



June 8, 2022

To: Finance and Administration Committee
From: Darrell E. Johnson, Chief Executive Officer
Subject: Amendment to Agreement for Medical Clinic Services

Overview

On September 9, 2019, the Orange County Transportation Authority Board of Directors approved an agreement with Akeso Occupational Health (formerly doing business as Cheshire Medical Corporation, doing business as ProCare Work Injury Center & Urgent Care), to provide medical clinic services for a three-year initial term with one, two-year option term. Board of Directors' approval is requested to exercise the option term effective August 1, 2022 through July 31, 2024.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-9-1165 between the Orange County Transportation Authority and Akeso Occupational Health, to exercise the two-year option term, in the amount of \$282,000, to continue providing medical clinic services, effective August 1, 2022 through July 31, 2024. This will increase the maximum obligation of the agreement to a total contract value of \$855,000.

Discussion

The People and Community Engagement Division oversees the medical evaluations for new and existing employees requiring the State of California Department of Motor Vehicles (DMV) medical examinations (exams) and driver certifications, the Drug and Alcohol compliance program in accordance with the Federal Transit Administration (FTA), and medical evaluations required for safety-sensitive employees that are in the Orange County Transportation Authority's (OCTA) Hearing Conservation Program, Respiratory Protection Program, and/or the Bloodborne Pathogens Program as required under the California Occupational Safety and Health Administration (Cal/OSHA) regulations.

Medical evaluations performed by a certified medical professional include physical exams and functional capacity tests to ensure employees are medically fit to operate a bus as required by the DMV for a commercial driver's license. Cal/OSHA requires audiometric evaluations, medical clearances for respirator use, and Hepatitis B vaccination services for safety-sensitive employees.

Under the Department of Transportation and the FTA rules, OCTA is required to conduct drug and alcohol tests for its safety-sensitive employees throughout the employment process, including pre-employment testing, random testing, post-accident testing, and testing in the case of reasonable suspicion. With the largest concentration of OCTA's employees being safety-sensitive, it is critical that OCTA maintain compliance with the FTA rules and have capabilities to perform evidential breath testing, specimen collection, and test analysis as required, 24 hours a day, seven days a week.

These services are currently provided by Akeso Occupational Health (formerly doing business as [dba] Cheshire Medical Corporation, dba ProCare Work Injury Center & Urgent Care) (Akeso) through an agreement which expires July 31, 2022. Akeso has provided services to OCTA that have met expectations throughout the term of the agreement. In order to continue these services, and based on the clinic's performance, staff recommends the Board of Directors (Board) approve an amendment to exercise the option term.

Procurement Approach

The procurement was handled in accordance with OCTA's Board-approved procedures for professional services that conform to both federal and state laws. The original agreement was awarded on a competitive basis and includes a three-year initial term for \$573,000 and one, two-year option term. This agreement has been previously amended as shown in Attachment A.

The proposed Amendment No. 2 is to exercise the option term of the agreement through July 31, 2024. The budget for the amendment is \$282,000, which is based on current and anticipated usage for medical clinic services. A per unit cost escalation was negotiated in the original contract. However, staff from the Contracts Administration and Materials Management Department was able to negotiate with Akeso to hold its initial term rates for the option term resulting in an approximate cost savings of \$22,000. Exercising the option term will allow Akeso to continue providing medical clinic services through July 31, 2024.

Fiscal Impact

Funds will be included in OCTA's Proposed Fiscal Year 2022-23 Budget, pending budget approval, People and Community Engagement, Account No. 1141-7519-A2312-DWA, and is funded with local funds.

Summary

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-9-1165 between the Orange County Transportation Authority and Akeso Occupational Health, to exercise the two-year option term, in the amount of \$282,000, to continue providing medical clinic services.

Attachment

- A. Akeso Occupational Health, Agreement No. C-9-1165 Fact Sheet

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