



AGENDA MEMORANDUM

Action Item for the City Council Meeting January 9, 2024

DATE: January 9, 2024

TO: Peter Zaroni, City Manager

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Service Agreement for Drug and Alcohol Testing and Occupational Medical Services

CAPTION:

Motion authorizing the execution of a five-year service agreement with Alliance Health Resources Mobile Division, of Corpus Christi, Texas, for drug and alcohol testing and occupational medical services for City of Corpus Christi Employees in an amount up to \$2,064,816.50, with FY 2024 funding of \$327,158.00 from the Other Employee Benefits Fund.

SUMMARY:

This resolution authorizes a five-year service agreement with Alliance Health Resources Mobile Division, Ltd. for drug and alcohol testing and occupational medical services for City of Corpus Christi Employees.

BACKGROUND AND FINDINGS:

The proposed five-year service agreement will allow for drug testing, collection, laboratory, and occupational medical services for the City of Corpus Christi. These services are required by the City of Corpus Christi's Alcohol and Drug Testing Polices. The purpose of having these services is so the City of Corpus Christi meets the requirements of the Americans with Disabilities Act, workers' compensation laws, related federal and state laws, police and fire contracts, Civil Service Board and Commission rules, and other related City policies.

In Fiscal Year 2023, Alliance Health Resources Mobile Division, Ltd. performed 2,109 drug tests, which included the routine drug testing for pre-employment per City policy as well as random drug testing per City policy. Random drug testing is mandated by Federal Law for safety sensitive and Department of Transportation (DOT) related positions. The randomly generated report of employees within these types of positions is sent from Alliance Health Resources Mobile Division, Ltd. to the City and employees are tested monthly to meet Federal guidelines.

In addition to routine and random drug testing, occupational health services were provided in the previous agreement and will be provided in the proposed agreement. Occupational medical services include services rendered related to on-the-job injuries and return-to-work examinations. Employees may select from four approved healthcare providers in which they can be seen for work related injuries: Alliance Health Resources, NOVA, Concentra, and Doctor's Center. Occupational medical services also include any Fit for Duty examinations, and annual medical testing for Police Officers and Firefighters. These services include: Hearing, Vision, Physical Examination, Pulmonary Function Testing, Electrocardiogram Testing, and Chest x-ray.

Alliance Health Resources Mobile Division, Ltd. is the incumbent firm. The City previously had a five-year agreement for drug and alcohol testing and occupational medical services. In total, \$1,303,907.00, or 97.60%, of the total agreement amount (\$1,333,531.00), was spent over the five-year agreement period.

The previous agreement with Alliance Health Resources Mobile Division, Ltd. ended in August 2023. The City initiated a temporary service agreement with Alliance Health Resources Mobile Division, Ltd. in order to continue receiving the services while the RFP process was completed. Additional services are being added in the proposed agreement that were not available in the previous agreement. The additional services include expert witness and/or physician testimonies to aid and support in Civil Service Board rulings; specimen collection services outside of regular 8:00 AM to 5:00 PM work hours; and additional onsite occupational medical services for the City's Police and Fire employees.

Alliance Health Resources Mobile Division, Ltd. does have an office in Corpus Christi. The City is satisfied with the services that have been provided by Alliance Health Resources Mobile Division, Ltd. through the previous five-year agreement with them. The City recommends continuing to work with them through the proposed five-year agreement.

PROCUREMENT DETAIL:

A Request for Proposal (RFP) was issued for new drug and alcohol testing and occupational medical services contract. The City received two proposals which were evaluated by the City's evaluation committee.

The evaluation committee was comprised of four members, with representation from Fire, Police, Risk, and Human Resources. The evaluation committee rated each proposer and was scored according to 1) firm's experience, 2) understanding of project scope, 3) team identification, 4) local preference, and 5) price. Final scores were tabulated for each firm to determine the highest-ranking firm offering the best value to the City for drug and alcohol testing and occupational medical services.

Alliance Health Resources Mobile Division, Ltd., is the highest-ranking firm and the incumbent firm. Prices for services from the previous agreement with Alliance Health Resources Mobile Division, Ltd. that will still be provided will remain the same price for the proposed agreement.

ALTERNATIVES:

The alternative is not to approve the five-year service agreement for Drug and Alcohol Testing and Occupational Medical Services; however, this would adversely affect the City by being out of compliance with the City's drug and alcohol policies and Federal mandates surrounding DOT and safety sensitive positions.

FISCAL IMPACT:

The City will be charged only when services are rendered. The City has approved FY 2024 funding in the amount of \$327,158 from the Other Employee Benefits Fund. The remaining years of the agreement will be funded through the annual budget process.

FUNDING DETAIL:

Fund: 5614 Other Employee Fund
Organization/Activity: 40540
Project # (CIP Only): N/A
Account: 537211
Amount: \$155,996.50

Fund: 5614 Other Employee Fund
Organization/Activity: 40540
Project # (CIP Only): N/A
Account: 537341
Amount: \$171,161.50

RECOMMENDATION:

Staff recommends approval of this motion authorizing execution of a five-year service agreement with Alliance Health Resources Mobile Division, Ltd., of Deer Park, Texas, for drug and alcohol testing and occupational medical services, as presented.

LIST OF SUPPORTING DOCUMENTS:

Evaluation Matrix
Service Agreement