

PROCUREMENT SUMMARY

HEALTH BENEFITS CONSULTING SERVICES/PS41236000

1.	Contract Number: PS41236000	
2.	Recommended Vendor: The Unisource Group, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: August 9, 2021	
	B. Advertised/Publicized: August 11, 2021	
	C. Pre-Proposal Conference: August 20, 2021	
	D. Proposals Due: September 9, 2021	
	E. Pre-Qualification Completed: October 12, 2021	
	F. Conflict of Interest Form Submitted to Ethics: October 5, 2021	
	G. Protest Period End Date: November 22, 2021	
5.	Solicitations Picked up/Downloaded: 17	Bids/Proposals Received: 1
6.	Contract Administrator: Steven Dominguez	Telephone Number: (213) 418-3158
7.	Project Manager: Jan Olsen	Telephone Number: (213) 922-7151

A. Procurement Background

This Board Action is to approve the award of Contract No. PS41236000 to The Unisource Group, Inc. to provide employee health benefits consulting and actuarial services. Board approval of contract award is subject to resolution of any properly submitted protest.

Request for Proposals (RFP) No. PS41236 was issued as a competitive procurement in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price. The RFP was open only to Metro Certified Small Business firms.

One (1) amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on August 11, 2021 revised the Pre-Proposal Conference date.

RFP No. PS41236 was released on August 9, 2021 as a competitive procurement. The solicitation was available for download from Metro's website. Advertisements were placed with the Los Angeles Daily News to notify potential proposers of this solicitation. Metro notified proposers from Metro's vendor database based on applicable North American Industry Classification System (NAICS) codes.

A virtual pre-proposal conference was held on August 20, 2021 and was attended by four participants representing four firms.

Seventeen (17) firms downloaded the RFP and were included on Metro's planholders' list. There were no questions received during the solicitation.

On September 9, 2021, one (1) proposal was received from The Unisource Group, Inc.

Metro staff canvassed all firms on the planholders' list to determine why no other proposals were received. Of the 17 firms canvassed, three firms responded. The following is a summary of the market survey:

1. Potential proposer provides insurance brokerage and employee benefits consulting services but is not a Metro certified SBE firm.
2. Potential proposer is not a Metro certified SBE firm but is interested in submitting a proposal. However, it could not find a Metro certified SBE Prime to partner with.
3. Potential proposer is a Metro Certified SBE, however, it could not find a larger, established insurance brokerage firm to team up with.

The planholders list includes four Metro certified SBE firms, five insurance brokerage firms and eight firms that provide services that are unrelated to the requested services. Of the four Metro certified SBE firms on the list, only the recommended contractor is an insurance brokerage and employee benefits consulting firm.

B. Evaluation of Proposal

A Proposal Evaluation Team (PET) consisting of staff from Management Audit Services, Maintenance and Pension and Benefits Departments was convened and conducted a comprehensive technical evaluation of the proposal received from The Unisource Group, Inc. The proposal was evaluated based on the following evaluation criteria stated in the RFP:

Phase I Evaluation – Minimum Qualification Review: This is a pass/fail criteria. The criteria focused on the proposer's experience in performing renewals for comprehensive group plans including medical, dental, life insurance, and long-term disability plans and the qualifications and experience of the proposed lead consultant.

The PET determined that the proposal received met all minimum qualification requirements and proceeded with Phase II- Technical Evaluation based on the following criteria and weights:

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|--|------------|
| • Qualification and Experience of the Firm/Team | 35 percent |
| • Qualifications and Experience of Key Personnel | 25 percent |
| • Planning Documents/Work Plan/Activity Chart | 25 percent |
| • Price | 15 percent |

The evaluation criteria are appropriate and consistent with criteria developed for similar services. Several factors were considered in developing these weights, giving the greatest importance to the qualification and experience of the firm/team.

Evaluations were conducted from September 13, 2021 through October 8, 2021. After the evaluation, the PET determined The Unisource Group, Inc. to be responsive, responsible, and qualified to perform the services based on the RFP's requirements.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	The Unisource Group, Inc.				
3	Qualification and Experience of the Firm/Team	84.45	35.00%	29.56	
4	Qualifications and Experience of Key Personnel	81.32	25.00%	20.33	
5	Planning Documents/Work Plan/Activity Chart	78.32	25.00%	19.58	
6	Price	100.00	15.00%	15.00	
7	Total		100.00%	84.47	1

C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based on the independent cost estimate (ICE), cost/price analysis and technical evaluation.

Proposer Name	Proposal Amount	Metro ICE	Award Amount
The Unisource Group, Inc.	\$1,794,100	\$2,495,000	\$1,794,100

This is a firm fixed price contract that was estimated based on historical cost, plus annual escalation. The price evaluation was based on annual firm fixed costs for the seven-year term (including options). Cost/price analysis determined the recommended award amount to be fair and reasonable.

D. Background on Recommended Contractor

The recommended firm, The Unisource Group, Inc. (Unisource), located in Encino, CA, has been providing employee benefits consulting services for a broad range of employer groups since 1990. Other services provided include risk management, cost containment and funding strategies, utilization review, project management, health risk assessment, wellness program design and human resource consulting such as strategic workforce planning, job classification and compensation and job specification review. Unisource's public sector clients include the City of Long

Beach, County of Santa Barbara, University of California, California Highway Patrol, State of California and State of Montana.

For over ten (10) years, Unisource was a subcontractor to Metro, providing similar benefits consulting services and performance was satisfactory.

Unisource's subcontractor, Alliant Employee Benefits, has been providing benefit consulting services since 1971. Collectively, the Unisource team has an extensive client base and public sector experience to provide keen insights into the costs of employee benefits and emerging strategies to maintain stability in benefits programs for public sector employers.