



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: July 19, 2022

FROM: HUMAN RESOURCES

SUBJECT: RESOLUTION NO. _____ - AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND EMPATHIA PACIFIC, INC. FOR EMPLOYEE ASSISTANCE PROGRAM SERVICES

SUMMARY:

Staff requests approval of an Agreement with Empathia Pacific, Inc. (Empathia), located in Agoura Hills, California, to provide Employee Assistance Program (EAP) services to City of Los Angeles, Harbor Department (Harbor Department) employees. On June 20, 2019, Agreement No. 19-3664 for EAP services was approved for three years in the amount of \$120,000 expiring on July 3, 2022. The new proposed Agreement would be for a period of three years for an amount not to exceed \$120,000. The recommendation to select Empathia was based on the Request for Proposals (RFP) conducted by the Harbor Department in April 2022. EAP services under the new proposed Agreement are the financial responsibility of the Harbor Department.

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 the City Charter Section 1022, the services required can be performed more feasibly by an outside contractor than by City employees;
3. Approve the Agreement with Empathia for EAP services in an amount not to exceed \$120,000 for a total term of three years;
4. Authorize the Executive Director to execute and the Board Secretary to attest to the Agreement; and
5. Adopt Resolution No. _____.

SUBJECT: AGREEMENT WITH EMPATHIA FOR EAP SERVICES

DISCUSSION:

Background and Context - The City of Los Angeles (City) has an EAP as part of its employee's comprehensive benefits package. The EAP is a resource for employees dealing with work/life balance, family and relationship issues, stress and anxiety, alcohol and drug dependency, grief and loss, domestic violence, and other emotional health issues. The City's EAP is currently administered by Optum Health. Empathia has provided quality EAP services to Harbor Department employees since 1985, and have been both sensitive and responsive to our employees' needs. The fully subsidized Harbor Department's EAP meets the same goals as the City's program and provides additional sessions as well as immediate trainings as need arises.

Annually, the Harbor Department budgets \$40,000 for EAP services. Year-to-date spending through April 30, 2022 for the current fiscal year is \$28,260. Actual spending for EAP services in Fiscal Year (FY) 20/21 was \$27,580, in FY 19/20 it was \$68,170, and in FY 18/19 it was \$28,438. The Harbor Department is charged a monthly fee of \$2.20 per employee for EAP services, and charged per incident for training and other as-needed services. The Harbor Department's employee utilization rate for EAP services in the current FY is 7.8%. EAP utilization rates in FY 20/21 was 8.4%, in FY 19/20 it was 8.2%, and in FY 18/19 it was 8.5% which, according to the Employee Assistance Professional Association, is above the government entity average of 4.5%. Utilization rates are based on employee usage of the services and are not reflective of the EAP provider's service quality or availability. Employees' utilization of EAP services are unpredictable because the choice to use them is personal in nature and may be prompted by unknown factors. Although past expenditures have been under \$37,000, the funding level is kept at \$40,000 as a contingency to ensure that enough money is available for this important employee benefit.

Request for Proposal (RFP) – An RFP was released on March 14, 2022, and posted on the Regional Alliance Marketplace for Procurement Los Angeles (RAMPLA) site and viewed by twenty-eight (28) unique users. The Harbor Department received two proposals by the April 5, 2022 deadline which was Empathia and another agency. The second proposal failed to meet administrative requirements and was disqualified.

Empathia's proposal was evaluated by a selection committee of three individuals: a Personnel Director III (Human Resources), a Senior Personnel Analyst II (Human Resources), and a Chief Management Analyst (Los Angeles World Airports).

The proposal was scored based on the following criteria:

- Firm Qualifications, Experience and References;
- Organization, Personnel and Staffing;
- Approach, Work Plan, Management and Timeline;
- Rates and Fees; and
- Clarity and Comprehensiveness of the Proposal.

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All three members of the selection committee independently reviewed and rated Empathia's proposal and determined that this company would be an excellent selection.

Proposed Agreement - The proposed Agreement (Transmittal 1) will ensure the continuity of EAP services to Harbor Department employees for three years. The proposed Agreement shall not exceed an amount of \$120,000 for a total term of three years.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of an Agreement with Empathia to provide EAP services to Harbor Department employees, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the three-year Agreement authorizes a total amount not to exceed \$120,000 for Employee Assistance Program services. Funds are available within the Fiscal Year (FY) 2022-23 budget in Account 51790 (Misc. Employee Benefits), Center 0530, Program 000. It is anticipated that funds under this Agreement will be expended as follows:

| | |
|-------------------|------------------|
| FY 2022/23 | \$40,000 |
| FY 2023/24 | \$40,000 |
| <u>FY 2024/25</u> | <u>\$40,000</u> |
| Total | \$120,000 |

Future fiscal year funding will be requested as part of the annual budget adoption process. The Harbor Department's obligations to pay any amount due for future fiscal years are contingent upon Board appropriation of funds for this purpose. Accordingly, the Harbor Department may terminate the agreement and its future monetary obligations thereunder, effective at the end of any fiscal year.

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CITY ATTORNEY:

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

TRANSMITTAL:

1. Agreement with Empathia Pacific, Inc.



ANGELA BROWN
Director of Human Resources

FIS Approval: MB

CA Approval: SO

Marla Bleavins

MARLA BLEAVINS
Deputy Executive Director

APPROVED:

Marla Bleavins For

EUGENE D. SEROKA
Executive Director

AB/ka
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