June 2, 2009

TO: HONORABLE MAYOR and CITY COUNCIL

FROM: DIANNA R. GARCIA, Director of Human Resources

SUBJECT: OPTIONS/THE EMPLOYEE ASSISTANCE PROGRAM OF SAN JOAQUIN COUNTY

RECOMMENDATION

It is recommended that the City Council adopt a resolution authorizing the City Manager to execute a renewal agreement in the amount of $73,728 with OPTIONS/The Employee Assistance Program of San Joaquin County, to provide mental health services to City of Stockton employees and their dependents.

SUMMARY

The current agreement with OPTIONS/The Employee Assistance Program of San Joaquin County expired on January 31, 2009. It is recommended that the City Council authorize the City Manager to renew the City’s contract in accordance with Section 10 of the Agreement, for a one-year period, beginning February 1, 2009, and continuing through a period no later than January 31, 2010.

DISCUSSION

Background

The City of Stockton has provided an employee assistance program to its employees and their dependents since 1979. The intent of the program is to provide mental health services as a cost-effective method of reducing absenteeism, disciplinary action, poor job performance and workers’ compensation incidents.

Since September 1, 1986, the City has provided an Employee Assistance Program to its employees and their dependents through a contract with OPTIONS, The Employee Assistance Program of San Joaquin County (hereinafter referred to as “OPTIONS”). OPTIONS is managed by San Joaquin County Mental Health Services and its services are offered to other public agencies and the private industry.

OPTIONS services include counseling for parent-child relationships, marital conflicts, emotional and stress related problems, substance abuse/chemical dependency, and counseling to deal with financial and legal problems. The program provides assessment, up to three free sessions of counseling/therapy with an OPTIONS staff counselor/therapist, and referral services. Sessions beyond three in a six-month period are paid by the City’s Employee Medical Plan and/or the employee.
OPTIONS/THE EMPLOYEE ASSISTANCE PROGRAM OF SAN JOAQUIN COUNTY

(Part 2)

Present Situation

The original contract was extended through January 31, 1994. The City then went through the Request for Proposals (RFP) process and OPTIONS was selected to continue providing employee assistance services. The initial term of that agreement was from February 1, 1994 through January 31, 1998. The agreement was extended several times, beginning February 1, 1998 and continuing through January 31, 2009.

Upon expiration of the current contract in 2010, the City will look into the RFP process to encourage more participation and involvement by other vendors who can provide a better service at a more cost effective manner.

FINANCIAL SUMMARY

This service contract will be funded by the Workers’ Compensation Internal Service Fund, Self Insurance Administration Other Services, Account No. 551-5610-572.20-66. It will cost $73,728.00, payable in twelve (12) equal monthly installments of $6,144.00.

Respectfully submitted,

DIANNA R. GARCIA
DIRECTOR OF HUMAN RESOURCES

APPROVED:

Johnny Ford
J. GORDON PALMER, JR.
CITY MANAGER
Resolution No.________________

STOCKTON CITY COUNCIL

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT RENEWING THE CITY’S CONTRACT WITH THE COUNTY OF SAN JOAQUIN FOR PREVENTIVE MENTAL HEALTH SERVICES PROVIDED THROUGH THE “OPTIONS” EMPLOYEE ASSISTANCE PROGRAM FOR AN ADDITIONAL ONE-YEAR PERIOD

The Employee Assistance Program of San Joaquin County ("OPTIONS") is a program owned and operated by the County of San Joaquin ("COUNTY"), Health Care Services Department/San Joaquin County Mental Health to provide counseling for persons experiencing parent-child and/or marital conflicts; emotional, stress and chemical dependency-related problems; and financial and legal problems; and

Since 1979 the City of Stockton ("CITY") has provided its employees and their dependents with preventive mental health services as a cost-effective method of reducing absenteeism, disciplinary action, poor job performance and workers' compensation incidents; and

On February 3, 1998, the Stockton City Council, through Council Resolution No. 98-0048, authorized the City Manager to execute, on behalf of the CITY, a two-year Agreement with the COUNTY, which sets forth the terms and conditions pursuant to which OPTIONS would provide preventive mental health services for City employees and their qualifying dependents; and

