

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 10/9/2024

Staff Report No. 20-046c

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager/Chief Executive Officer
SUBJECT: Drug & Alcohol Testing, Medical Examinations/Physical Agility Testing Services

ACTION ITEM

AGENDA PLANNING REQUEST:

RECOMMENDED ACTION(S):

Consider authorizing the General Manager to exercise the second and final one-year option from January 1, 2025 through December 31, 2025 with Concentra, CCCMA Occupational Clinic, and Mega Lab Services for drug and alcohol testing, commercial driver license (CDL) medical examinations, and physical agility testing services of prospective and current employees (contracted as Third Party Administration of US Department of Transportation (US DOT) Medical Examinations and Workplace Drug/Alcohol Testing Services).

Staff Contact:
Lynette Little, Director of Civil Rights & Compliance

STRATEGIC IMPORTANCE:

Goal - Safe and Secure Operations
Initiative - Employee Recruitment, Training and Retention

It is the policy of the District to provide a drug and alcohol-free workplace and environment for all employees and patrons. A drug and alcohol-free workplace protects the District's most valuable resources - its employees - as well as the health and safety of the public.

BUDGETARY/FISCAL IMPACT:

The current fiscal year budget for DOT medical exams and employee drug and alcohol testing is \$217,500. Actual expenditures may vary depending on the number of exams and tests completed.

BACKGROUND/RATIONALE:

The District currently has three (3) contracted vendors (Concentra, CCCMA Occupational Clinic, and UNIF/Mega Lab Services) that serve as Third-Party Administrators of the District's U.S. Department of Transportation (US DOT) Medical Examinations and Workplace Drug/Alcohol Testing Services for drug and alcohol testing, commercial driver license (CDL) medical examinations, and physical agility testing services of prospective and current employees. In addition to these three (3) contractors, the District has issued a side letter to the Collective Bargaining Agreement (CBA) with ATU Local 192 that authorizes those members to obtain DOT medical exam certificates from Kaiser-on-the-Job ("KOJ") facilities on a cost reimbursement basis.

The original three (3) year contracts were awarded in January 2021 and expired on December 31, 2023. At the September 27, 2023, Board of Directors meeting, the Board authorized the General Manager to exercise the first of two (2) one-year (1) options within the drug and alcohol testing services and medical exam services contracts. The current contract term expires on December 31, 2024.

On June 26, 2024, the Board authorized the release of Request for Proposals (RFP) for these contracted services in anticipation of awarding multiple, new three-to-five (3-5)year contracts prior to the expiration of the first option year (December 31, 2024). Staff initially sought to solicit for new contracts, instead of exercising the final one-year options, to obtain new market rates for these services and to provide an opportunity for new vendors to compete for these contracts including Kaiser on the Job (KOJ). The RFP for a new contract has not yet been issued. Staff has prioritized two interim contracts, one for Medical Review Officer (MRO) services and another for short notice and after-hours drug testing, both of which involved several complications and delays.

Staff anticipates issuing the RFPs prior to the end of the calendar year and returning to the Board to ask for authorization to award contracts in early 2025. In addition to the requirement that these RFPs be posted publicly for at least sixty (60) days, there will be an extensive evaluation of proposals in partnership with ATU and/or AFSCME. Furthermore, assuming new vendors are selected, an additional sixty (60) days is needed after award to transition work to any newly selected vendors. It is unlikely that contract award will occur before the expiration of the current option period. Staff requests the Board authorize the General Manager to exercise the final contract options, which will ensure continuity of these vital services while allowing staff time to issue the solicitation.

ADVANTAGES/DISADVANTAGES:

The advantages of exercising the options include the District's ability to maintain continuity in providing the FTA mandated medical exams and drug and alcohol testing for District employees while staff continues the RFP process toward awarding new contracts.

Staff has not identified any disadvantages to the recommended action.

ALTERNATIVES ANALYSIS:

Alternatively, the Board could decline to authorize the General Manager to exercise the contract options. There is the possibility of lapsed services if staff cannot execute new contracts by the December 31, 2024, contract expiration date. If services lapse, the District will be out of compliance with FTA mandated services. Staff does not recommend this alternative.

PRIOR RELEVANT BOARD ACTION/POLICIES:

24-356 Drug and Alcohol Testing, Medical Examinations, and Physical Agility Testing Services
20-046b Drug and Alcohol Testing, Medical Examinations, and Physical Agility Testing Services

ATTACHMENTS:

None

Prepared by:

Phillip J. L. Halley, Program Manager

In Collaboration with:

Susan Marie Silburn, Drug and Alcohol Program Manager

Cheryl Sudduth, Contract Services Manager

Approved/Reviewed by:

Lynette Little, Director of Civil Rights & Compliance

Fred Walls, Director of Procurement and Materials

Chris Andrichak, Chief Financial Officer

Aimee L. Steele, General Counsel/Chief Legal Officer

Michael A. Hursh, General Manager/Chief Executive Officer