THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Board Action

- **Board of Directors**
  Organization, Personnel and Effectiveness Committee

10/13/2026 Board Meeting

7-3

Subject

Authorize an amendment to Agreement No. 231033 with Occu-Med, LTD to provide medical screenings and exams to increase the maximum annual amount from $249,000 to $450,000 per calendar year, not to exceed the five-year limit in the original contract; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

- Increase the existing maximum annual amount under Agreement No. 231033 with Occu-Med LTD from $249,000 to $450,000 per calendar year (CY), effective 10/15/2026.
- The increase is to continue providing designated safety staff and commercial driver's license holders with required medical exams and screenings to comply with legal requirements and ensure employee safety.
- Occu-Med LTD will absorb the services previously provided by another Metropolitan consultant, Glendale Adventist, when onsite occupational medical services were abruptly terminated on July 6, 2026, without advance notice, because the consultant closed their onsite medical exam services that were provided to Metropolitan under Agreement No. 212234.
- There is no increase to the budget, as this amendment combines the services of two separate providers into one.

Proposed Action(s)/Recommendation(s) and Options

Staff Recommendation: Option #1

Option #1

Authorize an amendment to Agreement No. 231033 with Occu-Med LTD to provide medical screenings and exams to increase the maximum annual amount from $249,000 to $450,000 per calendar year, not to exceed the five-year limit in the original contract.

Fiscal Impact: None
Business Analysis: The increase to the maximum annual contract amount will authorize Occu-Med LTD to continue providing designated safety staff and commercial driver's license holders with required medical exams and screenings to comply with legal requirements and ensure employee safety.

Option #2

Do not authorize an amendment to Agreement No. 231033 with Occu-Med LTD.
Fiscal Impact: None
Business Analysis: Occu-Med LTD will continue to provide services up to the existing maximum annual amount of $249,000. Due to the lack of sufficient resources, this option may impact Metropolitan's ability to perform medical exams and screening needed and that are legally required.

Alternatives Considered

Not applicable

Applicable Policy

Operating Policies D-01 Health & Safety, D-07 Drug & Alcohol Free Workplace, F-12 Operation of Trucks & Construction Equipment

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

Metropolitan Water District Administrative Code Section 8123: Authority of the General Manager to Amend Contracts

Metropolitan Water District Administrative Code Section 8140: Competitive Procurement

Related Board Action(s)/Future Action(s)

Not applicable

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves organizational, maintenance, or administrative activities; personnel-related actions; and/or general policy and procedure making that will not result in direct or indirect physical changes in the environment. (Public Resources Code Section 21065; State CEQA Guidelines Section 15378(b)(2) and (5).)

CEQA determination for Option #2:

None required

Details and Background

Background

Approval is requested to increase the annual agreement amount with Occu-Med LTD under Agreement No. 231033 from $249,000 to $450,000 per CY, effective October 15, 2026. The additional funding is needed to ensure continued delivery of mandated occupational medical examinations and screenings for designated safety-sensitive employees and commercial driver's license holders, in compliance with applicable legal and regulatory requirements.

On July 6, 2026, another Metropolitan consultant, Glendale Adventist, unexpectedly terminated its mobile onsite occupational medical services, provided under Agreement No. 212234, without advance notice. Initial notice was mailed by Glendale Adventist on July 1, 2026, to notify Metropolitan that it would discontinue all occupational services as of August 28, 2026. The majority of Glendale Adventist's staff then immediately resigned, including the medical technicians with commercial driver's licenses, who were required to continue to operate the mobile medical units. As a result, Glendale Adventist was forced to terminate offering the occupational medical examinations earlier than the noticed August 28, 2026, end date.

The abrupt discontinuation of Glendale Adventist's services affected numerous public agencies—including the Burbank Fire Department, the City of Glendale, the Downey Fire Department, the Glendale Unified School District, LAUSD, and Los Angeles County—prompting urgent efforts across the region to secure replacement providers. Staff is proposing that Occu-Med perform these services to maintain continuity and ongoing compliance with the Occupational Safety and Health Administration (OSHA), the Department of Transportation, and the Federal Motor Carrier Safety Administration (FMCSA). Consolidating the services previously delivered

by two separate contractors into a single provider does not require an increase to the approved budget and will ensure continuity of service until long-term service ownership decisions are finalized.

Metropolitan will consider issuing a competitive solicitation in accordance with Operating Policy G-05, Procurement of Goods and Services, and Administrative Code Section 8140. Metropolitan's dispersed operational footprint, including small teams at remote facilities, presents unique challenges in identifying qualified providers willing and able to deliver mobile, on-site occupational health services. A review of Metropolitan's historical contracting records confirmed that in 2014, only one bidder—Glendale Adventist—responded to the solicitation for onsite occupational medical exams and screenings.

Occu-Med LTD – Amendment to Agreement

On January 1, 2026, the District and Occu-Med LTD entered into Agreement No. 231033 under Administrative Code Section 8121(c), the General Authority of the General Manager to Enter Contracts, for a one-year term, with four options to extend one year with a maximum payable of $200,000 per CY. The scope of work requires the provider to deliver mandated medical examinations, screening, and baseline testing of candidates being offered safety-sensitive positions.

The services were procured under Administrative Code Section 8140(1)(h), Competitive Procurement Exemptions, for contracts for insurance, or for services of a professional, artistic, scientific, or technical character, due to Occu-Med LTD's ability to provide occupational medical clinic examination services, including the scheduling, coordination, performance, and medical review of pre-employment/post-offer medical evaluations and medical surveillance examination. Occu-Med LTD delivers a custom program that provides the District with clear medical recommendations in consideration of all applicable laws and guidelines (ADAAA, FEHA, CA OSHA, and FMCSA).

This agreement was amended effective August 1, 2026, to increase the annual amount from $200,000 to $249,000 per CY, due to the unanticipated discontinuation of Glendale Adventist occupational medical services to provide annual exams and screenings to existing employees as a buffer until a solution could be determined on how to proceed with a path forward, and to support the scheduled onsite medical exams for August, September, and October, and continued pre-employment medical exams and screenings for candidates through December 2026.

This action authorizes a second amendment to Agreement No. 231033 to increase the annual agreement amount with Occu-Med LTD from $249,000 to $450,000 per CY, effective October 15, 2026, for mandated medical examinations and screenings for designated safety-sensitive employees and commercial driver's license holders, in compliance with applicable legal and regulatory requirements. The new maximum amount payable will be in effect for the remainder of the agreement option years.

10/1/2026
Mark Brower *Date*
Human Resources Group Manager

10/1/2026
Shivaji Deshmukh *Date*
General Manager

Ref# hr12712597