

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  
Department No.: 041  
For Agenda Of: 06-23-09  
Placement: Administrative  
Estimated Tme: N/A  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors  
**FROM:** Department Elliot Schulman, MD, MPH, Director and Health Officer  
Director(s) Public Health Department  
Contact Info: Rose Davis, Contracts Unit Manager, 681-5107

**SUBJECT: Request to Increase Contract Amount for Bid Waived Laboratory Supplies**

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**County Counsel Concurrence**

As to form: N/A

**Other Concurrence:** Purchasing

As to form: Yes

**Auditor-Controller Concurrence**

As to form: N/A

**Recommended Actions:**

That the Board of Supervisors:

- a) Authorize the Purchasing Manager to increase the approved not to exceed Bid Waiver amount for Fiscal Year 2008-09 for two (2) purchase orders to accommodate increases in laboratory workload.
- b) Authorize the Purchasing Manager to increase the approved not to exceed Bid Waiver amount for Fiscal Year 2009-10 for four (4) purchase orders to accommodate increases in laboratory workload and expected vendor price increases.

Hardy Media is a local vendor; the remaining vendors are not local.

Vendor	Number	08-09 Approved Amount	08-09 Adjusted Amount	09-10 Approved Amount	09-10 Adjusted Amount
SIEMENS MEDICAL SOLUTIONS	BL02285	\$50,000	\$60,000	50,000	72,000
BIO RAD LABORATORIES	BL00189	\$65,000	\$75,000	65,000	97,000
FISHER HEALTHCARE	CN08022	\$173,000		\$173,000	\$220,000
HARDY MEDIA	CN07471	\$50,000		\$50,000	\$60,000

**Summary Text:**

On August 14, 2007, your Board authorized a bid waiver for FYs 2007-08 through FY 2011-12 for Siemens Medical Solutions. On June 03, 2008, your Board authorized bid waivers for FY 2008-09 and FY 2009-10 for Bio Rad Laboratories, Fisher Healthcare, and Hardy Media. The PHD is now requesting to:

1. Increase the FY 2008-09 amounts of the previously granted bid waivers for two (2) vendors: Bio Rad Laboratories and Siemens Medical Solutions;
2. Increase the FY 2009-10 amounts of the previously granted bid waivers for four (4) vendors: Siemens Medical Solutions, Bio Rad Laboratories, Fisher HealthCare and Hardy Media.

**Background:**

The County is mandated to provide access to necessary medical care under California Administrative Code, Title 17, Chapter 3, Article 2, Sections 1276, 2500, 2502, 2503, and 2505; California Administrative Code, Title 17, Chapter 3, Subchapter 1; and Section 17000 of the Welfare and Institutions Code. The laboratory supplies in this request are necessary in order for the PHD to deliver the necessary medical care.

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. For the sake of expediency, and due to "limitations in source or supply" pursuant to County Code Section 2-39, PHD requested, and was granted by your Board, a waiver for the competitive bid requirement for the purchase of laboratory testing supplies.

*Siemens Medical Solutions* provides supplies/reagents as part of a 60-month pricing agreement for a Chemistry Analyzer that was approved by your Board on August 14, 2007. An increased number of PSA, Total HCG and Thyroid tests ordered by providers required increased purchasing of reagents and supplies for testing. Workload and vendor pricing is also expected to increase in the next fiscal year.

*Bio Rad Laboratories* is the only supplier of specific laboratory reagents for HIV and Hepatitis antibody testing and diabetes testing using Bio Rad Laboratories equipment. An increase in the number of Hemoglobin A1C tests, ordered by providers for diabetic patients, required increased purchasing of reagents and supplies for testing. Laboratory workload and vendor pricing is also expected to increase in the next fiscal year.

*Fisher HealthCare* is the only vendor that offers a manufacturer's rebate for specific reagents, phlebotomy and processing supplies for the Olympus Chemistry Analyzer used by PHD Clinical Laboratory. Increases in test workload in Chemistry, Hematology, Immunohematology and Urinalysis required increases in the purchasing of both phlebotomy supplies and testing supplies. Clinical Laboratory workload and vendor pricing is also expected to increase in the next fiscal year.

*Hardy Media*, a local vendor, is able to provide the PHD Public Health Laboratory and the PHD Clinical Laboratory with special material on an immediate, as-needed basis. Vendors who are not local require a minimum two-day turnaround time. Increased Microbiology workload required an increase in purchasing supplies for isolation, identification and susceptibility testing. Workload and vendor pricing is expected to increase in the next fiscal year.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

This request will not increase the use of General Fund or Special Revenue fund resources by the Public Health Department. In addition, no increase in Departmental indirect costs or use of A87 Plan County overhead will be incurred. The amounts reflected in the proposed contracts were included as part of the Department's FY 2008-09 adopted budget (\$20,000) and FY 2009-10 recommended budgets (\$101,000).

The funding for the proposed request is contained as part of the Public Health Department's FY 2008-09 adopted budget and can be found on page D-196 of the County's FY 2008-09 Operating Plan Document. Funding for the subsequent fiscal year has been incorporated into the department's FY 2009-10 recommended budget.

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

**Special Instructions:**

Please return an electronic copy of the Minute Order to the PHD Contracts Unit at [PHDRES.ContractsUnit@sbcphd.org](mailto:PHDRES.ContractsUnit@sbcphd.org) and one copy of the minute order to Purchasing, Attn: John McMillin.

**Authored by:**

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