

Agenda Report

TO: CITY COUNCIL

DATE: JANUARY 8, 2001

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO EXECUTE A ONE-YEAR CONTRACT EXTENSION WITH COMMUNITY ACTION EAP, A NON-PROFIT ORGANIZATION, TO CONTINUE OPERATING THE CITY'S EMPLOYEE ASSISTANCE PROGRAM

RECOMMENDATION:

It is recommended that the City Council:

- 1) Authorize the City Manager to execute a one year extension of the City's contract with Community Action EAP without competitive bidding, pursuant to city Charter Section 1002[F], contracts for professional or unique services, to continue operating the City's Employee Assistance Program (EAP) for an amount not to exceed \$42,000.00.
- 2) Grant the proposed extension an exemption from the Competitive Selection process of the Affirmative Action in Contracting Ordinance, pursuant to Section 4.09.060[C], contracts for which the City's best interests are served.

BACKGROUND:

In February of 1998, the City contracted with Community Action EAP to operate the Employee Assistance Program. EAP services include, but are not limited to, professional and confidential diagnostic, assessment, consultation and treatment services for troubled employees and their families; information and referral; a 24-hour crisis hotline; Critical Incident Stress Debriefing, management consultations; and education and training programs. Community Action EAP also serves as the City's Substance Abuse Professional (SAP) pursuant to U.S. Department of Transportation regulations governing workplace drug and alcohol testing for safety-sensitive employees.

The EAP contract has twice been extended by amendment. The current amendment expires on January 31, 2001, and an additional extension requires Council approval. Staff believes it is in the City's best interests to extend the contract for one more year, as follows:

- A) Changes in Human Resources – The EAP contract is administered by the Human Resources Department. The City is recruiting for a new Director of Human Resources, and the position will not be filled before the EAP contract expires.

Extending the contract for one year will allow the new Director of Human Resources to be involved in the competitive selection process.

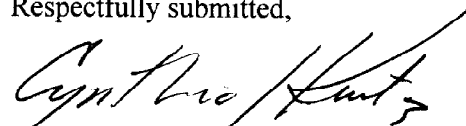
- B) Clear Need – The national Employee Assistance Professionals Association (EAPA) classifies a quarterly EAP utilization rate of 1.5% or higher as “Significant Usage”. During the third quarter of the current contract, the City’s EAP utilization rate was 5.5%. The EAPA also considers an annual utilization rate of 5% or higher to be an indicator of a successful program. From February 1 through October 31 of this year, the City’s overall EAP utilization rate was 13.85%.

Extending the contract for one year will allow the City to continue providing this valuable and highly utilized employee service without interruption until the competitive selection process can be completed.

FISCAL IMPACT:

Funds are available in account 101-485000, Human Resources Development & Training.

Respectfully submitted,



Cynthia Kurtz, City Manager

Approved:



Patricia Giermann
Interim Director, Human Resources

Prepared by:



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