

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

07/25/24
Item No.: 6.4
DSC/pcm

MCP

RESOLUTION APPROVING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO: (1) WAIVE FORMAL COMPETITIVE PROCUREMENT PROCEDURES; AND (2) EXECUTE A SECOND SUPPLEMENTAL AGREEMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CORVEL HEALTHCARE CORPORATION FOR MEDICAL BILL REVIEW AND PAYMENT UTILIZATION REVIEW SERVICES AND INCREASE THE MAXIMUM COMPENSATION FROM \$150,000 TO \$300,000.

WHEREAS, the Board of Port Commissioners ("Board") has reviewed and evaluated the Agenda Report for Agenda Item No. 6.4, dated July 25, 2024, and related agenda materials ("Agenda Report"), has received the expert testimony of Port of Oakland ("Port") staff, and has provided opportunities for and taken public comment; and

WHEREAS, the Port entered into a three year contract (2020-2023) for professional services with CorVel Healthcare Corporation ("CorVel") for an amount not to exceed \$150,000, such amount within the Executive Director's spending authority as described in the Port's Purchasing Ordinance; and

WHEREAS, in 2023 the Port's contract with CorVel was extended by three years from 2023 to 2026 and its scope expanded to include the payment of approved medical bills; and

WHEREAS, given the Port's worker's compensation needs and based on the CorVel medical services utilized to date, as well as anticipated ongoing needs for the remainder of the contract term, it is necessary to increase the total contract amount by \$150,000 to a total maximum amount of compensation with CorVel to a not to exceed total of \$300,000 through August 2, 2026; and

WHEREAS, that in acting upon this matter, the Board has exercised its independent judgment based on substantial evidence in the record and adopts and relies upon the facts, data, analysis, and findings set forth in the Agenda Report and in related agenda materials and in testimony received;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Based upon the information contained in the Agenda Report, and testimony received, the Board finds and determines that:

A. The proposed action is not subject to the California Environmental Quality Act ("CEQA") because it is not a "project" under CEQA as defined in Public Resources Code Section 21065.

B. The proposed action is for the performance of general services by contract that are in the public interest because of economy or better performance and will not result in the loss of employment or salary by any person having permanent status in the competitive service.

Section 2. The Board hereby approves and authorizes the Executive Director to:

A. Waive formal competitive procurement procedures.

B. Execute a Second Supplemental Agreement to the Professional Services Agreement with CorVel through August 2, 2026 for Medical Bill Review and Payment Utilization Review.

C. Increase the total maximum compensation with CorVel to a not to exceed total of \$300,000.

D. Make such additions, modifications, or corrections as necessary to execute the requested actions or to correct errors, subject to the limitations set forth herein and provided that any such addition, modification, or correction does not materially differ from the terms and conditions set forth herein and in the Agenda Report and is approved as to form and legality by the Port Attorney.

Section 3. This resolution is not evidence of and does not create or constitute (a) a contract, or the grant of any right, entitlement or property interest, or (b) any obligation or liability on the part of the Board or any officer or employee of the Port. Unless and until a separate written agreement is duly executed on behalf of the Board as authorized by this resolution, is signed as approved as to form and legality by the Port Attorney, and is delivered to other contracting party, there shall be no valid or effective agreement.

Section 4. This resolution shall be effective immediately upon adoption by the Board.