



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Public Health Dept.
Department No.: 041
For Agenda Of: December 13, 2011
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Takashi Wada, MD, MPH, Director and Health Officer, Public
Director(s) Health Department
Contact Info: Dan Reid, Primary Care and Family Health Asst. Deputy Director

SUBJECT: Beckman Coulter Bid Waiver Request

County Counsel Concurrence

As to form: N/A

Other Concurrence: Purchasing

As to form: Yes

Recommended Actions:

That the Board of Supervisors consider the following recommendations regarding a bid waiver for laboratory equipment.

- a) Authorize the Purchasing Manager to enter into an agreement with Beckman Coulter for the purchase, reagents and maintenance of two (2) ACL Elite laboratory devices in an amount not to exceed \$115,829 for five years without a competitive bid. The vendor is not a local vendor.
- b) Determine that these activities are exempt from California Environmental Quality Act review per CEQA Guideline Section 15061(b)(3), since it can be seen with certainty that there is no possibility that the activities may have a significant effect on the environment.

Summary Text:

This item is on the agenda to approve the purchase of testing equipment in the Public Health Department (PHD) Clinical Laboratory without a competitive bid. Approval of this request will enable the Clinical Laboratory to replace current Beckman Coulter leased instruments at the Santa Barbara and Santa Maria PHD Clinical Laboratory locations. These units are outdated, are not meeting current recommended industry standards, are no longer supported by Beckman Coulter, and one unit is no longer covered by a maintenance agreement.

County Code Section 2-39 states that the Purchasing Agent is obliged to purchase all materials, supplies, furnishings and equipment by using a formal competitive bidding process, unless the Board of Supervisors has waived competition under a particular set of circumstances. Due to "limitations in

Auditor-Controller Concurrence

As to form: N/A

source or supply” pursuant to County Code Section 2-39, Public Health Department (PHD) is requesting that your Board waive the requirement for a competitive bid for the purchase of laboratory equipment, reagents and supplies. There are only two major manufacturers of this type of equipment. The Public Health Department recently evaluated both manufacturers and selected the Beckman Coulter units because:

- The technology is compatible with current PHD Clinical Laboratory systems;
- The testing parameters are in current use and would require extensive retraining for existing clinical staff with another unit;
- The unit size of the competitive model would require extensive remodeling in the existing laboratory locations;
- The Beckman Coulter unit is able to effectively process smaller volumes of specimens which allows much more timely processing of specimens;
- The units are in use in other reference and testing locations in Santa Barbara County allowing for the sharing of reagents in an emergency/reagent shortage situation.

The County Purchasing Department recommends that bid waiver requests be made for each applicable fiscal year. This bid waiver request is for FY 2011-12 with ongoing maintenance and reagent purchases through FY 2016-17.

The contract with Beckman Coulter will consist of the following:

- One-time purchase of two (2) ACL Elite Sale Group with Printer and Bar Code Scanners for use at the Santa Barbara and Santa Maria PHD Clinical Laboratories (\$19,000 x 2 = \$38,000).
- Ongoing consumables (reagents and supplies): Five (5) year contract for reagents and supplies per device. Minimum annual commitment for both devices is \$6,426.53 (\$6,426.53 x 5 years = \$32,132.65). Prices are fixed during the term of the agreement.
- Ongoing service and maintenance of equipment: The equipment has a one year warranty. A maintenance agreement will begin automatically in Year Two and continue through Year Five. The annual commitment for service and preventative maintenance for both devices is \$11,424 (\$11,424 x 4 years = \$45,696).
- Total Year One expenditures shall be: \$44,246.62 which includes purchase of two devices (\$19,000 x 2 = \$38,000) and first year consumables (\$6,426.53).

Ongoing annual expenditures for Year Two through Year Five shall be approximately \$17,850.53 per year for reagents and maintenance only.

Background: The ACL Elite is used to measure the patient’s blood clotting abilities. This is extremely important in the management of treatment of blood circulation issues for patients being treated for heart disease and other circulatory issues. Often times medical providers need this information within a very short period of time to prevent heart attacks, strokes and other circulatory complications. The PHD Clinical Laboratories leased the current Beckman Coulter units for this diagnostic testing in 2004 and 2007 respectively. The 2004 unit is currently is no longer covered by a warranty/maintenance agreement and is experiencing ongoing repair issues. Both units do not currently meet recommended industry standards. Replacement of one unit will create discrepancies among testing locations and could create confusion for medical providers when analyzing patient test results. The proposed purchase replaces both units, meets recommended industry standards, reinstates

maintenance and support agreements and fixes supplies and reagent costs at current levels throughout the life of the agreement. Fiscal analysis determined that purchasing rather than leasing was much more cost effective over the five year life of the agreement.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis: A Budget Revision was approved by your board on November 15, 2011 for the purchase of the two devices at a cost of \$38,000. The funding for this bid waiver request is now included in the Public Health Department’s FY 2011-12 Adjusted Budget and the related appropriations for consumables can all be found in the FY 2011-12 Santa Barbara County Operating Plan on page D-208 as part of the Family Health and Primary Care Cost Center.

This action will not result in the need for any additional facilities

Staffing Impacts:

Legal Positions:
0

FTEs:
0

There are no staffing impacts as a result of this action.

Special Instructions:

Please return an electronic copy of the Minute Order to PHD Contracts Unit at PHDcu@sbcpd.org and one copy of the minute order to Purchasing, Attn: Mark Masoner.

Authored by:

Rose Davis, Contracts Unit Manager, Administration Division 681-5107