



Purchasing Division, Finance Department
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Room 120 | 411 West First Street | Duluth, Minnesota 55802
www.duluthmn.gov

Request for Proposals

on Behalf of the Joint Powers Enterprise

Human Resources/Employee Benefits Consultant

RFP Number 26-AA25

Issued Thursday, September 24, 2026

Proposals due Thursday, October 15, 2026, 3:00 pm Central Time

Submit to

**City of Duluth
Attn: Purchasing Division
City Hall, Room 120
411 West 1st Street
Duluth, MN 55802**

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PART I – GENERAL INFORMATION

I-1. Introduction and project Summary. The City of Duluth, on behalf of the Joint Powers Enterprise (JPE) which is comprised of the City of Duluth, Duluth Entertainment and Convention Center, Duluth Airport Authority, and Housing and Redevelopment Authority of Duluth, is seeking an Employee Benefits Consultant to act as a strategic partner in the procurement and administration of employee benefits programs. Additional details are provided in **Part IV** of this RFP.

I-2. Calendar of Events. The City will make every effort to adhere to the following schedule:

Activity	Date
Pre-proposal Conference at 10:00 AM central time	10/1/2026
Deadline to submit Questions via email to purchasing@duluthmn.gov is 12:00 NOON central time	10/7/2026
Answers to questions will be posted to the City website no later than this date.	10/8/2026
Proposals must be received in the Purchasing Office by 3:00 PM on this date.	10/15/2026
Interviews tentatively scheduled the week of:	10/26/2026

I-3. Pre-proposal Conference. The City will hold a pre-proposal conference as specified in the Calendar of Events. Interested Bidders can attend via Teams call. Please visit the [Purchasing Bids & Request for Proposals web page](#) for the link to the meeting.

I-4. Questions & Answers. Any questions regarding this RFP must be submitted by e-mail to the Purchasing Office at purchasing@duluthmn.gov no later than the date indicated on the Calendar of Events. Answers to the questions will be posted as an Addendum to the RFP.

I-5. Addenda to the RFP. If the City deems it necessary to revise any part of this RFP before the proposal response date, the City will post an addendum to its website, <http://www.duluthmn.gov/purchasing/bids-request-for-proposals/>. Although an e-mail notification will be sent, it is the Bidder's responsibility to periodically check the website for any new information. Any addenda issued must be acknowledged on the Proposal Sheet attached as Appendix A.

I-6. Interviews/Demonstrations. The City reserves the right to request interviews or demonstrations with top scoring proposers.

I-7.Rejection of Proposals. The City reserves the right, in its sole and complete discretion, to reject any and all proposals or cancel the request for proposals, at any time prior to the time a contract is fully executed, when it is in the City's or JPE's best interests. Neither the City nor the JPE is liable for any costs the Bidder incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of the contract.

I-8.Small Diverse Business Information. The City encourages participation by minority, women, and veteran-owned businesses as prime contractors, and encourages all prime contractors to make a significant commitment to use minority, women, veteran-owned and other disadvantaged business entities as subcontractors and suppliers. A list of certified Disadvantaged Business Enterprises is maintained by the Minnesota Unified Certification Program at <http://mnucp.metc.state.mn.us/> .

I-9.Award. The agreement award amount will be based on the time and materials submitted in the proposal, but will be a lump sum, not-to-exceed agreement.

I-10. Term of Contract. The term of the contract is anticipated to begin January 1, 2027, and end by December 31, 2029. The selected Bidder shall not start the performance of any work nor shall the City or JPE be liable to pay the selected Bidder for any service or work performed or expenses incurred before the contract is executed.

I-11. Mandatory Disclosures. By submitting a proposal, each Bidder understands, represents, and acknowledges that:

- A. Their proposal has been developed by the Bidder independently and has been submitted without collusion with and without agreement, understanding, or planned common course of action with any other vendor or suppliers of materials, supplies, equipment, or services described in the Request for Proposals, designed to limit independent bidding or competition, and that the contents of the proposal have not been communicated by the Bidder or its employees or agents to any person not an employee or agent of the Bidder.
- B. There is no conflict of interest. A conflict of interest exists if a Bidder has any interest that would actually conflict, or has the appearance of conflicting, in any manner or degree with the performance of work on the project. If there are potential conflicts, identify the municipalities, developers, and other public or private entities with whom your company is currently, or have been, employed and which may be affected.
- C. It is not currently under suspension or debarment by the State of Minnesota, any other state or the federal government.
- D. The company is either organized under Minnesota law or has a Certificate of Authority from the Minnesota Secretary of State to do business in Minnesota, in accordance with the requirements in M.S. 303.03.

I-12. Notification of Selection. Bidders whose proposals are not selected will be notified in writing.

PART II – PROPOSAL REQUIREMENTS

II-1. Proposal Submission. To be considered, hard copies of proposals must arrive at the City on or before the time and date specified in the RFP Calendar of Events. The City will not accept proposals via email or facsimile transmission. The City reserves the right to reject or to deduct evaluation points for late proposals.