Section 10 of the Agreement authorizes the parties to subsequently renew the Agreement, with the contract rates for each subsequent extension to be negotiated by the City Manager (or the City Manager's designee) and subject to approval by the City Council; and

The Agreement was extended for an additional two-year term, covering the period up to and including January 31, 2002, by Council Resolution No. 00-0063, adopted on February 22, 2000; and

The Agreement was extended for an additional two-year term, covering the period up to and including January 31, 2004, by Council Resolution No. 02-0175, adopted on April 2, 2002; and

The Agreement was extended for an additional two-year, covering the period up to and including January 31, 2006, by Council Resolution No. 04-0084, adopted on February 17, 2004; and

The Agreement was extended for an additional two-year, covering the period up to and including January 31, 2008, by Council Resolution No. 06-0057, adopted on January 31, 2006; and

City Atty
Review
Date 5/24/09
The Agreement was extended for an additional one-year, covering the period up to and including January 31, 2009, by Council Resolution No. 08-0044, adopted on February 5, 2008; and

The CITY desires and the COUNTY is agreeable, to extend the Agreement, pursuant to Section 10, for an additional one-year term from February 1, 2009, up to and including January 31, 2010, with the total cost of the renewal term not to exceed $73,728, payable in twelve (12) equal installments; and

Sufficient funds exist in Workers' Compensation Account No. 551-5610-572.20-66 (Self-Insurance Administration) and have been, or will be, included in the budget for future years to cover the City's costs; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON AS FOLLOWS:

1. The City Manager is hereby authorized and directed, on behalf of the CITY, to execute the renewal Agreement with the COUNTY for the provision of mental health services for City employees and their qualifying dependents through the OPTIONS Employee Assistance Program for an additional one-year term from February 1, 2009, up to and including January 31, 2010, as set forth in the agreement and incorporated herein by reference.

2. The City Manager is hereby authorized and directed to execute the renewal Agreement with OPTIONS Employee Assistance Program, a copy of which is attached as Exhibit "A" and incorporated herein by this reference.

3. The City Manager is here authorized and directed to take whatever actions are appropriate to carry out the purpose and intent of this resolution.

PASSED, APPROVED AND ADOPTED

________________________________________
ANN JOHNSTON
MAYOR OF THE CITY OF STOCKTON

ATTEST:

________________________________________
KATHERINE GONG MEISSNER
CITY CLERK OF THE CITY OF STOCKTON
AGREEMENT FOR EMPLOYEE ASSISTANCE PROGRAM SERVICES

THIS AGREEMENT is made and is entered into this 1st day of February 2009, by and between the CITY OF STOCKTON, a municipal corporation, (hereinafter “City”), and OPTIONS/THE EMPLOYEE ASSISTANCE PROGRAM OF SAN JOAQUIN COUNTY, a program wholly owned and operated by the Health Care Services Department of the County of San Joaquin, a political subdivision of the State of California, (hereinafter “Options”).

WITNESSETH:

WHEREAS, on August 28, 1986, City and Options entered into an agreement to provide preventive mental health services for City employees and their dependents; and

WHEREAS, in accordance with its terms, the agreement was amended from time to time thereafter, resulting in an extension of the agreement up to and including the date of its expiration on January 31, 1994; and

WHEREAS, as a result of engaging in the RFP process, City entered into a subsequent agreement with Options, covering the period February 1, 1994 to January 31, 1998 for preventive mental health services; and

WHEREAS, the above agreement was extended for a series of periods from February 1, 1998, up to and including the current date of expiration on January 31, 2009; and

WHEREAS, the City and Options in accordance with the City’s Cooperative Purchasing Agreement provisions set forth in Stockton Municipal Code section 3-105 and section 10 of the current agreement, desire to extend the current agreement for a period of one (1) year; now, therefore,
In consideration of the covenants, conditions, agreements and stipulations hereinafter expressed,

IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. **Scope of Services**

   Options shall provide assessment, referral, and follow-up of one (1) to five (5) sessions for City employees and their dependents during a six-month period. Counseling beyond five (5) sessions will be the responsibility of the employee and/or employee insurance programs. Options shall provide mechanisms to help make the fees for said services more affordable to City's employees. Acute emergency situations, consultation after referral for motivating, referral or a supervisory/union referral shall not be subject to the five (5) session limitation. Options shall also provide services in the area of management training and employee orientation program.

