



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: June 25, 2024

FROM: HUMAN RESOURCES DEPARTMENT WARDS: ALL

SUBJECT: APPROVE A FIFTH (5th) AMENDMENT TO THE PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH COASTAL OCCUPATIONAL MEDICAL GROUP (DBA AKESO OCCUPATIONAL HEALTH) AND OCCU-MED LTD. TO PROVIDE PRE-EMPLOYMENT PHYSICALS AND OTHER RELATED MEDICAL SERVICES FROM JULY 1, 2024 THROUGH JUNE 30, 2025 AND INCREASE COMPENSATION BY \$50,000 EACH FOR A TOTAL ANNUAL COMPENSATION OF \$100,000

ISSUE:

Approve a Fifth (5th) Amendment to the Professional Consultant Services Agreement with Coastal Occupational Medical Group (DBA Akeso Occupational Health) and Occu-Med Ltd., to provide Pre-Employment Physicals and Other Related Medical Services. from July 1, 2024 through June 30, 2025 and increase compensation by \$50,000 each for a total annual compensation of \$100,000.

RECOMMENDATION:

That the City Council:

1. Approve a Fifth (5th) Amendment to the current Professional Consultant Services Agreement with Coastal Occupational Medical Group (DBA Akeso Occupational Health) and Occu-Med Ltd., to provide Pre-Employment Physicals and Other Related Medical Services from July 1, 2024 through June 30, 2025 and increase compensation by \$50,000 each for a total annual compensation of \$100,000; and
2. Authorize the City Manager or his designee to execute a Fifth (5th) Amendment to the Professional Consultant Services Agreement with Coastal Occupational Medical Group (DBA Akeso Occupational Health) and Occu-Med Ltd., including making minor and non-substantive changes.

BACKGROUND:

The Human Resources Department coordinates all prospective City employees' pre-placement physical examinations. Pre-placement (post job offer) medical evaluations determine a job applicant's current limitation in relation to the essential job tasks identified by the employer. Pre-placement examinations provide valuable information to the employer to assist in either determining an applicant's fitness to perform essential job tasks or making reasonable accommodations in compliance with the Fair Employment and Housing Act (FEHA) and the Americans with Disabilities Act (ADA). Pre-placement evaluations are also required for Occupational Safety and Health Administration (OSHA) regulated medical surveillance. The current contracts with both Coastal Medical Group (DBA Akeso Occupational Health) (formerly Inland Empire Occupational Medicine) and Occu-Med Ltd. expire on June 30, 2024.

DISCUSSION:

In April 2019, the Human Resources Department issued a Request for Proposal (RFP) No. 1917 for Pre-Employment Physicals and Other Related Medical Services. RFP No. 1917 initially had three respondents. Two of the respondents were declared non-responsive by the Purchasing Division, leaving Occu-Med, Ltd. as the sole responsive bidder. Upon notification, the Human Resources Department determined that a subsequent RFP needed to be issued for a local facility to provide pre-employment services. With approval from the Purchasing Division, RFP 1924 was generated, and Coastal Medical Group dba Akeso Occupational Health, formally Inland Empire Occupational Medicine, was the sole respondent for RFP 1924.

The agreements with Coastal Medical Group (DBA Akeso Occupational Health) (formerly Inland Empire Occupational Medicine) and Occu-Med Ltd. are issued for a two-year term through June 30, 2021, with the option for three one-year extensions through June 30, 2024, upon mutual written agreement of both parties.

On March 14, 2024, Purchasing approved the Fourth Amendment to increase compensation in the amount of \$50,000, for the extended term of the agreement, in the aggregate amount of \$400,000.

The Human Resources Department recommends the approval of the fifth (5th) amendment with Coastal Medical Group (DBA Akeso Occupational Health) (formerly Inland Empire Occupational Medicine) and Occu-Med LTD. as dual providers for pre-placement physicals and other occupational health services. This ensures that the City continues to meet Federal, state, and local laws to place individuals in jobs they can safely perform, guard against unlawful discrimination during the hiring process, and comply with regulated medical surveillance screenings.

Over the years, both parties have proven to deliver responsive, cost-effective and exceptional Pre-Employment Physicals and Other Related Medical Services on an "as needed" basis.

The Fourth Amendment to the current agreement with Coastal Medical Group (DBA Akeso Occupational Health formerly Inland Empire Occupational Medicine) and Occu-Med Ltd. Expires June 30, 2024. The Human Resources Department is requesting that the Professional Consultant Services Agreements, be extended to June 30, 2025, and that compensation be increased by \$50,000, in accordance with the City of Riverside Purchasing Resolution 24101, Section 1104. Change Orders. (5) Modifying contract completion time or the term of a Contract; and (d) A Contract amendment which extends the term of the agreement beyond on year of the expiration date; (6) Any other change approved by the Manager; and (c) 10% of the original contract price for Contracts and/or Purchase Orders previously approved by the Awarding Entity and the total Change Order amount will not exceed \$150,000.

The Purchasing Manager concurs that the recommendation action is in compliance with Purchasing Resolution No. 24101, Section 1104 (5)(d) and (6)(c).

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 5 – High Performing Government and Goal 5.1 –** Attract, develop, engage and retain a diverse and highly skilled workforce across the entire City organization.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Establishing agreements with Pre-Employment Medical Providers allows the City to continue to evaluate potential new employees and ensure the City has employees who can provide and efficiently maintain City services.
2. **Equity** – Through the assistance of the Pre-Employment Medical Providers all potential new employees are equitably evaluated based on the requirements per the approved job classification.
3. **Fiscal Responsibility** – The Human Resources department follows established purchasing and procurement processes to ensure a fair and cost-efficient service is negotiated with consultants/contractors.
4. **Innovation** – Establishing and fostering a strong business relationship with the Pre-Employment Medical Providers ensures the City can continue to place dedicated staff that will contribute to the overall delivery of great customer service and fulfill the City's operational needs.
5. **Sustainability & Resiliency** – Through the partnership with the Pre-Employment Medical Providers, the City is able to continue to evaluate and hire employees who can effectively perform their job duties and help avoid creating a gap in City services.

FISCAL IMPACT

The total fiscal impact associated with extending the term of the Coastal Medical Group (DBA Akeso Occupational Health) and Occu-Med Ltd is not to exceed \$50,000 each, for a total of \$100,000 combined. Funds to cover the costs of the annual compensation amount are budgeted in the General Fund, Human Resources Admin, Professional Services 2100000-421000.

Prepared by: Rene Goldman, Human Resources Director
Certified as to availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Edward Enriquez, Assistant City Manager/Chief Financial Officer/Treasurer
Approved as to form: Phaedra Norton, City Attorney

Attachment:

1. 5th Amendment to Professional Consultant Services Agreement with Coastal Medical Group (DBA AKESO OCCUPATION HEALTH) (formerly INLAND EMPIRE OCCUPATIONAL MEDICINE (IEOM))
2. 5th Amendment to Professional Consultant Services Agreement with OCCU-MED LTD.