



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: July 9, 2013
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: Rose Davis, Contracts Unit Supervisor, Public Health Department
SUBJECT: Purchasing Bid Waiver Request

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: Purchasing

As to form: Yes

Recommended Actions:

That the Board of Supervisors consider the following recommendations:

- A) Authorize the Purchasing Manager to issue purchase orders to the vendors listed in Table 1 for pharmaceuticals and laboratory, medical and veterinarian supplies, totaling \$1,012,000 for each Fiscal Year 2013-14, 2014-15, and 2015-16 without a competitive bid. Hardy Media is a local vendor; all other vendors are not local vendors.
- 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:

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, the Public Health Department (PHD) is requesting your Board waive the requirement for a competitive bid for the purchase of certain pharmaceuticals and laboratory, medical, and veterinarian supplies. The County Purchasing Department recommends that bid waiver requests be made for each applicable fiscal year. This bid waiver request is for FYs 2013-14 through FY 2015-16.

Table 1				
Vendor	Product	Contract #	Previous Bid Waiver (08-10-10)	Requested Amount
Beckman Coulter (LH500 Analyzer)	Clinical Lab Supplies	BL00173	\$ 35,000	\$ 35,000
Beckman Coulter (AU400)	Clinical Lab Supplies	BL03067	\$ 100,000	\$ 100,000
Becton-Dickenson Company	PH Laboratory Supplies	BL00175	\$ 45,000	\$ 45,000
Bio Rad Laboratories	PH Laboratory Supplies	BL00189	\$ 147,525	\$ 35,000
Fisher Healthcare	Clinical Lab Supplies	CN13725*	\$ 220,000	\$ 60,000
Fisher Healthcare	PH Laboratory Supplies	New Contract*	N/A	\$ 20,000†
Gen Probe	Laboratory Supplies	BL00456	\$ 150,000	\$ 150,000
Hardy Media	Clinical Lab Supplies	CN13959*	\$ 60,000	\$ 60,000
Hardy Media	PH Laboratory Supplies	New Contract*	N/A	\$ 45,000
Siemens Medical Solutions	Clinical Lab Supplies	BL02285	\$ 72,000	\$ 72,000
TheraCom	Pharmaceuticals	BL01090	\$ 150,000	\$ 150,000
Paragard Direct	Pharmaceuticals	BL01329	\$ 150,000	\$ 150,000
MWI Veterinary Supply	Veterinary Supplies	BL01906	\$ 90,000	\$ 90,000
Total			\$ 1,219,525	\$ 1,012,000

* New contract will be assigned for next fiscal year upon Board approval.

† The accumulative amount for this vendor exceeds the Purchasing Manager’s \$25,000 limitation.

On August 10, 2010, your Board authorized bid waivers for the vendors in Table 1 through FY 2012-13. On March 1, 2011, your Board authorized an increase in the contract amount for Beckman Coulter (BL03067) from \$10,000 to \$100,000 through FY 2012-13.

Approval of Recommendation A will allow PHD to continue contracting with the vendors in Table 1 for FYs 2013-14 through 2015-16. Additionally, to help streamline invoicing and reconciliation, PHD is requesting that the Purchasing Manager execute individual contracts for vendors whose contracts were previously shared among PHD divisions. Having separate contracts will better facilitate contract management and control of dollar maximums throughout the department.

Background:

Laboratory Supplies

Beckman Coulter is the only supplier of specific laboratory reagents and test kits for the Beckman Coulter hematology instruments used by PHD Clinical Laboratory.

Becton-Dickinson Company is the only supplier of specific laboratory reagents and test kits for Becton Dickinson instruments used for Tuberculosis (TB) and Chlamydia/Gonorrhea testing.

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.

Fisher HealthCare is the only vendor for specific reagents, phlebotomy and processing supplies for the Olympus Chemistry Analyzer used by PHD Clinical Laboratory.

Gen Probe is the only vendor for the FDA-approved, direct and indirect TB gene probe technology, and the instruments required for rapid detection and identification of TB and Chlamydia/Gonorrhea in patient specimens that are used in the Public Health Laboratory.

Hardy Media, a local vendor, is able to provide PHD Public Health Laboratory and PHD Clinical Laboratory with special material on an immediate, as-needed basis. Vendors who are not local require at minimum two-day turn around time.

Siemens Medical Solutions is the only vendor of specific laboratory supplies and reagents for the Centaur CP immunochemistry analyzer used by PHD Clinical Laboratory.

Pharmaceuticals

Paragard Direct is the only manufacturer in the United States of Copper T 380A, an intrauterine device (IUD) with no hormones.

Theracom is the only manufacturer in the United States of Mirena, a levonorgestrel-releasing (hormone) intrauterine device.

Veterinary Pharmaceuticals

PHD Animal Services division has determined that no qualified local vendor for veterinary surgical supplies and pharmaceuticals, conducting business in Santa Barbara County, will provide discounts on wholesale prices to the shelter.

PHD Animal Services maintains contracts with a variety of non-local vendors for the purchase of vaccines, medications, and surgical supplies. Weekly supply orders are submitted to the vendors to identify specials and determine the most competitive pricing. *MWI Veterinary Supply* has consistently provided the most competitive pricing on most supplies.

MANDATES

The County is mandated to provide access to necessary medical care under California Administrative Code, Title 17, Chapter 3, Article2, 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. These pharmaceutical and laboratory supplies are necessary in order for PHD to deliver the necessary medical care.

The County is also mandated under California Food and Agricultural Code Title 3, Sections 31101, 31105 and 31625 to seize and impound stray animals and those posing an immediate threat to public safety. While in the care of the County, these animals must receive veterinary treatment. The purchase of veterinary care supplies is necessary in order for PHD Animal Services to care for the lost and abandoned animals of Santa Barbara County.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>FY 2013-14 Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund	\$ 24,300.00	\$ 24,300.00	
State	\$ 345,750.00	\$ 345,750.00	
Federal	\$ 345,750.00	\$ 345,750.00	
Fees	\$ 261,100.00	\$ 261,100.00	
Other:Municipal Contracts	\$ 35,100.00	\$ 35,100.00	
Total	\$ 1,012,000.00	\$ 1,012,000.00	\$ -

Total funding for this 3 year Bid Waiver of \$3,036,000 will be provided by the following sources; General Fund \$72,900, State of California \$1,037,250, Federal Government \$1,037,250, Fees \$783,300

and Municipal Contracts \$105,300. The funding and the related appropriations are included in the Public Health Department's FY 2013-14 Adopted Budget and will be included as part of the subsequent fiscal year recommended budget.

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@sbcphd.org and one copy of the minute order to Purchasing, Attn: Gloria Ness.

Authored by:

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