   Services shall be available to City employees through the Options Program during regular business hours: Monday through Friday from 8:00 a.m. to 5:00 p.m. In addition, Options shall work with employees to provide counseling at hours and on days that are convenient to the employee and shall provide 24-hour emergency telephone response services seven (7) days a week.

2. **Service Providers**

   Options will work with existing insurance programs to provide affordable costs to employees and shall ensure that all providers to whom employees are referred are licensed, have maintained an established practice for a minimum of three (3) years and maintain professional liability insurance.
3. **Self Referral**

   Employees and their dependents may contact Options at their own discretion. Options shall provide services as detailed in paragraph 1 of this Agreement. Options shall ensure confidentiality. Information contained in Options’ Employee Assistance Program files will not be released or disclosed without the client’s authorization. Exceptions are threats of bodily harm, child abuse and court orders, and as otherwise required by law.

4. **Supervisory Referral**

   Supervisors may encourage the use of Options when a performance problem occurs. If the supervisory and the employee mutually agree that Options shall be utilized, the supervisor shall contact Options and provide information relative to job performance deterioration. To ensure confidentiality, information released to the supervisor shall be limited to attendance and follow-up information.

5. **Management Referrals**

   The Director of Human Resources may refer an employee relative to disciplinary action. Diagnosis and assessment costs are included in this Agreement. Costs for treatment provided beyond diagnosis will be based on the provider’s usual and customary fees. A confidentiality release form signed by the employee shall be completed by the employee to allow for the release of information requested by the City.

6. **Orientation and Program Introduction**

   Options staff shall meet with appropriate representatives in each service delivery component of the City on a timely basis and familiarize themselves with City’s functions, organization, and style. Options will provide orientation to employees and training to supervisors with regard to the availability and services offered by Options through training
sessions, promotional material and individual consultations. Options will provide the City two-
hour management training sessions on an ongoing basis.

In addition to training, Options will provide twenty (20) hours of seminars to City
staff at no additional cost. Seminars may be provided in various areas, including, but not limited
to, assertiveness techniques, problem solving techniques, stress management, communication
skills, staff morale, and handling criticism. The Director of Human Resources will have the right
to review and approve such activities and act as coordinator and liaison between Options and
City.

7. Program Evaluation/Confidentiality

Options shall provide the Director of Human Resources with monthly, quarterly
and annual reports reflecting the service utilization rate. Information contained in such reports
shall include, but not be limited to, department, number of employees and dependents, type of
visit, referral sources used and training provided within that time period.

8. Compensation

Effective February 1, 2009, the rate shall be $4.00 per employee not to exceed
$73,728.00, (Seventy-Three Thousand Seven Hundred Twenty-Eight and 00/100 Dollars) paid in
twelve (12) equal installments of $6,144.00 (Six Thousand One Hundred Forty-Four and 00/100
Dollars) per month.

9. Term

This Agreement shall take effect February 1, 2009, and shall remain in effect until
January 31, 2010, unless otherwise terminated as set forth in paragraph 11, below.
10. **Renewal**

   Upon City’s request, this Agreement may be renewed for an additional year term and at a mutually agreeable price to be negotiated by the Stockton City Manager (or his or her authorized representative) and approved by the City Council.

11. **Termination**

   This Agreement may be terminated for any reason by either party by giving the other party at least sixty (60) days’ written notice in advance of the effective date of said termination.

12. **Independent Contractor**

   Under no circumstances shall any employee of Options, its subcontractors, agents or assigns be considered employees of City.

13. **Integration/Modification**

   This Agreement represents the entire integrated agreement between City and Options, supersedes all prior negotiations, representations, or agreements between the parties, either written or oral, and may be amended by written instrument signed by the parties hereto.

14. **Assignment or Successors**

   Any attempt to assign the rights or delegate the duties arising pursuant to this Agreement without the express prior written consent of City shall render this Agreement voidable at City’s discretion.

15. **Nondiscrimination**

   In performing services under this Agreement, Options shall not discriminate in the employment of its employees or in the engagement of any subcontractors on the basis of race.
color, religion, sex, sexual orientation, marital status, national origin, ancestry, age or any other criteria prohibited by law.

