



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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Legislative File No: 2006-0440

TO: Mayor and City Council Members
FROM: Pamela M. Lee, Director of Human Resources
DATE: May 31, 2006
SUBJECT: Supplemental Sickness & Accident Policy for Fire Fighters

REQUEST:

Authorization to renew the current policy with VFIS for three years in the amount of \$24,918 per year is requested.

REASON FOR PURCHASE:

The VFIS policy provides duty-related life and disability benefits to paid-on-call and career fire fighters. VFIS is considered a sole source, since it is identified in the current labor contract for career fire fighters. The request is for a three-year renewal due to the premium savings over a one-year renewal. However, due to the substantial rate increase incurred for this renewal, the objective is to address the specific contract language, further evaluate the coverage and potentially obtain competitive quotes over the next one to three years.

PROCESS:

Vendor Name and Address:

Emergency Services Insurance, LLC
2850 Thornhills Avenue SE
Grand Rapids, MI 49546

Reason for Selection:

Sole source. Provider specified in current labor contract.

Method of Purchase:

Contract/Blanket Purchase Order.

BUDGET:

The renewal quote for this policy exceeds the budgeted amount and will therefore require a budget amendment. In 340.910000 Budget will be changing to personnel accounts. POC - \$6,764 (½ in 718000, ½ in 719000). FF - \$18,154 (½ in 718000, ½ in 719000)

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
206	340.910000	Insurance	\$20,000	\$24,918	(\$4,918)

RECOMMENDATION:

Approval in the amount of \$24,918 per year is requested for a three-year renewal of duty-related life and disability insurance coverage with VFIS for POCs and fire fighters is hereby recommended.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		