

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Human Resources/Benefit Services

**AGENDA DATE:** December 9, 2014

**CONTACT PERSON NAME AND PHONE NUMBER:** Linda Ball Thomas, Human Resources Director  
212-1240  
Irene Morales, Human Resources Deputy Director  
212-1270  
Bruce D. Collins, Purchasing Director 212-1181

**DISTRICT(S) AFFECTED:** All

**SUBJECT:**

Approve a resolution to authorize the Purchasing Director to exercise the first option to extend the contract between the City of El Paso and Prudential Retirement to administer the City's 457(b) Deferred Compensation Plan and the 401(a) Profit Sharing Plan from January 1, 2015 through December 31, 2017.

**BACKGROUND / DISCUSSION:**

In August 2009, Prudential Retirement was awarded the administration of the City's Deferred Compensation Plans through RFP2009-097R. The initial period of administration will expire on December 31, 2014. Human Resources is requesting exercising the first option to extend this contract. The request for the extension is based on the performance of the fund assets, performance based on independent benchmarking service report as well as City's performance criteria and availability of on-line retirement tools available to the employees. This includes but is not limited to (1) plan assets have grown from \$66.6M to \$79.6M over the past three years; (2) total plan expenses and fees as measured by an outside benchmarking service (Fiduciary Benchmarks) are below the average peer group; (3) 100% of current funds are meeting performance criteria when measured against peer groups; (4) availability of employee outcome oriented tools such as the Retirement Income Calculator that articulates needs in retirement income and GoalMaker, a no cost asset allocation tool designed to appropriately asset allocate participant account balances so retirement goals can be met.

**PRIOR COUNCIL ACTION:**

In August 2009, Prudential Retirement was awarded the administration of the City's Deferred Compensation Plans through RFP2009-097R. The initial period of administration will expire on December 31, 2014.

**AMOUNT AND SOURCE OF FUNDING:** NA

**BOARD / COMMISSION ACTION:** NA

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**

Linda Ball Thomas, Human Resources Director

**COUNCIL PROJECT FORM  
(REQUEST FOR PROPOSAL)**

\*\*\*\*\***POSTING LANGUAGE BELOW**\*\*\*\*\*

Please place the following item on the **CONSENT** agenda for the Council Meeting of **December 9, 2014**.

Request that the Purchasing Director, Purchasing and Strategic Sourcing Department be authorized to exercise the City's option to extend current Contract 2009-097R (457 (b) Deferred Compensation Plan Administrator and 401 (a) Profit Sharing Administrator to Prudential Retirement Insurance Company for three (3) additional years pursuant to the provisions of the an award approved by the City Council on August 25, 2009. The extended contract period will be from January 1, 2015 to December 31, 2017.

Department:	Human Resources/Insurance & Benefits
Award to:	Prudential Retirement Insurance Company
	Hartford, CT
Item(s):	All
Option:	One [of Two]
Total Estimated Amount (3 Years)	N/A
Account No.	N/A
Funding Source:	Employee Voluntary Contributions Only
District(s):	All

This is a Request for Proposal Services (RFP) Contract.

\*\*\*\*\***ADDITIONAL INFO BELOW**\*\*\*\*\*

**MOTION**  
**AUGUST 25, 2009**

Motion made by Representative Robinson, seconded by Representative Ortega, and unanimously carried to **AWARD** Solicitation No. 2009-097R (457 (b) Deferred Compensation Plan Administrator and 401(a) Profit Sharing Administrator) to Prudential Retirement.

Department:	OMB – Insurance and Benefits
Award to:	Prudential Retirement
	Hartford, CT
Items:	All
Option:	Two 3-year Periods
Total Cost (Years 1-5):	N/A
Account No.:	N/A
Funding Source:	Employee Voluntary Contributions Only
Total Estimated Award:	N/A

This is a five year contract.

The Departments of Financial Services, Purchasing Division, and Office of Management and Budget based on evaluation factors established for this RFP recommend award to the highest ranked proposer as indicated.

Richarda Duffy Momsen, City Clerk



## Purchasing & Strategic Sourcing Department

### Seven (7) Factor Option Memo

#### Mayor

Oscar Leeser

#### City Council

##### District 1

Ann Morgan Lilly

##### District 2

Larry Romero

##### District 3

Emma Acosta

##### District 4

Carl L. Robinson

##### District 5

Dr. Michiel R. Noe

##### District 6

Claudia Ordaz

##### District 7

Lily Limón

##### District 8

Cortney C. Niland

#### City Manager

Tommy Gonzalez

To: Purchasing & Strategic Sourcing Department

From: Irene Y. Morales

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Authorized Signature

Subject: Seven (7) Factor Option

Date: November 24, 2014

Re: RFP2009-097R, 457(b) Deferred Compensation Plan and 401(a) Profit Sharing Plan Administration

Human Resources Department recommends authorizing the Option to Extend 457(b) Deferred Compensation Plan and 401(a) Profit Sharing Plan Administration for 3 years for the administration of the City's deferred compensation plans. Exercising this option would meet the following threshold considerations:

- 1. Are funds available for this Option to Extend? There are no City funds expended for the administration of the plan.*
- 2. Does the Requirement covered by this option fill an existing need of the City? Yes. The need for a third party administrator to oversee the deferred compensation plans.*
- 3. Is the option price better than the current available market price? The total plan expenses and fees as measured by an outside benchmarking service (Fiduciary Benchmarks) are below the average peer group expenses and fees.*
- 4. Is the time between the date the contract was awarded and the date the option to extend is exercised so short that the market indicates the option is the lowest price obtainable through competition or the most advantageous offer? Yes.*
- 5. Does the attached Vendor Performance Form show the vendor's performance rating to be "GOOD (7-8)" or better? Yes.*
- 6. Is the vendor currently under debarred status as per System for Award Management (SAM) [www.sam.gov](http://www.sam.gov)? NO*
- 7. Is the proposed vendor indebted to the City for any amount as documented in the City's Indebtedness Verification Form? NO*

Bruce D. Collins, CPPO

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