

## RESOLUTION NO. 17-19

### Awarding a Contract for Group Life and Long-Term Disability Insurance

WHEREAS, The Airports Authority provides group life insurance and long-term disability benefits through a contract with an insurance company, which company assumes the risk for all benefit payments to which employees and retirees become entitled during the term of the contract;

WHEREAS, A portion of the insurance premiums is paid by the Airports Authority and a portion is paid by employees and retirees;

WHEREAS, In September 2015, the Human Resources Committee concurred with staff's recommendation to issue a solicitation;

WHEREAS, A Request for Proposals was issued on November 9, 2016;

WHEREAS, Metropolitan Life Insurance Company's proposal for group life and long-term disability insurance was determined to be technically superior to the other offerors and also offered the lowest price for each of the insurance products;

WHEREAS, The fixed premium rate for the three-year base term is estimated at \$7.5 million, which matches the existing rate that the Airports Authority is currently paying;

WHEREAS, As is customary within the insurance industry, Metropolitan Life Insurance Company did not offer pricing beyond the three-year base term, which will, therefore, require the Airports Authority to treat the future option periods on the contract as a sole source procurement action and exercise of those options will require future Committee and Board approval; and

WHEREAS, The Human Resources Committee is satisfied with the results of the competitive procurement process, as presented at its June 21, 2017 meeting; now, therefore, be it



RESOLVED, That the President and Chief Executive Officer is authorized and directed to enter into a contract with Metropolitan Life Insurance Company for the provision of group life insurance and long-term disability insurance for a three-year base period, consistent with the terms presented to the Human Resources Committee at its June 21, 2017 meeting.

Adopted June 21, 2017

*Monica R. Hargrove*

Monica R. Hargrove, Secretary