Date: February 25, 2015

To: Board of Directors

From: Neil McFarlane

Subject: RESOLUTION 15-02-07 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH NORTHWEST OCCUPATIONAL HEALTH ASSOCIATES FOR OCCUPATIONAL MEDICAL SERVICES

1. **Purpose of Item**

   The purpose of this item is to request that the TriMet Board of Directors ("Board") adopt a resolution authorizing the General Manager to execute a contract modification with Northwest Occupational Health Associates, for occupational medical services.

2. **Type of Agenda Item**

   □ Initial Contract
   ✓ Contract Modification
   □ Other

3. **Reason for Board Action**

   Board authorization is required for a personal services contract modification obligating TriMet to pay an amount in excess of $150,000 or an amount more than previously authorized by the Board.

4. **Type of Action:**

   ✓ Resolution
   □ Ordinance 1st Reading
   □ Ordinance 2nd Reading
   □ Other

5. **Background**

   On December 8, 2010, the Board approved Resolution 10-12-59 authorizing a one-year base term contract with four additional option years with Northwest Occupational Health Associates for occupational medical services. This is the fifth and final year of the contract. The contract scope includes a variety of medical evaluations and assessments related to employees’ capability to perform work for TriMet. Included in the scope are evaluations based on physical ability to work in specific job classifications, compliance with physical standard requirements of the U.S. Department of Transportation and Oregon Department of Motor Vehicles Commercial Driver’s License ("CDL") regulations, return-to-work examinations, pre-employment drug screening services for safety-sensitive positions, and consultation support to TriMet's industrial hygiene program.
The initial funding for the one, plus four (4) option years contract was based on anticipated services during the contract term. Since 2012, TriMet has hired a higher number of new operators and maintenance service workers for service restoration and the startup of Portland-Milwaukie light rail. This increased hiring trend will continue in 2015. This has significantly increased the medical services required, compared to the number estimated in 2010. Based on the current level of services required for the increased hiring and larger employee population, staff estimates an additional $183,241 will be required to fund the contract through the end of the contract term, December 7, 2015.

6. **Procurement Process**

TriMet’s current occupational medical services contract with Northwest Occupational Health Associates was procured in 2010 through a Request for Proposals ("RFP") process. The RFP described the required medical services using estimated quantities of tests, examinations and other assessments. Proposers provided pricing for a variety of medical services included in the RFP. There were two (2) proposers, with Northwest Occupational Health Associates providing the best value proposal, with the price of the estimated services at contract award at $622,228.00. The current contract expired December 8, 2014 but may be modified to extend to December 7, 2015. Staff will conduct a new RFP process in Fall 2015 to procure a new contract for occupational medical services.

7. **Diversity**

This Resolution authorizes exercise of the final contract option year; staff will establish a new contract through an RFP process in the fall of 2015.

8. **Financial/Budget Impact**

Funds for these services are available and budgeted under the current operating budget. The contract is currently funded at $622,228.00 and requires an increase of $183,241.00 to cover the estimated services through the end of the contract term. This would bring the contract total to $805,469.00.

9. **Impact if Not Approved**

The Board could opt not to approve the contract modification. However, the proposed modification effectively continues occupational medical services at current pricing and quality levels, except for quantities and inflation adjustment. Therefore, approval of the contract modification is the only recommended option.
RESOLUTION 15-02-07

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH NORTHWEST OCCUPATIONAL HEALTH ASSOCIATES FOR OCCUPATIONAL MEDICAL SERVICES

WHEREAS, TriMet has authority under ORS 267.200 to execute a contract modification with Northwest Occupational Health Associates for occupational medical services ("Modification"); and

WHEREAS, the total amount of the Modification shall obligate TriMet to pay an amount in excess of $150,000 and the contract amount previously authorized by the TriMet Board of Directors (Board); and

WHEREAS, the Board, by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve personal services contracts, obligating TriMet to pay in excess of $150,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Modification shall be in conformance with applicable laws.

2. That the General Manager is authorized to execute the Modification.

Dated: February 25, 2015

__________________________________________
Presiding Officer

Attest:

__________________________________________
Recording Secretary

Approved as to Legal Sufficiency:

__________________________________________
Legal Department