Proposals must be signed by an authorized official. If the official signs the Proposal Cover Sheet attached as Appendix A, this requirement will be met. Proposals must remain valid for 60 days or until a contract is fully executed. Terms of the awarded proposal as stated must be valid for the project length of time.

Please submit in a sealed envelope or package one (1) paper copy of the Technical Submittal and one (1) paper copy of the Cost Submittal. The Cost Submittal is to be in its own sealed envelope but may be within the same package as the sealed Technical Submittal. The Technical Submittal must be able to be reviewed without revealing any Cost information.

All materials submitted in response to this RFP will become property of the City and will become public record after the evaluation process is completed and an award decision made.

II-2. Proposal Content.

1. Cover letter providing the history of your company
2. Comprehensive services offered (limit to 10 pages)
3. Three references

The proposal shall contain the following information:

- A. Overview of the firm's history, including servicing location, number of clients, average size of clients, client retention rate, industries you serve, number of employees, and how your benefit practice is structured within your organization, as well as your financial status and stability.
- B. Experience working with self-insured health and dental plans within a governmental and union environment. Provide references of municipalities or other government entities for whom bidder has completed similar work. Include the name and phone number of a contact person at each entity, as well as a description of the services performed, implementation date, and the names of the personnel from your office who worked on the project at each entity.
- C. Names and relevant experience of the personnel to be assigned to the project, and description of customer support philosophy and service model. Specify whether your firm has in-house compliance lawyers who provide counsel to your clients.
- D. Work plan detailing your organization's approach to the Scope of Work outlined below in Section IV-2. Include plans and proposed outcomes and deliverables for the services requested. Provide any examples of similar work.

- E. Any additional service you offer, including employee focus groups and/or surveys, HR consulting services, or other services that may be of interest. Include the cost for each additional service, but do not include them in the total annual cost.

PART III – CRITERIA FOR SELECTION

The proposals will be reviewed by City Staff. The intent of the selection process is to review proposals and make an award based upon qualifications as described therein. A 100-point scale will be used to create the final evaluation recommendations. The factors and weighting on which proposals will be evaluated are:

Qualifications of the Bidder and Personnel	25%
Prior experience with similar work	30%
Work Plan	25%
Cost	20%

PART IV – PROJECT DETAIL

IV-1. Benefit Program Information:

The City of Duluth currently offers the following benefit programs to its employees and eligible retirees:

1. Medica Health Plan – Self-funded and Fully Insured (actives and eligible retirees)
2. Delta Dental Plan (actives and eligible retirees)
3. AllOneHealth (SandCreek) EAP – Employee Assistance Program
4. Benefit Resource (BRI) – Flexible Spending Account Plan (medical, dependent daycare, and commuter benefits)
5. Minnesota Life – Group Life Insurance (actives and eligible retirees)
6. PERA Life – Group Decreasing Life Insurance (actives)
7. Deferred Compensation (457) – Minnesota State Retirement System, Empower, MissionSquare, and Nationwide
8. Health Care Savings Plan (Minnesota State Retirement System)
9. Defined benefits for public employees (PERA)
10. Worker's Comp (SFM)
11. Minnesota Paid Leave – Self-funded

IV-2. Scope of Work:

Services requested include the following but are not limited to:

A. Account Management and Client Services

- i. Inform Human Resources of changes in the insurance marketplace
- ii. Provide written update on new State or Federal legislation or judicial decisions impacting the City of Duluth's benefits and suggested action or changes in operations or procedures to assure compliance
- iii. Attend and present at Joint Powers Enterprises (JPE) board meetings – typically five meetings each year
- iv. Review programs to compare against benchmark data and determine if competitive
- v. Quarterly review with City leadership regarding actual claims, financial comparisons, cost drivers, and other relevant data
- vi. Monthly financial tracking and reporting
- vii. Completion of annual Stewardship reviews
- viii. Meet with Human Resources staff on an as needed basis to discuss issues and open items
- ix. Attend monthly meetings virtually with Human Resources staff and medical plan team

B. Core Services

- i. Strategic Planning – Assist us in outlining a benefits strategy consistent with our current and future business plans and in identifying optimal benefits for our workforce.
- ii. Cost Projections – Assist us in developing cost projections tied to our rates.
- iii. Competitive Marketing and Placement of Plans – Assist us with the competitive marketing and the placement of health and welfare plans, including the development of marketing specifications, identification of market conditions, evaluations of proposals, negotiations and placement of insurance contracts. This includes market research of new and existing markets with competitive assessments.

- iv. Annual Renewals – Provide analysis and support through the annual renewal process, including information to assist with setting premium rates.
- v. Industry Trends and Emerging Issues – Provide timely benefit consulting services on trends in the benefit industry and emerging benefit issues, including pending and/or new state or federally mandated changes and new solutions to systematic industry problems.
- vi. Employee Communications – Assist in developing employee communication and related tools. Create and distribute benefit communication pieces directed to employees, including open enrollment information.
- vii. Benchmarking and data analysis – Utilize claims analysis and other tools to assist us with benchmarking against industry standards and similar entities, and providing other custom data analysis to support strategic decision making.

