



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** William McDonald

**SUBJECT:** SEE BELOW

**DATE:** September 26, 2011

Approved

Date

10/6/11

**COUNCIL DISTRICT:** City-Wide

**SUBJECT: AGREEMENT WITH CLUB ONE, INC TO CONDUCT A  
COMPREHENSIVE WELLNESS PROGRAM**

## RECOMMENDATION

It is recommended the Council approve the following actions:

- (a) Adopt a Resolution authorizing the City Manager to execute a one-year agreement with four, one-year options for renewal with Club One, Inc, to conduct a comprehensive Wellness Program with the San José Fire Department, with a total first year compensation not to exceed \$115,000; and
- (b) Execute up to four, one-year options to renew subject to annual appropriation.

## OUTCOME

This action will establish an agreement with Club One, Inc, with an initial term of November 1, 2011 to October 31, 2012, with the option to extend the terms of the agreement for four additional 12 month terms continuing to perform the scope of work based upon the same conditions as the initial term.

## BACKGROUND

The International Association of Fire Fighters (IAFF) and the International Association of Fire Chiefs (IAFC) developed the Fire Service Joint Labor Management Wellness/Fitness Initiative to

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build a stronger fire service through strengthening firefighters' physical and mental well being. Firefighters must continue to respond to emergency incidents that require extreme physical output and often result in physiological and psychological outcomes. Such situations, over time, can and do affect the overall wellness of the fire fighting and emergency response system. An overall wellness/fitness system must be developed to maintain firefighters' physical and mental capabilities and should be the objective of every fire department in cooperation with its local IAFF affiliate.

The Fire Department implemented a formal wellness program in 1997. Since the implementation of the wellness program, the program itself has taken on various levels of intensity, from an initial consultant operated program of \$220,000 to the more recent \$67,100 program. The Department has an annual budget of \$92,000 for professional services to operate a wellness program. In addition, the Department has \$25,000 in funding to maintain existing and purchase new fitness equipment. The Memorandum of Agreement between IAFF Local 230 and the City requires that all members of Local 230 participate in an implemented wellness fitness initiative program. Successful wellness programs have been shown to be effective in reducing employee injuries, accelerating the return-to-work program, and limiting workers compensation costs.

The Fire Department's four year contractual agreement with Club One, Inc for a comprehensive wellness program expired in December 2010. The Department performed a needs assessment for its wellness program and issued an RFP for a comprehensive wellness program in compliance with the City's procurement procedures (posting was online via BidSync). The RFP was issued on March 4, 2011, with a closing date of April 12, 2011. One proposal was submitted and zero protests were received. The proposal was reviewed by a panel of Fire Department and Human Resources Department staff and was deemed acceptable per the evaluation criteria in the RFP.

### ANALYSIS

An agreement was developed based upon the Fire Department's needs and the Club One, Inc proposal. The agreement with Club One, Inc is for a comprehensive wellness program that will include the following deliverables:

- Club One, Inc. will act as a full service contractor for the wellness program, providing resources sufficient to carry out all required operations.
- A Certified Exercise Specialist will be assigned specifically to the Fire Department to work weekly on a full-time (40hr) schedule. The responsibilities of the position will include implementing a wellness-oriented program designed to reduce injuries and illnesses among Department employees; conduct Health Risk Assessments (HRAs); provide health, fitness, and wellness training programs; coordinate fitness equipment maintenance and repairs; and implement a Peer Fitness Instructor program.
- Conduct physical fitness testing and deliver results to individuals participating in the wellness assessments.

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- Implement and manage a fitness information database management system and provide a yearly summary in a non-confidential statistical analysis of the results format.
- Provide a maintenance program for Fire Department fitness equipment.
- Other reports will be submitted, including reports to the City Safety Officer, the City Doctor, City Risk Manager, the City Auditor and the Fire Department Safety Committee.

The Agreement requires the City to pay Club One, Inc. a maximum compensation of \$115,000 annually with no reimbursement for expenses. Compensation is broken down by \$54,000 for the Certified Exercise Specialist, \$24 per hour for fitness trainers conducting the fitness portion of the HRA for amount up to \$10,800, \$6,000 for the assessment testing, \$2,200 for equipment maintenance, and \$42,000 for the comprehensive wellness program management fee. The compensation rates will not change with the execution of the options to extend.

### **EVALUATION AND FOLLOW-UP**

Once approved, the contract will be managed through the Fire Department's Bureau of Administrative Services. The services received will be evaluated on an ongoing basis, with an annual review of the consultant's performance prior to executing any options to extend the agreement.

### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This memorandum does not meet any of the above criteria, however it will be posted on the City's website for the October 18, 2011, City Council Agenda.

### **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

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**COST SUMMARY/IMPLICATIONS**

An annual cost of \$115,000 to be funded from the Fire Department Wellness Program within the Office of the Fire Chief's budget within the Fire Department's non-personal budget, appropriation 0542.

**BUDGET REFERENCE**

<b>Fund #</b>	<b>Appn #</b>	<b>Appropriation Name</b>	<b>Total Appropriation</b>	<b>2011-2012 Proposed Operating Budget Page*</b>	<b>Last Budget Action (Date, Ord. No.)</b>
001	0542	Fire Department Non-Personal/ Equipment	\$7,282,617	VIII-287	6-21-11 28928

\* The 2011-2012 Proposed Budget was adopted by the City Council on June 21, 2011.

**CEQA**

Not a Project, File No. PP10-066(a), Agreements and Contracts for Professional Services.

/s/  
WILLIAM MCDONALD  
Fire Chief

For questions please contact Ron D'Acchioli Deputy Director, at 794-6953