, Inc. ("Gallagher") would provide the best value to Denver Water. Leif Associates ("Leif") has provided benefit consulting services to the Board for the last six (6) years. While Leif focused primarily on providing actuarial and consulting services, Gallagher, as a national firm with access to more industry data, is able to provide a much larger scope of services for benefit consulting to the Board.

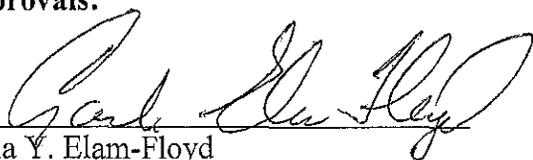
Gallagher will provide all general consulting services typically required on a yearly basis by the Board for a fixed fee of \$72,000.00 per year. This rate will be renegotiated on an annual basis after the first two years. Not included in this fee is the cost to competitively bid the Board's various health and flexible spending accounts, which will be billed at the hourly rates established in the contract. The total estimated cost of bidding out these plans is \$100,000.00. Additional funds in the amount of \$40,000.00 have been included to accommodate any increase in the yearly negotiated fee and any additional work that Gallagher may be requested to perform.

Funds for Employee Benefit Consulting Services are included in the Human Resources 2013 budget.

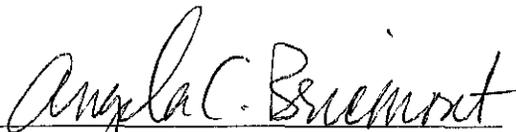
Recommendation:

It is recommended the Board authorize award of Contract No. 14483A to Gallagher Benefit Services, Inc. for Employee Benefit Consulting Services for the contract period January 1, 2013 through December 31, 2017 for a total contract amount not to exceed \$500,000.00.

Approvals:

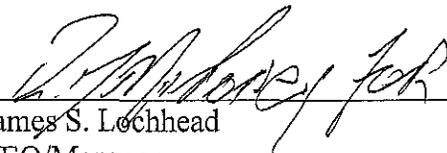


Carla Y. Elam-Floyd
Director of Human Resources



Angela C. Bricmont
Director of Finance

Respectfully submitted,



James S. Lechhead
CEO/Manager