

COPY



KENAI PENINSULA BOROUGH

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MIKE NAVARRE
BOROUGH MAYOR

TO: Mike Navarre, Mayor

THRU: Valentina Sustaita, Purchasing & Contracting Officer *V. Sustaita*

FROM: Stormy Brown, Director of Human Resources *SB*

DATE: October 14, 2016

SUBJECT: Sole Source Request – Magellan

In 2011, the Borough contracted for the first time to add the benefit of Employee Assistance Program (EAP) for employees of the Borough. This contract was awarded after competitive bidding to Magellan due to their unique ability to deliver services in the rural areas of Alaska at a reasonable cost to the borough.

During our contract extension with Magellan in 2014, we requested and negotiated the scope of our coverage to include over 200 emergency responder volunteers, who previously did not have access to this benefit. This extension is an unusual request, but we felt it was the right thing to do as these volunteers often experience stressful and challenging events in their response duties – the same as our career responders. After much work with Magellan's legal department, we were able to negotiate this coverage for our volunteers with Magellan.

Magellan offers a significant value for this need in Alaska. Magellan works with local providers (counselors) to deliver services in locations where direct Magellan resources may not be available. Using this extended network, the borough has been able to deliver counseling services to volunteers and employees previously unserved. Their extended network in Alaska, which includes working with resources in native health organizations, is of great benefit to us in rural locations where this service has been utilized. Continuing existing counseling relationships with employees and volunteers ensures we can better serve our unique audience with uninterrupted service.

Given the above information, and in accordance to KPB 5.28.280 we believe that a sole source to Magellan - extending most provisions of the current contract and holding current pricing for the next two years - is in the best interest of the Borough. The annual contract will cost \$16,611 in FY17, and \$16,611 in FY18.

☒ Approved

☐ Disapproved

Mike Navarre
Mike Navarre, Mayor

10/17/16
Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	<u>701.11240.00000.43011</u>
Amount	<u>\$16,611 for FY17</u>
By:	<u><i>C. Chapin</i></u> Date: <u>10/14/16</u>