

Date: October 28, 2015
To: Board of Directors
From: Neil McFarlane *Neil McFarlane*
Subject: RESOLUTION 15-10-65 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT 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 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 approval is required for personal services contract obligating TriMet to pay in excess of \$150,000.

4. Type of Action:

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

5. Background

TriMet has adopted medical job standards for various job classifications, including but not limited to, examinations or assessments for job classifications for which physical ability and working condition data profiles have been established. In addition, TriMet complies with the physical standard requirements of U.S. Department of Transportation and Oregon Department of Transportation Commercial Driver's License regulations.

TriMet contracts for medical examinations of job applicants, of employees transferring from one position to another, and return-to-work examinations, when specific medical or physical standards apply. The contract includes pre-employment drug screening services for safety-sensitive positions, and consultation support to TriMet's employee prescription medication program.

6. Procurement Process

TriMet's existing contract for occupational medical services expires on December 8, 2015. On September 1, 2015, TriMet issued a formal Request for Proposals (RFP) to select a new consultant for these specialized services. Thirty-five (35) firms downloaded the RFP from TriMet's eBid system. On September 22, 2015, TriMet received two (2) proposals; one from Northwest Occupational Health Associates and one from Norton Medical Industries. A source evaluation committee (SEC), comprised of staff from various departments, evaluated the proposals against the criteria set forth in the RFP, addressing (1) qualifications of the firm and staff, including workforce diversity plan; (2) proposer's approach to accomplishing the scope of work (work plan) of twelve (12) defined elements required in the RFP specifications; and (3) price. The SEC determined the proposal from Norton Medical Industries to be non-responsive and was rejected for failure to submit pricing on all twelve required RFP specification elements and all necessary proposal forms. The SEC determined the proposal from Northwest Occupational Health Associates to be responsive and competitive. Northwest Occupational Health Associates was requested to submit its Best and Final Offer (BAFO), which was received on October 5, 2015. The SEC's evaluation scores of Northwest Occupational Health Associates BAFO were as follows:

Evaluation Criteria	Possible Points	NW Occupational Health Associates
Qualifications of the Firm and Staff	30	27.0
Technical Proposal – Work Plan	30	30.0
Price	40	40.0
Total Score	100	97.0

Staff's independent cost estimate (ICE) for this procurement was \$975,000 for a 5-year contract term. Northwest Occupational Health Associates BAFO proposed price of \$735,550 reflects market pricing for these specialized services, and is approximately 25% less than staff's original ICE.

The proposed contract with Northwest Occupational Health Services will have a base term of one-year, with four (4) one-year options, for a maximum five-year term. Contract pricing is based on per service rates. No rate increases are allowed during the base term of the contract; any rate increases during the renewal terms will be subject to TriMet approval, and will be tied to the Consumer Price Index (CPI) All-Urban Workers, for the Portland-Salem area. The base term estimated contract amount is \$147,110, based on the forecasted level of services for the coming year. The total estimated contract amount, assuming all renewal options are exercised by TriMet, is \$735,550. The final total contract amount will be based on the agency's actual usage, which will vary annually, according to the level of services required.

7. Diversity

Northwest Occupational Health Associates is a small business with one owner and three employees. Two of the three employees are minorities. Northwest Occupational Health Associates is registered with the State of Oregon as an Emerging Small Business (“ESB”).

8. Financial/Budget Impact

Funding for this contract is included under the current operating budget portion of TriMet's FY2016 budget, and is within budgeted parameters.

9. Impact if Not Approved

The Board could approve the contract, or direct staff to issue a new solicitation. However, a new solicitation is not recommended, because staff has determined Northwest Occupational Health Associates proposal to be fully responsive and responsible, and it's pricing to be fair and reasonable. A new solicitation for these specialized services is not expected to result in lower pricing, or improved quality.

RESOLUTION 15-10-65

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

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract with Northwest Occupational Health Associates for Occupational Health Services (“Contract”); and

WHEREAS, the total amount of the Contract is expected to exceed \$150,000; and

WHEREAS, the TriMet Board of Directors (“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 Contract shall be in conformance with applicable laws.
2. That the General Manager is authorized to execute the Contract.

Dated: October 28, 2015

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department