

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
3	11/10/14	Open	Action	10/21/14

Subject: Approving the Third Amendment to the Contract for Employee Assistance Program (EAP) Services with MHN, Inc.

## ISSUE

Approving the Third Amendment to the Contract for Employee Assistance Program (EAP) Services with MHN, Inc.

## RECOMMENDED ACTION

Adopt Resolution No. 14-11-\_\_\_\_, Approving the Third Amendment to the Contract for Employee Assistance Program (EAP) Services with MHN, Inc.

## FISCAL IMPACT

Budgeted:	Yes	This FY:	\$27,000
Budget Source:	Local	Next FY:	\$27,000
Funding Source:	Operating	Annualized:	\$NA
Cost Cntr/	42	Total Amount:	\$54,000
GL Acct(s):	630014		
Total Budget:	\$54,000		

Contract Summary	Original Price
Original 3-Year Total:	\$153,000
First Amendment Option Year 4:	\$54,000
Second Amendment Training:	\$8,100
Third Amendment:	\$54,000
New Contract Total:	\$269,100

## DISCUSSION

On December 13, 2010, the RT Board awarded a contract for Employee Assistance Program (EAP) Services to MHN, Inc. for an amount not to exceed \$153,000, for a 3-year term, with the option to renew for two additional 1-year terms (option years) to be exercised sequentially. The current contract was entered into on December 21, 2010, with an effective date of January 1, 2011, and was to terminate on December 31, 2013; however, on November 11, 2013, the Board approved the First Amendment to the Contract to exercise Option Year 4 which extended the term through December 31, 2014. The Second Amendment to the Contract, executed under the General Manager/CEO's authority on August 11, 2014, was for MHN to provide two Manager Training Courses: Creating a Respectful Work Environment and Addressing Workplace Bullying.

The proposed Third Amendment to the Agreement with MHN will extend the term by an additional year by authorizing the parties to execute Option Year 5. Staff is requesting that the Board

Approved:

Presented:

Final 11/3/14

General Manager/CEO

Director, Human Resources

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November

10,

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approve extending the term of the EAP Contract from January 1, 2015 through December 31, 2015.

An EAP has been in existence at RT since 1984. The program provides confidential counseling and referral services to employees and dependents on matters that may affect job performance. Services include counseling for alcohol and drug abuse, gambling addiction, marital, family, medical, emotional, financial and legal problems. The EAP also provided guidance and training for supervisors and managers on handling difficult problems. MHN has performed well for RT and staff desires to proceed with a contract amendment to extend the contract term by exercising Option Year 5. MHN intends to retain RT's current on-site counselor, Marilyn Stalians as RT's on-site counselor. Ms. Stalians is a licensed marriage and family therapist, and has established a good rapport with RT employees.

In 2010, MHN proposed a nominal increase in pricing for option year 4 and no further increase for option year 5. Staff has determined that the option year pricing is fair and reasonable.

Staff recommends that the Board approve the Third Amendment to the Contract for Employee Assistance Program (EAP) Services with MHN, by which RT exercises its option to extend the Contract for year 5, commencing on January 1, 2015, and terminating on December 31, 2015, and the total consideration is increased by \$54,000, from \$215,100 to \$269,100.

RESOLUTION NO. 14-11-\_\_\_\_\_

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

November 10, 2014

**APPROVING THE THIRD AMENDMENT TO THE CONTRACT FOR EMPLOYEE ASSISTANCE PROGRAM (EAP) SERVICES WITH MHN, INC.**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Third Amendment to the Contract for Employee Assistance Services between Sacramento Regional Transit District, therein referred to as "RT," and MHN, therein referred to as "Consultant," wherein RT exercises its option to extend the Contract for one additional year, commencing on January 1, 2015, and terminating December 31, 2015, and the total consideration is increased by \$54,000 from \$215,100 to \$269,100, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute the Third Amendment.

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PHILLIP R. SERNA, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary