



# City of San Antonio

## Agenda Memorandum

**File Number:** 15-6270

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**Agenda Item Number:** 22.

**Agenda Date:** 1/28/2016

**In Control:** City Council A Session

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**DEPARTMENT:** Human Resources

**DEPARTMENT HEAD:** Lori Steward

**COUNCIL DISTRICTS IMPACTED:** City-Wide

### **SUBJECT:**

Occupational Health Services for City Employees and Pre-employment Testing

### **SUMMARY:**

This Ordinance authorizes the City Manager or her designee to execute a contract with Occupational Health Centers of the Southwest, PA, dba Concentra Medical Centers, a national health care company focused on delivering the highest quality of occupational health services, to provide occupational health services to include pre-employment physicals and drug testing, random drug testing in compliance with the Department of Transportation, immunizations for specified City departments, promotional physical examinations for uniformed Police and Fire employees, and fitness for duty evaluations. The term of this contract is three (3) years, beginning March 1, 2016 and ending February 28, 2019, with the with the option to renew for two additional one (1)-year periods, subject to and contingent upon funding by City Council.

### **BACKGROUND INFORMATION:**

The City of San Antonio requires that selected applicants complete a criminal background check, fingerprinting, drug screening and in selected cases a physical examination. In fiscal year 2015, 3,361 prospective employees completed this process. In addition, the City is required to conduct random drug testing for positions that require a Commercial Driver's License (CDL) and mandatory drug testing in the event of a preventable motor vehicle accident per the Department of Transportation guidelines. Currently the City contracts with A&D Tests, Inc. to administer after-hours drug testing.

The City's preference is to complete these requirements in one location, preferably in the downtown area. On

occasion, however, the ability to complete these services on weekends and/or evenings as a convenience to candidates is desirable and will improve efficiency when processing large volumes of hires. The proposed contract with Concentra will meet both of these objectives as Concentra is able to provide these services at any of its multiple locations. In the event an accident occurs outside of regular business hours, Concentra also provides an after-hours service that responds to the needed location as opposed to requiring City supervisors to transport employees to a single location that may not be conveniently located.

The Finance Department, Purchasing Division on behalf of the Human Resources Department released a Request for Proposal (RFP) on May 29, 2015 seeking proposals for a qualified Respondent interested in administering the occupational health services through a central facility to be utilized by multiple departments within the City. The RFP was advertised in the San Antonio Express-News on May 29, 2015. A pre-submittal conference was held on June 16, 2015, to allow for Respondent questions and clarification to the RFP. Four (4) proposals were received by the July 13, 2015 deadline. The Evaluation Committee included representatives from the City Manager's Office, Human Resources Department, and Finance Department-Risk Management Division.

The evaluation of each proposal response was based on a total of 100 points; 30 points allotted for experience, background, qualifications; 20 points allotted for proposed plan and 15 points allotted for Respondent's price schedule. Twenty (20) preference points were allotted for the Small Business Economic Development Advocacy (SBEDA) Program. The Small Business Enterprise Prime Contract Program and Minority/Women-Owned Business Enterprise Prime Contract Program were each allotted ten (10) points, respectively. In addition, 10 points were allotted for the Local Preference Program and 5 points for the Veteran-Owned Small Business Preference Program. A summary of the RFP scoring is attached.

The Evaluation Committee conducted interviews on November 5, 2015 with the four (4) Respondents that submitted proposals. On November 19, 2015, the Evaluation Committee reconvened to finalize discussion of the proposals experience and background and qualifications and proposed plan and made a contract recommendation. The Committee recommends Occupational Health Centers of the Southwest PA, LLC dba Concentra Medical Centers for award as the firm receiving the highest collective score from the evaluation categories.

The Small Business Economic Development Advocacy (SBEDA) Program was applied to this evaluation process. However, the highest ranked firm is not a Small Business Enterprise (SBE) or Minority/Women Business Enterprise (M/WBE) and did not receive the available SBEDA preference points.

In accordance with Local Preference Program, the recommended Respondent received 5 points for having a local office in the San Antonio City limits.

The Veteran-Owned Small Business Preference Program was applied in the evaluation of responses received for this contract; however, the highest ranked firm is not a veteran-owned small business.

The recommended vendor, Occupational Health Centers of the Southwest PA, LLC dba Concentra Medical Centers, will provide a convenient, centralized venue for employees to obtain pre-employment screenings, drug screens and work related immunizations. Concentra also offers several convenient locations throughout San Antonio making it easily accessible to employees.

## **ISSUE:**

Award of this contract will allow for continued centralized occupational health services for existing and

prospective employees at a conveniently located facility and remain in compliance with drug testing requirement of the Department of Transportation. In addition, it will allow for the termination of the current after-hours testing contract.

**ALTERNATIVES:**

Should this contract not be approved, HR would continue utilize the current the month-to-month contract with current vendor, Gonzaba Medical Group, until it terminates on August 31, 2016. There are no further extensions which would require HR to pursue another Request for Proposal process to avoid a disruption in service.

**FISCAL IMPACT:**

Funds are included in the FY 2016 budget in the Employee Benefits Insurance and Workers' Compensation Fund to provide occupational health services to include pre-employment physicals and drug testing, random drug testing in compliance with the Department of Transportation, immunizations for specified City departments, promotional examinations for uniformed Police and Fire employees, and fitness for duty evaluations. The estimated annual expense for this contract is \$578,000. For FY 2016, the estimated value is \$337,000, with available funds in the amount of \$309,000 from the Employee Benefits Insurance Fund and \$139,000 from the Workers' Compensation Fund. Subsequent funding will be contingent upon City Council appropriations in the Employee Benefits Insurance Fund and Workers' Compensation Fund for FY 2017 and future fiscal years.

**RECOMMENDATION:**

Staff recommends approval of this ordinance to execute a contract with Occupational Health Centers of the Southwest, PA, dba Concentra Medical Centers to provide occupational health to include pre-employment physicals and drug testing, random drug testing in compliance with the Department of Transportation, immunizations for specified City departments, promotional physical examinations for uniformed Police and Fire employees, and fitness for duty evaluations beginning March 1, 2016 and ending February 28, 2019, with the with the option to renew for two additional one (1)-year periods, subject to and contingent upon funding by City Council.

This contract is procured by means of Request for Proposals and Discretionary Contract Disclosure Form is attached.