C. Health and Benefits Strategy Support

- i. Analyze factors driving plan costs and recommend opportunities to better manage cost, access, and quality. Provide select claims reports on a monthly or quarterly basis. Provide cost projections for current medical, prescription drug, and dental plans – as needed.
- ii. Provide actuarial support for premium rate setting process for self-funded medical and dental plans. Benchmark medical plan costs and employee contributions on an annual or as needed basis (using published benchmark data).
- iii. Conduct as-needed review of HMO, PPO, and other network analysis to estimate cost savings potential with alternative plans and delivery mechanisms. Develop alternative employee contribution strategies and formulas, as needed.
- iv. Conduct review of business provisions in supplier/carrier contract.
- v. Prepare requests for proposals for benefit plans, including defining scope of services and service performance standards, marketing proposals, analyzing proposals, presenting a comparative analysis, completing finalist interviews, and providing a recommendation to City leadership and HR teams, as well as negotiating with selected providers for the following administrative services:
 - a. Health Plan
 - b. Medicare Supplement Plan

- c. Pharmacy Benefit Manager
- d. Dental Plan
- e. Employee Assistance Program
- f. Life Insurance
- g. Flexible Spending Account (including Travel Reimbursement)
- h. FMLA and Short- and Long-Term Disability Management (including Worker's Compensation)
- i. Deferred Compensation (457)
- j. Health Care Savings Plan
- k. Workers' Compensation

D. Wellness Strategy Support

- i. Analyze factors driving plan costs and recommend opportunities to better manage cost, access, and quality using wellness strategy.
- ii. Benchmark wellness plans and employee engagement on an annual or as needed basis (using published benchmark data).
- iii. Work with Wellness Coordinator and Wellness Committee to develop long term strategic plan/goals.
- iv. Assist in vendor selection for wellness platforms/initiatives.

E. Plan Management

- i. Negotiate/re-negotiate performance standards for carriers/suppliers, if applicable.
- ii. Conduct regular meetings with carriers/suppliers to identify issues/problems and monitor performance against performance standards.
- iii. Renewal/proposal processing, management, and negotiations, including premium, claims experience, pooling levels and charges, expense charges for plan administration, provider reimbursement arrangements within managed care delivery systems.

F. Implementation Services

- i. Help negotiate final contracts to ensure they conform to bid specifications.

- ii. Participate in design and system review meetings.
- iii. Review contracts and booklets.
- iv. Establish procedures and protocols with vendors (e.g., corporate reporting and communication).
- v. Establish procedures and protocols for healthcare/benefit provider access to and sharing of information.
- vi. Complete discount and disruption financial analysis.

IV-3. Compensation:

- A. The Consultant shall propose clear and comprehensive contract terms that support successful delivery of all services outlined in the Scope of Work. The proposal must include the following components:
 - i) **Itemized Fee Schedule** The Consultant shall provide an itemized fee schedule that includes, at minimum:
 - 1) A detailed breakdown of costs for each task or deliverable identified in the Scope of Work.
 - 2) Hourly rates for all personnel assigned to the project, along with estimated hours per task.
 - 3) Any anticipated reimbursable expenses, with cost estimates and justification.
 - 4) Costs associated with optional or post-contract services, if applicable.
 - 5) A total not-to-exceed annual project cost.
- B. **Payment Plan Based on Measurable Milestones** The Consultant shall propose a payment plan tied to the achievement of clearly defined and measurable contract milestones. At a minimum, the payment plan must outline:
 - i) Identification of each milestone.
 - ii) A description of deliverables or performance outcomes required for milestone completion.

- iii) The percentage or dollar amount of contract value payable upon completion of each milestone.
- iv) Documentation or acceptance procedures required prior to payment (e.g., written approval by the City, submission of draft or final reports, completion of presentations, etc.).

C. **Contract Performance Requirements** The Consultant shall include recommended contract terms addressing:

- i) Project management and communication expectations.
- ii) Requirements for progress reporting and status updates.
- iii) Procedures for requesting and approving any scope or schedule changes.
- iv) Responsibilities related to data confidentiality, document retention, and compliance with State and Federal regulations.
- v) Warranty of services, corrective action expectations, and timelines for addressing deficiencies in completed work.
- vi) Termination, dispute resolution, and performance remedy provisions.

D. **Budget Transparency and Cost Controls** The Consultant shall identify measures to ensure cost control throughout the project, including:

- i) Clear delineation between included and optional services.
- ii) Procedures for notifying the City of potential cost overruns and obtaining approval before incurring additional expenses.
- iii) Any cost-saving strategies available to the City.

V. APPENDICES

A. Appendix A – Proposal Cover Sheet

**APPENDIX A - SUBMISSION COVER SHEET
CITY OF DULUTH ON BEHALF OF JPE
26-AA25 RFP FOR EMPLOYEE BENEFITS CONSULTANT**

Bidder Information:	
Submitter Name	
Mailing Address	
Contact Person	
Contact Person's Phone Number	
Contact Person's E-Mail Address	
Federal ID Number	
Authorized Signature	
Name & Title of Authorized Signer	
Email of Authorized Signer	

ACKNOWLEDGEMENT OF ADDENDA

ADDENDUM #	INITIAL/DATE
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