



Office of the City Manager

CONSENT CALENDAR
April 30, 2013

To: Honorable Mayor and Members of the City Council

From:  Christine Daniel, City Manager

Submitted by: David Abel, Acting Director of Human Resources

Subject: Contract No. 7229 Amendment: Preferred Alliance, Inc. for Drug and Alcohol Testing Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 7229 in the amount of \$35,000 with Preferred Alliance Inc., a Drug and Alcohol Testing Administrator, for a revised total contract amount not to exceed \$120,997, and extending the term of the contract from May 15, 2013 through June 30, 2015.

FISCAL IMPACTS OF RECOMMENDATION

The contract amendment with Preferred Alliance Inc. will add \$35,000. Expenditures for drug and alcohol testing services are paid from a variety of funding sources in the budgets of individual operating departments, including Police; Fire; Public Works; Health, Housing and Community Services; and Parks, Recreation and Waterfront departments.

Original contract amount	\$24,500
December 31, 2008 Amendment	\$25,500
November 16, 2010 Amendment	\$18,266
January 31, 2012 Amendment	\$17,731
Proposed Amendment	\$35,000
Total New Contract Amount	\$120,997

Budget codes:

The funds for this amendment are allocated in various departments' budget codes, and included in the FY 2014 and FT 2015 proposed budgets.

The Contract Management System number is CMS No. B6ZRL.

CURRENT SITUATION AND ITS EFFECTS

There is a current contract with Preferred Alliance, which expires on May 15, 2013, for an amount not to exceed \$85,997. The contractor provides City employees and applicants for pre-employment drug testing at United States Department of Health and Human Services (USDHHS), and Substance Abuse and Mental Health Services

Administration (SAMHSA) certified laboratories and establishes selection protocols and split specimen testing following Department of Transportation (DOT) guidelines. The contractor also provides City employees and applicants for pre-employment drug and reasonable suspicion drug and/or alcohol testing at USDHHS and SAMHSA certified laboratories for non-DOT collections. Further, the contractor provides the City's supervisors with certification training as required by federal regulation.

BACKGROUND

The Omnibus Transportation Employee Testing Act of 1991 requires drug and alcohol testing of safety-sensitive transportation employees. The Federal Department of Transportation (DOT) publishes rules on who must conduct drug and alcohol tests, how to conduct those tests, and what procedures to use when testing. These regulations cover all transportation employers' and safety-sensitive transportation employees. The rules specifically require the City to conduct pre-employment, reasonable suspicion, random, post-accident, return to duty and follow up drug and alcohol testing. Additionally, non-DOT pre-employment tests are conducted for Police and Fire candidates.

The City selected Preferred Alliance as the third party administrator through the competitive bid process and has been using Preferred Alliance since the inception of the contract in January 2007. They have provided us with outstanding technical and administrative support including training and certification of the City's supervisors. Further, they have assisted us in interpretation of the regulations to develop policies that both meet regulatory requirement and are fair to and considerate of the affected employees.

RATIONALE FOR RECOMMENDATION

This contract amendment will benefit the City in continuing to provide excellent drug and alcohol testing services to assist the City in meeting our regulatory obligations. Additionally, this service helps the city to maintain a drug and alcohol free workplace, develop and maintain state of the art training methods for educating our staff and keeping apprised of regulatory changes.

ALTERNATIVE ACTIONS CONSIDERED

A Request for Proposal was issued in November 2012. Staff evaluated services provided from other vendors and is recommending an extension of the current contract.

CONTACT PERSON

David Abel, Acting Director of Human Resources, 981-6807

Attachments:
1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 7229 AMENDMENT: PREFERRED ALLIANCE, INC. FOR DRUG
AND ALCOHOL TESTING SERVICES

WHEREAS, the Omnibus Transportation Employee Testing Act of 1991 requires the City to conduct drug and alcohol testing of safety-sensitive transportation employees; and,

WHEREAS, on January 1, 2007 the City of Berkeley contracted with Preferred Alliance, Inc. to provide drug and alcohol testing program administration; and

WHEREAS, Preferred Alliance, Inc. has provided the City of Berkeley with outstanding technical and administrative support including training and certification of the City's supervisors; and

WHEREAS, Preferred Alliance, Inc. has assisted the City in interpretation of the federal regulations and develop policies that both meet regulatory requirements and fairness to and consideration of the affected employees; and

WHEREAS, funds are available and will be budgeted in future fiscal years in an amount not to exceed \$120,997, allocated to various Budget Codes in the Public Works; Parks, Recreation and Waterfront; Health, Housing and Community Services; Police; and Fire Departments; CMS No. B6ZRL.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to Contract No. 7229 with Preferred Alliance, Inc to increase the amount by \$35,000 for a total not to exceed \$120,997 through June 30, 2015. A record signature copy of said contract and any amendments to be on file in the Office of the City Clerk.

