

CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

Risk Management

300 Sixth Street 605-394-6620

MEMORANDUM

DATE: December 26, 2012

TO: Legal and Finance Committee

Rapid City Council

FROM: Keith L'Esperance

Risk Management

SUBJECT: BH Occupational Medicine (BHOM) Professional Services Contract

Attached is a renewal contract for BHOM to provide drug and alcohol testing services to the City of Rapid City. The services include pre-employment and DOT-mandated drug and alcohol testing.

BHOM recently purchased Occupational Health Network (OHN) which has been providing these services to the City since 2006. There have been no pricing changes since January 2010. With this new contract, the only substantive change is an increase from \$10 to \$15 for the drug screen collection fees (second line item on the fee schedule). The remainder of the fee schedule is essentially unchanged. In 2012, the City conducted between 180 and 190 preemployment and random drug screens. Based on 2012 (and prior years are very similar in numbers), the impact with the minimal price increase would be less than \$1,000 annually. The other change to the fee schedule is a new line item Breath Alcohol Confirmation for \$30. This fee would only be applicable if an employee tested positive for a breath alcohol screen under reasonable suspicion, post-accident or random.

It is recommended that Legal and Finance Committee and City Council approve this contract for these professional services.

