

**Meeting Date:** 12/17/2013

**Report Type:** Consent

**Report ID:** 2013-00893

**Title: Supplemental Agreement: John Hansen, Police Department Fitness Coordinator**

**Location:** Citywide

**Issue:** Mr. John Hansen directly oversees the fitness plan of approximately 670 civilian and sworn Sacramento Police Department Employees, which has reduced recordable expenses in workers compensation claims. Given this successful outcome, Staff is recommended a one-year extension of this competitively-bid agreement. Sacramento City Code Section 3.56.090 requires City Council approval for agreements equal to or greater than \$100,000.

**Recommendation:** Pass a Motion authorizing the City Manager, or the City Manager's designee, to amend the Agreement with John Hansen (2012-0085) by increasing the current not-to-exceed amount by \$46,440, for a new not-to-exceed amount of \$139,320, and extending the time of performance to December 31, 2014.

**Contact:** James Beezley, Police Captain, Regional Services, (916) 566-6565, Police Department

**Presenter:** None

**Department:** Police

**Division:** Training

**Dept ID:** 11001371

**Attachments:**

1-Description/Analysis

2-Supplemental Agreement

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**City Attorney Review**

Approved as to Form  
Michael Fry  
11/26/2013 3:46:30 PM

**City Treasurer Review**

Reviewed for Impact on Cash and Debt  
Russell Fehr  
11/19/2013 10:31:53 AM

**Approvals/Acknowledgements**

Department Director or Designee: Sam Somers - 11/25/2013 2:35:18 PM

## Description/Analysis

**Issue Detail:** In December 2011, the Sacramento Police Department (SPD) advertised a Request for Proposal (RFP) opportunity for Fitness Coordinator Services (P121371002). After advertising the RFP, only one responsive proposal was received from Mr. John Hansen. Subsequently, the City of Sacramento (City) and Mr. Hansen entered into Agreement 2012-0085 for a total not-to-exceed amount of \$92,880. This Agreement will expire December 31, 2013. The SPD and Mr. Hansen wish to increase Agreement 2012-0085 by \$46,440 and extend the time of performance to December 31, 2014.

Over the past 10 years, Mr. Hansen has performed many tasks contributing not only to the overall health of the SPD employees, but also resulting in significant savings in health-related expenses. While some of these figures are difficult to quantify, several studies place a dollar amount on the potential savings. A 2010 *Harvard Business Review* article cited a study which reported that companies with wellness programs save as much as \$6.00 in health care expenses for every \$1.00 invested, and that the same dollar spent on wellness programs also reduced workers compensation claims by 40 percent. In addition, the Centers for Disease Control (CDC) considers workplace health programs to be equally beneficial to both employers and employees in that such programs lower health care and disability costs, enhance employee productivity, reduce employee absenteeism, improve stress management skills, and improve job satisfaction.

Currently, Mr. Hansen directly oversees the fitness plans of approximately 670 civilian and sworn SPD employees. In addition, Mr. Hansen provides additional services to the Department as a whole, such as coordinating the annual physical performance test, providing web-based instruction and performance tools, managing health fairs and fitness challenges, developing and presenting health seminars and workshops, partnering with Risk Management on injury reduction and stress management campaigns, and managing the SPD gym facilities, including maintenance, purchasing and installation of all fitness-related equipment. The SPD believes that this comprehensive wellness program has significantly reduced recordable expenses in workers compensation claims, as well as encouraging overall improvement in healthy eating habits, general fitness levels, and employee productivity.

**Policy Considerations:** The recommendation in this report is in accordance with Sacramento City Code 3.56.290(B) which requires City Council approval for contract supplements that increase the contract amount to greater than \$100,000.

**Economic Impacts:** None

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** This proposal does not constitute a “project” and is therefore exempt from the California Environmental Quality Act (CEQA), per CEQA Guidelines Sections 15061(b)(3) and 15378(a).

**Sustainability Considerations:** Not applicable.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** The recommendations contained in this report are necessary to further enhance workplace wellness, health, and safety initiatives.

**Financial Considerations:** The Agreement will continue to be funded out of the previously approved Los Rios Vocational Training Externally Funded Project (E11002510). There will be no impact on the SPD’s operating budget.

**Emerging Small Business Development (ESBD):** Not applicable.

# SUPPLEMENTAL AGREEMENT

**Project Title and Job Number:**

**Date:**

**Purchase Order #:**

**Supplemental Agreement No.:**

The City of Sacramento ("City") and \_\_\_\_\_ ("Contractor"), as parties to that certain Professional Services Agreement designated as Agreement Number \_\_\_\_\_, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

- The scope of Services specified in Exhibit A of the Agreement is amended as follows:
  
- In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is by \_\_\_\_\_, and the Agreement's maximum not-to-exceed amount is amended as follows:
 

Agreement's original not-to-exceed amount:	_____
Net change by previous supplemental agreements:	_____
Not-to-exceed amount prior to this supplemental agreement:	_____
by this supplemental agreement:	_____
New not-to exceed amount including all supplemental agreements:	_____
  
- Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.
  
- Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
  
- Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

**Approval Recommended By:**

**Approved As To Form By:**

\_\_\_\_\_  
Project Manager

\_\_\_\_\_  
City Attorney

**Approved By:**

\_\_\_\_\_  
Contractor

**Attested To By:**

**Approved By:**

\_\_\_\_\_  
City of Sacramento

\_\_\_\_\_  
City Clerk