

CITY COUNCIL REPORT



Meeting Date: February 24, 2026
Charter Provision: *Provide for the orderly administration of the affairs of the City*
Objective: *Administration of City Operations*

ACTION

Adopt **Ordinance No. 4702** amending Section 2-180 of the Scottsdale Revised Code to allow the Purchasing Director to delegate authority for employee benefit contracts to a third-party consultant.

OWNER

Jenn Myers, Purchasing Director

BACKGROUND

At the request of the City Manager, this amendment allows the Purchasing Director to delegate procurement authority for employee benefit programs – including health, medical, dental, pharmacy, behavioral health, life insurance, disability insurance, and retirement programs – to a consultant selected through a formal request for proposal (RFP) process. The consultant will provide award recommendations; final decisions remain with the city.

ANALYSIS & ASSESSMENT

The City Manager has requested that a third-party benefit consultant conduct procurements on behalf of the city. Employee benefit procurements are highly specialized and require expertise to secure competitive offerings. Engaging a consultant through a formal RFP process ensures compliance and leverages industry expertise. Additionally, the employee benefits programs are funded through the Self Insurance Fund which requires the City's compliance with provisions outlined in Arizona Revised Statute and Scottsdale Revised Code. All procurement activities conducted by the consultant will comply with city, state, and federal regulations. Delegations may be revoked for non-compliance, conflict of interest, or if deemed in the City's best interest.

RESOURCE IMPACTS

Costs for consultant engagement are budgeted in the Human Resources self-insurance fund; no additional General Fund impact is anticipated.

Action Taken _____

The Purchasing Department will monitor all consultant activities related to procurements to ensure compliance with the Procurement Code and maintain documentation of all procurement actions.

OPTIONS & STAFF RECOMMENDATION

Recommended Approach

Adopt Ordinance No. 4702 amending Scottsdale Revised Code Section 2-180.

Proposed Next Steps

If Ordinance No. 4702 is adopted, staff will publish delegation rules and update benefit consultant contract scope.

If not adopted, procurements of employee benefit programs will remain the responsibility of the purchasing department.

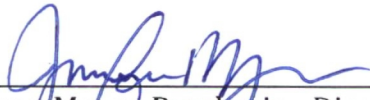
RESPONSIBLE DEPARTMENT(S)

Purchasing Department/Purchasing Director, Human Resources/HR Benefits Manager

STAFF CONTACTS (S)

Jenn Myers, Purchasing Director, (480) 312-5706, jmyers@scottsdaleaz.gov

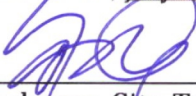
APPROVED BY



Jenn Myers, Purchasing Director
(480) 312-5706, jmyers@scottsdaleAZ.gov

2/9/26

Date



Sonia Andrews, City Treasurer
(480) 312-2364, SAndrews@ScottsdaleAZ.gov

2/9/26

Date



Greg Caton, City Manager
(480) 312-, 7759 GCaton@ScottsdaleAZ.gov

2/9/2026

Date

ATTACHMENTS

1. Ordinance No. 4702

ORDINANCE NO. 4702

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE,
MARICOPA COUNTY, ARIZONA, AMENDING ARTICLE IV, DIVISION 4 OF
CHAPTER 2 OF THE SCOTTSDALE REVISED CODE, REGARDING
PROCUREMENT OF EMPLOYEE BENEFITS PROGRAMS

WHEREAS, the City of Scottsdale has established procedures and rules for procurement for the orderly, fair and efficient procurement of goods and services by the City; and

WHEREAS, the City desires to update the Procurement Code to allow for the Purchasing Director to delegate authority for procurement of employee benefits programs to employee benefits consultants, subject to certain requirements;

BE IT ORDAINED by the Council of the City of Scottsdale as follows:

Section 1. Chapter 2, Article IV of the Scottsdale Revised Code, is hereby amended as follows, with new language shown in shaded format and deleted language in strikethrough format:

ARTICLE IV. FINANCIAL AFFAIRS
DIVISION 4. – PROCUREMENT CODE

Sec. 2-180. Purpose; director's powers and duties; delegation.

(d) *Delegation of authority for procurement of services related to employee benefits programs.* The director may delegate their authority for procurement pursuant to the requirements of this code to an outside consultant that specializes in employee benefits programs. The outside consultant must be selected through a formal request for proposal process. This section applies only to procurement of services related to the following employee benefits programs:

- (1) Health
- (2) Medical
- (3) Dental
- (4) Pharmacy
- (5) Behavioral health
- (6) Life insurance
- (7) Disability insurance
- (8) Retirement Programs

Section 2. If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Council of the City of Scottsdale this _____ day of _____, 2026.

CITY OF SCOTTSDALE, an Arizona municipal corporation

ATTEST:

By: _____
Lisa Borowsky, Mayor

By: _____
Ben Lane, City Clerk

APPROVED AS TO FORM:

Lindsay Hampshire
Luis E. Santaella, Interim City Attorney
By: Lindsay Hampshire, Assistant City Attorney