



Office of the City Manager

CONSENT CALENDAR
April 25, 2017

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Sarah Reynoso, Director of Human Resources
Subject: Contract: Emeryville Occupational Medical Center for Occupational Health Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract with Emeryville Occupational Medical Center, Inc. (EOMC), for occupational health services that include pre-employment and annual physical exams, advice, education, and consultation for the period of May 1, 2017 through June 30, 2019, in an amount not to exceed \$536,400.

FISCAL IMPACTS OF RECOMMENDATION

The anticipated cost is \$536,400 for the term of the contract. Expenditures for these services are paid for from a variety of funding sources in budgets of individual operating departments. Departments that are the primary users of this service include: Police; Fire; Public Works; Health, Housing, and Community Services; and Parks, Recreation, and Waterfront. This contract was entered into the City's contract management database and assigned CMS No. D2IXZ.

CURRENT SITUATION AND ITS EFFECTS

On July 1, 2014, the City entered into a contract, Contract No. 9687, with Muir/Diablo Occupational Medicine (Muir/Diablo) to provide occupational health services, such as: examinations of musculoskeletal system, metabolic function, immunization, respiratory capacity audiometric testing, visual acuity, cardiac and circulatory health and overall fitness.

On January 9, 2016, U.S. HealthWorks (USHW) acquired Muir/Diablo and took over services to the City under an Assignment and Assumption of the Agreement. Prior to USHW taking over the agreement, the occupational health services provided by Muir/Diablo had been satisfactory, meeting all service requirements. However, since January 2016 when USHW took over under the agreement as the City's provider, the services it has provided have been unsatisfactory and not met the service requirements of the agreement.

BACKGROUND

On February 12, 2014, the City released Request for Proposal specification number 14-10832-C and received six (6) responses from prospective bidders for Occupational Health Services. A selection committee evaluated the responses based upon the criteria set forth in the RFP. The selection committee interviewed two (2) vendors (Muir/Diablo and Emeryville Occupational Medical Center, Inc.) whose proposals were deemed to most likely to meet the needs of the City of Berkeley. Ultimately, the selection committee chose Muir/Diablo.

On May 20, 2014, Council authorized the City Manager to execute a contract with Muir/Diablo for the period of July 1, 2014 through June 30, 2019.

On January 9, 2016, USHW acquired Muir/Diablo. On February 22, 2016, the occupational medicine services contract was amended and assigned to USHW. Since USHW took over the City's contract, significant service issues have been raised by City employees and prospective employees. These issues range from inability to fully execute the appointment time requirements; excessive waiting time; delay in examination results; courtesy of staff; and administration of basic medical services.

Given the significant service deficiency issues, staff reviewed the selection committee's 2014 recommendation and in early February 2017, City staff conducted a site review and evaluation of the EOMC's facility, services, and staff. Since the selection committee's 2014 assessment of the EOMC facility, EOMC expanded and upgraded its physical location, and added staff enhancing in-house and on-site medical examinations capability and testing to meet and/or exceed the City's objectives for employee occupational medicine. At its facility, EOMC is able to perform all City-required services, including pre-employment physical exams; Police Peace Officer Standards and Training (P.O.S.T) and Fire National Fire Protection Association (NFPA) annual physical exam requirements; hazardous materials worker exams; commercial driver exams; communicable disease services; administer alcohol and drug testing in accordance with the U.S. Department of Transportation (D.O.T.); and provide advice, education, and consultation.

Based on the EOMC's significant service enhancements and the selection committee's 2014 RFP rating (under specification number 14-10832-C), on February 27, 2017, the City Manager issued a Request for Waiver of Competitive Solicitation, allowing the City to recommend EOMC as the City's provider for occupational health services.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

EOMC provides all medical services necessary to evaluate the health status of current and potential employees, and was selected based on its ranking of its proposal in response to the RFP for Occupational Health Services, Specification number 14-10832-C and upon evaluation of its current facilities, staff, growth and expanded capabilities.

ALTERNATIVE ACTIONS CONSIDERED

The City could maintain its contract with USHW. However, that action is not recommended because USHW has not met or exceeded the City's service expectations during the past year.

CONTACT PERSON

Kevin Walker, Occupational Health and Safety Officer, 981-6825

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT: EMERYVILLE OCCUPATIONAL MEDICAL CENTER FOR
OCCUPATIONAL HEALTH SERVICES

WHEREAS, Article XI, Section 67.5 of the Charter of the City of Berkeley and Section 7.18.010 of the Berkeley Municipal Code requires City Council approval of contracts that exceed \$50,000; and

WHEREAS, on February 12, 2014, the City released Request for Proposal specification number 14-10832-C for Occupational Health Services; and deemed Muir/Diablo Occupational Medicine (Muir/Diablo) and Emeryville Occupational Medical Center (EOMC) as the two vendors most likely to meet the City's needs; and

WHEREAS, on May 20, 2014, the selection committee chose Muir/Diablo and entered into Contract No. 9687; and

WHEREAS, on January 9, 2016, U.S. HealthWorks (USHW) acquired Muir/Diablo and the City's contract was subsequently amended and assigned to USHW; and

WHEREAS, USHW did not provide the level of service required for the City to maintain a successful occupational health services program; and

WHEREAS, a selection committee was re-convened on January 9, 2017 to evaluate the operations, facility and staff of EOMC; and

WHEREAS, the selection committee determined EOMC demonstrated the ability to meet the City's requirements for occupational health services; and

WHEREAS, on February 27, 2017, the City Manager issued a Request for Waiver of Competitive Solicitation; and

WHEREAS, this contract was entered into the City's contract management database and assigned CMS No. D2IXZ.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a contract and any amendments with Emeryville Occupational Medical Center to provide occupational health services for the period of June 1, 2017 through June 30, 2019 in an amount not to exceed \$536,400. Expenses will be paid by departments utilizing the services from a variety of funding sources in budgets previously adopted by the departments of Police; Fire; Public Works; Health, Housing, and Community Services; and Parks, Recreation, and Waterfront. A signature copy of the executed contract is to be on file in the Office of the City Clerk.