

CITY OF SAN ANTONIO  
HUMAN RESOURCES DEPARTMENT  
INTERDEPARTMENTAL CORRESPONDENCE

**TO:** Mayor and Council

**THROUGH:** J. Rolando Bono, Interim City Manager

**FROM:** Sharon De La Garza, Human Resources Director

**COPIES:** Frances A. Gonzalez, Assistant City Manager; City Attorney's Office; Finance Department; File

**SUBJECT:** Concentra Health Services, Inc. Contract

**DATE:** October 7, 2004

**SUMMARY AND RECOMMENDATION**

This Ordinance authorizes the Interim City Manager or his designee to execute a contract with Concentra Health Services, Inc. at an estimated annual amount of \$104,786 to provide drug and alcohol testing for prospective non-uniformed City employees and City employees operating commercial vehicles. The term of this contract is three (3) years, beginning January 1, 2005 and ending December 31, 2007, with an option to extend the contract for up to two (2) one (1) year extensions, subject to and contingent upon funding and approval by City Council.

Staff recommends approval of this Ordinance.

**BACKGROUND INFORMATION**

The City of San Antonio has utilized an independent laboratory since the inception of its alcohol and drug-testing program in January 1995. Moreover, the City has conducted alcohol and drug testing of newly hired non-uniformed employees since March 1997. The purpose of these activities is to conform with federal transportation and drug-free workplace guidelines and comply with City Administrative Directive 4.3, *Alcohol and Controlled Substances Testing*.

A Request for Proposal (RFP) for Combined Health Benefits, which included a drug testing services module, was developed in coordination with Asset Management and a contracted independent consultant. The RFP was posted on the City of San Antonio Government Website on March 15, 2004 and distributed to 15 drug testing vendors who currently provide this service in Texas. The Human Resources Department advertised the RFP in the San Antonio Express-

News on March 21, 2004. A Pre-Proposal Conference was held on April 2, 2004 and the RFP closed on April 21, 2004. Nine (9) drug testing service RFP responses were received by the deadline and reviewed by a Technical Committee for compliance with RFP requirements, financial stability, SBEDA scoring and short listing for interview. The Technical Committee consisted of representatives from the City Attorney's Office, Economic Development, Finance, Health, Asset Management, and the Human Resources Departments.

The RFP Evaluation Committee convened on June 17, 2004 to review the short listed four (4) proposals for evaluation, interview and scoring. The Evaluation Committee was composed of department directors or designees from Human Resources, Finance, Fire, Health, Parks & Recreation, Police, Purchasing, and Asset Management (advisory role); and individuals from the Fire Association, Police Association, Civilian Employee Association and the Retiree Association. Interviews with the short listed drug testing firms were held on June 28-29, 2004 and final scoring by the committee was conducted July 7, 2004. The Committee scored according to the evaluation criteria listed in the RFP which included the following: responsiveness to the RFP (5%), Proposed Service Plan (20%), and Background and Capability (25%). The SBEDA scores (20%) were submitted by Economic Development, and the proposed pricing schedule (30%) was calculated with the application of a mathematical formula. The scoring matrix is attached.

The Evaluation Committee recommends that Concentra, Inc. be awarded the contract to provide drug and alcohol testing services. Concentra has five locations covering Northeast, East, North, West and Downtown San Antonio to adequately handle the volume of testing required by the City of San Antonio.

### **POLICY ANALYSIS**

Execution of this agreement will allow the City to remain in compliance with federal transportation and drug-free workplace guidelines. This ordinance follows past City policy in outsourcing specialized services to companies that can perform them more efficiently and effectively.

### **FINANCIAL IMPACT**

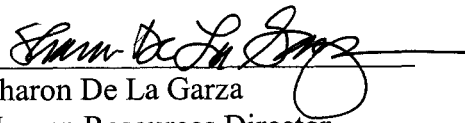
This ordinance authorizes payment to Concentra Services, Inc. at a rate of \$24.00 per pre-employment drug screen, \$24.00 per CDL drug screen and \$10.00 per intoxilyzer screen on a fee-for-service basis. The rates are guaranteed throughout the entire term of the contract.

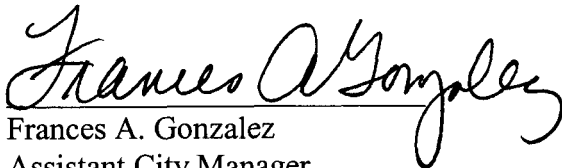
### **COORDINATION**

This item has been coordinated with the City Attorney's Office, Asset Management, Finance, Health and Economic Development Departments.


**SUPPLEMENTAL COMMENTS**

The required Ethics Disclosure Statement is attached.

  
Sharon De La Garza  
Human Resources Director

  
Frances A. Gonzalez  
Assistant City Manager

Approved:

  
J. Rolando Bono  
Interim City Manager

Attachments

## City of San Antonio Discretionary Contracts Disclosure\*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2  
Attach additional sheets if space provided is not sufficient.  
State "Not Applicable" for questions that do not apply.

*This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before a discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.*

### Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract

N/A

(1) the identity of any business entity that would be a party to the discretionary contract

N/A

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract

N/A

and the name of:

(A) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract

N/A

<sup>1</sup> A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(1) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

N/A

#### Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
N/A		

#### Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question<sup>2</sup> as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

N/A

Signature:

Title: Director of Operations

Date: 4/26/04

Company: Concentra Health Services, Inc. dba  
Concentra Medical Centers

<sup>2</sup> For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

	Premier	Concentra	United Healthcare	Humana
Responsiveness to RFP - 5 Pts.	3.50	4.38	4.00	3.88
Proposed Services - 20 Pts.	12.63	17.38	15.75	15.50
Pricing Schedule - 30 Pts.	30.00	28.96	19.44	19.44
Background & Capability to Provide Services - 25 Pts.	11.75	22.38	21.00	21.25
<b>Total Technical Points</b>	<b>57.88</b>	<b>73.08</b>	<b>60.19</b>	<b>60.06</b>
SBEDA	11.00	6.00	6.00	6.00
<b>Total Score</b>	<b>68.88</b>	<b>79.08</b>	<b>66.19</b>	<b>66.06</b>