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



FROM: Community Health Agency – Public Health Laboratory

SUBMITTAL DATE:
March 28, 2011

SUBJECT: APPROVE SOLE SOURCE PURCHASE OF THE BACTEC MGIT 960 TEST SUPPLIES (REAGENTS) FOR LIQUID GROWTH DETECTION OF MYCOBACTERIUM TUBERCULOSIS FROM BECTON DICKINSON (BD).

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the sole source purchase of the BACTEC MGIT 960 test supplies (reagents) for liquid growth detection of Mycobacterium tuberculosis from Becton Dickinson (BD) not to exceed \$40,000 annually, and;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459.4, to exercise the renewal option for an additional four years, based on the availability of fiscal funding and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates.

(Continued on Page 2)

Susan D. Harrington

Susan D. Harrington, M.S., R.D., Director
Department of Public Health

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 40,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 40,000	Budget Adjustment:	No
	Annual Net County Cost:	\$ 40,000	For Fiscal Year:	11/12

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

C.E.O. RECOMMENDATION:

APPROVE

BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Ashley 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: April 12, 2011
By: CAP, Purchasing

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

Prev. Agn. Ref.: 3/01/2005 Item #3.5, 12/02/2003 Item #3.7, 4/18/2000 Item 3.28
District: All
Agenda Number:

3.8

PURCHASING & FLEET SERVICES: *Robert Howarth*, Director
 Departmental Concurrence
 Consent Policy
 Consent Policy
 Dept's Recomm.:
 Per Exec. Ofc.:

Form 11

SUBJECT: APPROVE SOLE SOURCE PURCHASE OF THE BACTEC MGIT 960 TEST SUPPLIES (REAGENTS) FOR LIQUID GROWTH DETECTION OF MYCOBACTERIUM TUBERCULOSIS FROM BECTON DICKINSON (BD).

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BACKGROUND

On March 1, 2005, the Board of Supervisor ratified an agreement with Becton Dickinson (BD) and approved a Sole Source agreement for medical testing supplies under Form 11 dated March 1, 2005, Item No. 3.5. The BD BACTEC 460 system has been replaced by the latest update model, BACTEC MGIT 960. The manufacture specifies that only BD test supplies and reagents be used with BD equipment for reliable test results.

The Bactec MGIT 960 system provides increased specificity and sensitivity for tuberculosis organism detection. The tuberculosis organism grows more rapidly in a liquid media than solid culture; the Bactec MGIT 960 takes advantage of this feature.

The system's increased specificity results in identifying more truly infected patients and avoid the medical costs and bad outcomes of misdiagnosed patients. The increased sensitivity is demonstrated by the system's ability to rapidly detect low number of the tuberculosis organism in a patient's sample. This results in rapid detection, diagnosis, treatment and, ultimately, the prevention of the spread of tuberculosis infection.

Since the laboratory already owns the Bactec MGIT 960 system; only supplies and reagents to support testing will be purchased.

PRICE REASONABLENESS

BD is offering the County of Riverside Public Health Laboratory, the same pricing as Los Angeles (LA) County with annual increase according to Medical Consumer Price Index (for Los Angeles, Riverside, and Orange County). LA County performs ten times the amount of test annually as that of Riverside County. The cost of the test supplies is completely offset by fees collected from Medi-Cal reimbursements, patients, and other County programs.

The Community Health Agency, Public Health Laboratory has established specific standardized protocols for the test equipment. A change in the equipment and supplies to a different manufacturer may cause significant impact and would be required by federal CLIA requirements to perform extensive validation testing on any new test which in turn affects the Health Agency's ability to maintain critical services to the County's Community Health Clinics and other County programs.

REVIEW/APPROVAL: Purchasing :

Date: March 22, 2011
From: Susan D. Harrington, Director Department: Public Health Laboratory
To: Board of Supervisors
Via: Purchasing Agent
Subject: Sole Source Procurement; Request for BACTEC MGIT 960 reagents

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

Supply/Service being requested:

BACTEC MGIT 960 reagents for liquid growth detection of tuberculosis.

Supplier being requested:

Becton- Dickinson (BD)

Alternative suppliers that can or might be able to provide supply/service:

None. The manufacture specification specifically specified only BD test supplies (reagents) be use with BD equipment for high sensitivity and high specificity of test results.

Extent of market search conducted:

Internet and by contacting other manufactures.

Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:

The Laboratory purchased through a grant fund; a BD BACTEC 460 system. This system has been replaced by the latest update model, BACTEC MGIT 960. The manufacture specification specifically specified only BD test supplies (reagents) be use with BD equipment for high sensitivity and high specificity of test results.

Reasons why my department requires these unique features and what benefit will accrue to the county:

On March 1, 2005, the Board of Supervisor ratified an agreement with Becton Dickinson (BD) and approved a Sole Source agreement for medical testing supplies under Form 11 dated March 1, 2005, Item No. 3.5. The BD BACTEC 460 system has been replaced by the latest update model, BACTEC MGIT 960. The manufacture specification specifically specified only BD test supplies (reagents) be use with BD equipment for high sensitivity and high specificity of test results.

Price Reasonableness:

\$40,000.00 BD is offering the County of Riverside Public Health Laboratory, the same pricing as Los Angeles (LA) County with annual increase according to Medical Consumer Price Index. LA County performs ten times the amount of test annually as that of Riverside County. The cost of the test supplies is completely offset by fees collected from Medi-Cal reimbursements, patients, and other County program.

The Community Health Agency, Public Health Laboratory has established specific standardized protocols for the test equipment. A change in the equipment and supplies to a different manufacturer may cause significant impact on the Health Agency's ability to maintain critical services to the County's Community Health Clinics and other County programs.

Period of Performance:

July 1, 2011 to June 30, 2012; with option for four additional annual renewals

Does moving forward on this product or service further obligate the county to future similar contractual arrangements?

Yes, as the laboratory continues to use BD BACTEC MGIT 960, the laboratory will have to use BD reagent as specified by manufacture specification.

Susan D. Hangler

Department Head Signature

3/28/11

Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

M. Bodyschell

Purchasing Agent

Date

I'm approving but for the future this should be bid competitively when time to replace equipment.