

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Community Health Agency/Department of Public Health

November 16, 2010

SUBJECT: Approve the procurement of HIV test kits from Bio-Rad Laboratories, from other than low bid.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the other than low bid procurement of HIV test kits for an additional cost of \$2,075.00 for the total amount not to exceed \$90,000.00 annually; and
2. Authorize the Purchase Agent to execute the annual renewal for two (2) additional one year periods.

BACKGROUND: The Riverside County Public Health Laboratory is responsible for the testing of blood samples to detect the presence of the Human Immunodeficiency Virus (HIV) antibody. This testing requires the use of HIV serum test kit reagents that are run on instrumentation specifically designed to perform this test with a high level of sensitivity and specificity preventing the possibility of false-positive/negative test results.

In August, 2010, a formal bid was issued in an effort to secure more competitive pricing on lab reagents, including the HIV test reagent in order to gain pricing concessions.
(continued Page 2)

Susan D. Harrington
Susan Harrington, Director
Department of Public Health

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 90,000	In Current Year Budget:	yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	no
	Annual Net County Cost:	\$ 0	For Fiscal Year:	FY:10/11

SOURCE OF FUNDS: 100% revenue from department	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE
Debra Cournoyer
BY: Debra Cournoyer
Debra Cournoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: December 7, 2010
xc: CHA-Public Health, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.: **District:** **Agenda Number:** 3.7

Purchasing: *Mark Seller*
 Mark Seller, Assistant Director
 Departmental Concurrence
 Policy Policy
 Consent Consent
 Dept's Recomm.: Per Exec. Ofc.:

SUBJECT: Approve the procurement of HIV test kits from Bio-Rad Laboratories from other than low bid.

BACKGROUND (Continued): The bid results found three suppliers of the HIV Test kits; Siemen's Healthcare, Cardinal Health and Bio-Rad Laboratories. Pricing from Bio-Rad was competitive; however, it was not the lowest price among the three submitted bids. This request for procurement for other than low bid is based on the fact that Bio-Rad has the only FDA approved EIA test kit for serum testing that can be run on the DiaSorin ETI-MAX instrumentation that is presently in use at the Public Health Laboratory.

FINANCIAL INFORMATION: HIV test reagent expenditures are listed in each fiscal year's approved budget. This expenditure is offset by the revenue generated from HIV test fees to the submitter or third party billing.

PRICE REASONABLENESS: Pricing of the test kits is based upon the results of a formal bid process under Request for Quotation Number HSARC-137. The original price from Bio-Rad was based on the quote of a number of reagents being offered in an "all-or-nothing" type bid condition. The CHA Procurement Division negotiated with Bio-Rad to provide individual pricing on the HIV test kit as all other reagents were being purchased from other sources who offered more competitive pricing. This resulted in a kit price of \$1,852.50 per kit of 480 tests. This works out to a price of \$3.86 per test versus a price of \$3.77 per test from the next lowest bidder, Siemens Healthcare Diagnostics. This results in an additional cost impact of approximately \$2,075.00 based on an anticipated annual expenditure of not-to-exceed \$90,000.00. The County had previously paid a per test price of \$4.95, and with the new negotiated pricing, the County will realize a significant cost savings. Based on this negotiated price with comparison to other competitive prices, the price from Bio-Rad is considered fair and reasonable.