16. **Subcontracts**

City acknowledges that Options may subcontract with other/third parties for assistance in performing the services. Compensation owed to any such subcontractor for services to be performed under this Agreement shall remain the sole responsibility of Options, and Options' entering into any such subcontract in order to perform its duties under this Agreement shall not result in any additional costs, obligations, or liability to City.

17. **Notices**

Any notice, tender, delivery, or request for payment to be given to any party herein in connection with this Agreement may be effected by written notice delivered in person or by mail, and shall be deemed communicated as of the date of actual receipt. Mailed notices shall be addressed as set forth below:

**To City:**

City of Stockton  
Human Resources Department  
Attention: Di Smith, Assistant Director of HR  
22 East Weber Street, Suite 150  
Stockton, California 95202

**To Options:**

Options Employee Assistance Program  
San Joaquin County Behavioral Health Services  
Attention: Vic Singh, Behavioral Health Director  
1212 N. California Street  
Stockton, CA 95202

18. **Insurance**

Prior to undertaking any work under this Agreement, Options shall submit to City proof of insurance coverage for personal injury and property damage with limits of not less than one million dollars ($1,000,000.00) per occurrence, naming City as an additional insured by the
appropriate endorsement, and in a form acceptable to City. Options shall provide notice to City of any change in or limitation of coverage or of cancellation of the policy no less than thirty (30) days prior to the effective date of the change, limitation, or cancellation.

19. **Workers’ Compensation**

   To the extent required by California law, Options shall comply with section 3700 of the California Labor Code and shall secure, at its own expense, and maintain during the life of this Agreement, workers’ compensation coverage for its employees as necessary to protect Options and its employees under the Workers’ Compensation Insurance and Safety Act. Such Insurance shall be in a standard form and shall relieve City of all responsibility for claims and/or liability covered thereby. Options shall, prior to undertaking the service contemplated herein, supply City with a certificate (or other evidence of coverage or exemption there from) and shall require the same of its subcontractors or other agents performing service authorized under this Agreement.

20. **Indemnification**

   Options shall indemnify, defend, and hold harmless City, its officers, employees, and agents from any claim, expense, liability, or payment for any injury or damage to any person or property which results from the willful misconduct or negligent performance by Options, its officers, employees, agents, subcontractors, or assigns in connection with the performance of Options’ duties pursuant to this Agreement.

21. **Choice of Law**

   The provisions of this Agreement and any and all disputes arising there from shall be interpreted in accordance with and pursuant to California law.

22. **Attorney’s Fees**
Should any dispute arise between the parties, their agents, successors, or assigns, which results in the filing of legal proceedings to determine the rights and responsibilities of the parties pursuant to this Agreement, the prevailing party in such action shall be entitled to recover its reasonable costs, including reasonable attorney's fees, from the non-prevailing party.

23. **Severability**

The provisions of this Agreement are severable to the extent that should any of its provisions or terms be declared void in whole or in part by operation of law or agreement of the parties, the remainder of the provisions or terms not expressly declared void shall remain in effect and enforceable to the extent authorized by law.

24. **Authority**

The undersigned represent that they are authorized to execute this Agreement.
IN WITNESS WHEREOF, the parties have executed this Agreement the date first
written above:

ATTEST: LOIS M. SAHYOUN, 
Clerk of the Board of Supervisors 
of the County of San Joaquin, 
State of California

COUNTY OF SAN JOAQUIN 
a political subdivision of the 
State of California

By: ____________________________
LEROIY ORNELLAS, Chairman 
Board of Supervisors
Hereinabove referred to as “COUNTY”

ATTEST: 
KATHERINE GONG MEISSNER 
City Clerk

CITY OF STOCKTON 
a Municipal Corporation

By: ____________________________
J. GORDON PALMER, City Manager
Hereinabove referred to as “CITY”

APPROVED AS TO FORM: 
RICHARD E. NOSKY, JR., City Attorney

Michon Johnson 
Deputy City Attorney

APPROVED AS TO FORM: 
DAVID WOOTEN, County Counsel

By: ____________________________
Quendrith Macedo, 
Deputy County Counsel

APPROVAL RECOMMENDED

By: ____________________________
KENNETH B. COHEN, Director 
Health Care Services