



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 23-0459, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF JUNE 1, 2023

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Issue purchase order and enter into an agreement for Contract 22-RFP-23 Benefits Consulting Services with Deloitte Consulting LLP in an amount not to exceed \$150,000.00, Account 101-25000-612430, Requisition 1591571 (*Deferred from the May 18, 2023 Board Meeting*)

Dear Sir:

Authorization is requested to issue a purchase order and enter into an agreement with Deloitte Consulting LLP to provide employee benefits consulting and actuarial services related to the following: development, technical evaluation, and scoring of proposals for the District's medical, pharmacy, dental and vision benefits programs; on-going regulatory compliance support related to health care reform and legislative initiatives; required annual Medicare creditable coverage attestation; benefits analysis and modeling for use during collective bargaining; benefits audit services; and analysis and input related to cost management strategies for the District's benefits programs. This contract will cover the period from July 1, 2023 through June 30, 2026.

On January 11, 2023, Contract 22-RFP-23 Benefits Consulting Services was publicly advertised. On February 10, 2023, the District received one (1) responsive proposal from Deloitte Consulting LLP (Deloitte).

The proposal was evaluated by staff from the Human Resources, Finance, and the Procurement and Materials Management Departments. The criteria for these evaluations were outlined in Contract 22-RFP-23 and included: understanding of the services, approach to the work, technical competence of the firm and assigned consultants, financial stability, compliance with insurance requirements, submission of licenses/permits, and cost. Following the preliminary evaluation of the proposal, the vendor was invited to a finalist interview.

The finalist interview was held on March 16, 2023. On March 22, 2023, a solicitation was sent to the finalist requesting an unqualified "best and final" offer. The "best and final" offer was received on March 28, 2023.

Based on the evaluation of the proposal using the criteria described above and the pricing provided in the "best and final" offer, the Human Resources Department recommends Deloitte as the vendor to provide benefits consulting services. Deloitte is a leader in public sector consulting with 15,000 professionals dedicated to this practice. Public sector clients include the State of Illinois and Cook County locally and approximately 100 water and wastewater organizations nationally. Deloitte is able to provide its clients with unbiased, independent recommendations regarding benefits programs and benefits strategies because they do not sell insurance products of their own, operate a health care exchange or accept commissions from insurance carriers. Deloitte has experience providing benefits consulting services to the District giving them an understanding of the District's current strategy and history regarding the District's benefits program. They have assisted the District with development and evaluation of numerous requests for proposals related to health benefits and have assisted with the collective bargaining process. The team assigned to the contract possesses a broad range of benefits consulting and health actuarial expertise. In addition to the assigned

team, Deloitte has a practice comprised of attorneys, policy experts and consultants dedicated to regulatory compliance that will provide regular updates on any legislative changes impacting the District benefit program. Finally, Deloitte has expertise in developing comprehensive benefits strategies to help ensure the District benefits program remains competitive in the marketplace.

The Minority and Women Business Enterprise goals for this contract are 5% MBE and/or WBE. The Diversity Section has reviewed the proposal and has concluded that Deloitte has met the requirements for Appendix A.

In view of the foregoing, it is requested that the Director of Procurement and Materials Management be authorized to award a Contract 22-RFP-23 to Deloitte in the amount of \$150,000.00. The estimated annual expenditures are as follows: \$6,000.00 in 2023, \$40,000.00 in 2024, \$95,000.00 in 2025, and \$9,000.00 in 2026.

Funds are available in Account 101-25000-602430 for 2023. Funds for 2024, 2025 and 2026 and will be contingent on the Board of Commissioners' approval of the District's budget for those years.

Recommended, Thaddeus J. Kosowski, Acting Director of Human Resources

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Respectfully Submitted, Marcelino Garcia, Chairman, Committee on Procurement

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for June 1, 2023

Attachment