



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Materials Management

ACM: Mario Canizares

DATE: September 19, 2017

SUBJECT

Consider adoption of an ordinance authorizing the City Manager to execute an Interlocal Participation Agreement with the Public Employee Benefit Alliance (PEBA) under section 791.001 of the State of Texas Government Code, and to authorize the City of Denton to participate in the Deer Oaks Employee Assistance Program (EAP); authorizing the expenditure of funds therefor; and declaring an effective date (File 6537 – Cooperative Program Agreement with the Public Employee Benefits Alliance for Employee Assistance Program in the three (3) year not-to-exceed amount of \$87,000).

RFP INFORMATION

The Public Employee Benefits Alliance (PEBA) was established on January 13, 2006, pursuant to Chapter 791 of the Texas Government Code, and Subchapter 271 of the Texas Local Government Code.

PEBA was created by a group of Texas government leaders who were working together to develop strategies to manage the rising cost of providing employee benefits. By creating a public entity purchasing alliance, PEBA's goal was to provide political subdivisions with the necessary leverage to effectively negotiate with benefit vendors while continuing to be sensitive to the service requirements of public entities.

PEBA allows public entity members to pool their respective size without pooling their losses. Bringing more employees and dependents to the table, allows PEBA to have more substantial buying power in the marketplace. PEBA has contracted with the Texas Municipal League Intergovernmental Employee Benefits Pool (TMLIEBP) to provide administration of the Alliance. The City of Denton has previously utilized PEBA to secure Post-65 retiree health benefits (Medicare Supplement program).

The PEBA RFP secured very competitive rates for an Employee Assistance Program (EAP) through Deer Oaks. Additionally the City's benefits consultant (McGriff, Seibels & Williams) conducted a market evaluation (see Exhibit 2) and confirmed that the Deer Oaks price through PEBA is competitive.

Deer Oaks EAP Services is a premier national Employee Assistance and Work/Life Company dedicated to helping members improve their health and well-being through quality, cost-effective services. Their EAP model involves the use of an extensive network of providers throughout the US to meet the clinical needs of our employees. This includes the provision of confidential, professional, and comprehensive assessment, counseling, and referral services to individuals experiencing personal or professional problems. The EAP is available 24 hours per day, 7 days per week, and supports employees on a wide range of mental health topics for which short-term counseling is appropriate such as stress, anxiety, depression, grief/loss, etc.

In addition to counseling, members also have access to legal, financial, child care, elder care, and daily living consultation and referral services. Deer Oaks “Work-Life Consultants” are available day and night to assist our employees and their dependents with locating nearly endless resources such as finding care for pets, personal care, travel, home improvement contractors, education, and managing day-to-day responsibilities at home, and work.

Deer Oaks also offers a wide range of specialized organizational and manager/supervisor services ranging from telephonic management consultations, mandatory referral coordination, and conflict resolution services to training programs, critical incident response services, and health and wellness fair attendance.

The total three (3) year cost to the City for the Employee Assistance Program is estimated to be \$87,000. This amount is within the City Manager’s level of authority, so the contract with Deer Oaks will not require Council approval. However, in order to take part in these programs, the City must enter into a Cooperative Purchasing Program Agreement with PEBA, which must be agreed to by the member’s governing body.

The City’s current EAP is through Optum at a rate of \$1.53 per employee per month. All City employees (full-time, part-time, and seasonal) are eligible for services under the EAP.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The current Employee Assistance Program was approved by Council on September 11, 2012 as part of the award for RFP 4956. The agreement expires on December 21, 2017.

RECOMMENDATION

Staff recommends purchasing EAP services from Deer Oaks, through the PEBA Cooperative Purchasing Program Agreement.

PRINCIPAL PLACE OF BUSINESS

Public Employee Benefits Alliance
1821 Rutherford Lane, Suite 300
Austin, Texas 78754

Deer Oaks
126 E. Main Plaza, Suite 8
San Antonio, Texas 78205

ESTIMATED SCHEDULE OF PROJECT

Benefits under this agreement will be effective January 1, 2018, and end on December 31, 2020.

FISCAL INFORMATION

Funding for the EAP is available within the Risk Retention Fund Account#, 860002.7770.

STRATEGIC PLAN RELATIONSHIP

The City of Denton’s Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and

Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Organizational Excellence

Related Goal: 1.2 Develop a high-performance work force

EXHIBITS

Exhibit 1: Agenda Information Sheet

Exhibit 2: EAP Market Comparison

Exhibit 3: Ordinance

Exhibit 4: PEBA Interlocal Participation Agreement

Respectfully submitted:
Galen Gillum, 349-7656
Director of Capital Projects

For information concerning this acquisition, contact: Scott Payne, Risk Manager at 940-349-7836.