



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: FEBRUARY 18, 2020

FROM: HUMAN RESOURCES

SUBJECT: RESOLUTION NO. _____ - AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND OCCUPATIONAL HEALTH CENTERS OF CALIFORNIA FOR OCCUPATIONAL MEDICAL SERVICES

SUMMARY:

Staff is requesting approval to award an agreement to Occupational Health Centers of California (OHCC) to provide occupational medical services for a three-year period and a total not-to-exceed amount of \$165,000. The services will consist primarily of pre-employment and annual medical examinations and treatment of initial workplace injuries. Additional services will include providing first aid treatment and ensuring medical compliance with state and federal medical requirements for occupational licenses. Occupational Health Centers of California is located in Torrance, California. The Harbor Department is responsible for payment of expenses incurred under this Agreement.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with Los Angeles City Charter Section 1022, it is more feasible for this work to be performed by an independent contractor than by City employees due to the unique experience, expertise, and license necessary to provide medical services;
3. Approve the Agreement with Occupational Health Centers of California for a total not-to-exceed amount of \$165,000 and a term of three years;
4. Authorize the Executive Director to execute and Board Secretary to attest to said Agreement; and
5. Adopt Resolution No. _____.

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DISCUSSION:

Background/Context – On February 16, 2017, the Board approved Agreement No. 17-3466 with Western Medical Group to provide occupational medical services to the Harbor Department for an amount not to exceed \$165,000 and a three-year term. Western Medical Group has provided medical services to the Harbor Department since 2003. In February of 2019, Western Medical Group was acquired by Occupational Health Centers of California, and the contract was amended on October 19, 2019, to reflect this action.

Required Continuous Medical Services – The Harbor Department requires occupational medical services consisting primarily of examinations of prospective and current employees to determine their physical abilities to perform job duties, medical examinations for reasonable suspicion and federally mandated drug testing, and first aid treatment of minor workplace injuries. All the physical examinations are administered by a medical services provider.

The medical firm that is selected to provide these services actually serves as an extension of the Medical Services Division of the City's Personnel Department (Medical Services Division), which is responsible for conducting all City medical examinations. The City's Personnel Department, located in downtown Los Angeles, employs medical personnel who conduct examinations. Since the Personnel Department is located 25 miles from the Harbor Department, it is more feasible for the Harbor Department to contract with a local provider for medical services.

Each of the City's proprietary departments handles its medical services differently. Los Angeles World Airports (LAWA) uses the Medical Services Division for pre-employment screenings and drug testing only. For injuries and first-aid treatment, LAWA uses medical facilities close to the airport. The Medical Services Division contracts with these facilities and is reimbursed by LAWA for their services. The Los Angeles Department of Water and Power has its own medical services section that provides all medical services for employees.

Selection Process – On September 18, 2019, a Request for Proposal (RFP) was posted on the Port of Los Angeles' website and advertised to contractors that met the criteria for medical services on the City's Los Angeles Business Assistance Virtual Network (LABAVN) database. Thirty-one firms viewed the RFP, however only Occupational Health Centers of California submitted a proposal by the October 15, 2019, deadline.

The proposal was evaluated by a selection committee of four individuals: a Personnel Director I (Department of Personnel), a Senior Personnel Analyst (Harbor Department), and two Management Analysts (Harbor Department).

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The proposal was scored and based on the following criteria:

- Firm Qualifications, Experience and References;
- Organization, Personnel and Staffing;
- Services and Availability;
- Rates and Fees; and
- Clarity and Comprehensiveness of the Proposal

All four members of the selection committee independently reviewed and rated OHCC's proposal and determined that their firm would be a beneficial selection.

Due to the low responsiveness of the RFP, staff contacted the companies that viewed and downloaded the opportunity from the LABAVN, but did not submit a RFP, requesting that they take the time to send an email advising as to why they did not submit a proposal. Three companies responded, one stated that they could not provide the services that were listed in the scope of work. The remaining two companies stated that although the RFP is within the scope of their business, their facilities were not in close proximity to the Harbor Department.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of an agreement with Occupational Health Centers of California for occupational medical services, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II Section 2 (f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

To date, of the current agreement authority amount of \$165,000, \$114,110 has been expended, leaving a balance of \$50,890 through the end of the existing Agreement termination date of March 16, 2020. The average annual expenditure for the last three fiscal years is \$38,037. The annual authority amount is \$55,000, which is higher than average expenditures, as a contingency measure for unforeseen needs such as employee related incidents requiring medical attention that are difficult to predict.

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Funds for the Fiscal Year (FY) 2019/20 in the amount of \$20,000 are available in Account 51790 (Miscellaneous Employee Benefits), Center 0530, Program 000. Staff will request a total of \$55,000 during FY 2020/21 as part of the annual budget adoption process, subject to Board approval. Future spending is expected to occur as follows:

Fiscal Year	Amount	Account	Center	Program
2019/20	\$20,000	51790	0530	000
2020/21	\$55,000	51790	0530	000
2021/22	\$55,000	51790	0530	000
2022/23	\$35,000	51790	0530	000
Total	\$165,000			


Any future fiscal year funds will be requested as part of the annual budget adoption process, upon Board approval. A funding out clause has been included in the agreement.

CITY ATTORNEY:


The Office of the City Attorney has reviewed and approved the agreement as to form and legality.

TRANSMITTAL:

1. Proposed Agreement with OHCC


TISH LORENZANA
Director of Human Resources

FIS Approval:  (initials)
CA Approval:  (initials)


MARLA BLEAVINS
Deputy Executive Director

APPROVED:


EUGENE D. SEROKA
Executive Director

TL/KR
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