Agenda Item #12.10 For Council Meeting of: June 20, 2017

CITY OF SANTA ROSA CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: DOMINIQUE KURIHARA, RISK MANAGER HUMAN RESOURCES

SUBJECT: SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH WELLNESS SOLUTIONS, INC. FOR SAFETY EMPLOYEES

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Human Resources Department, Risk Management Division, that the Council, by resolution, approve the second amendment to professional services agreement number F000977 with Wellness Solutions, Inc., adding an additional amount of \$150,000 for a total contract amount of \$450,000, providing for the continuation of the Wellness Program for Safety employees.

EXECUTIVE SUMMARY

The Wellness Program provides Wellness services to the City's sworn Safety employees. This includes Wellness incentives, competition, health screening, and oneon-one assessments and aide. This promotes a city organization that is service sustainable and maintains employee morale. In addition, it helps to prevent injuries and helps to keep them in top performing condition.

BACKGROUND

A wellness program was re-established in our Police and Fire Departments. In 2015, our coordinator, Jim Jarvis, conducted one-on-one consultations, with 66% participation in Fire and 98% in Police. The wellness coordinator identified high blood pressure, and potential blood pressure issues, as well as weight issues in a significant number of those employees, and continues working with our employees to encourage improved fitness levels and decreased risk factors.

The City Council, at the recommendation of the Human Resources Department, approved funding for this program to expand to all employees in the 2015/2016 budget, as well as approval of Amendment One for budget year 2016/2017.

PRIOR CITY COUNCIL REVIEW

On June 10,2014, the City Council by Resolution No. 28488 approved the Professional Services Agreement with Wellness Solutions, Inc.,

On June 18, 2015, the City Council by Resolution No. 28664 approved the Professional Services Agreement with Wellness Solutions, Inc.,

On June 21, 2016, the City Council by Resolution No. 28807 approved Amendment One to the Professional Services Agreement with Wellness Solutions, Inc.,

ANALYSIS

Workers Compensation costs are significant for our safety members. Certainly, some injuries will always be unavoidable in these high-risk professions. But many injuries are avoidable, or at the very least, their severity can be mitigated. Police Officers and Firefighters who understand and utilize their knowledge of the proper way to exercise and eat; who have been trained to recognize and defuse high stressors in their jobs, have been shown to have lower rates of heart disease and back and shoulder injuries.

A recent study published in the Business Insurance publication on May 23, 2016 reveals the following findings. The study revealed that 74% of HR professionals believe offering a health and wellness program reduces employee health risks and 66% of these professionals believe these programs improve absenteeism.

The same study asked for the employee's opinions. 74% of those polled believe that health and wellness programs are a good business investment and 69% said that these programs improve attractiveness to potential employees.

Workers' Compensation Claims severity seems to be down. An estimated savings of incurred costs for fiscal year 2016/2017 of \$125,000 for Safety members claims.

In addition, 96% of sworn police officers participated in the program and 66% of sworn fire.

FISCAL IMPACT

Approval of this action does not have a fiscal impact on the General Fund. This program has already been included in the Budget for FY 17/18.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

NOTIFICATION

Not applicable

ATTACHMENTS

• Resolution/Exhibit A Second Amendment to Professional Services Agreement

<u>CONTACT</u>

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