



**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH SYSTEM MEDICAL CENTER GOVERNING BOARD  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM:** 15.1  
(ID # 19795)

**MEETING DATE:**

Tuesday, September 13, 2022

**FROM :** RUHS-MEDICAL CENTER:

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Ratify and Approve the Third Amendment to the Laboratory Services Agreement with Laboratory Corporation of America for Laboratory Services to extend the period of performance for one additional year through March 16, 2023, with no change in the aggregate maximum compensation amount of \$18,257,243, with the option to renew in one year increments through March 16, 2025, All Districts. [Total Cost \$0; up to \$1,825,724 in Additional Compensation Annually, 100% Community Health Centers - 40090]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Ratify and approve the Third Amendment to the Laboratory Services Agreement with Laboratory Corporation of America for Laboratory Services to extend the period of performance for one additional year through March 16, 2023, with no change in the aggregate maximum compensation amount of \$18,257,243, with the option to renew in one year increments through March 16, 2025; and authorize the Chair of the Board to sign the amendment on behalf of the County; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459 and based on the availability of funding and as approved as to form by County Counsel, to sign amendments: (a) that make modifications to the scope of services that stay within the intent of the agreement, (b) that exercise the renewal options, and (c) that make modifications to the compensation provisions that do not exceed the total sum of ten percent (10%) of the total annual cost of the agreement.

**ACTION:**Policy


  
Jennifer Cruikshank, Executive Officer - Health System 8/26/2022

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**MINUTES OF THE GOVERNING BOARD**

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: September 13, 2022  
xc: RUHS

Kecia R. Harper  
Clerk of the Board  
By   
Deputy

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SYSTEM MEDICAL CENTER GOVERNING BOARD OF DIRECTORS  
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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> 100% Health Center Care Clinics - 40090			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	22/23

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The requested board action will approve the Third Amendment to the Laboratory Service Agreement with Laboratory Corporation of America (Lab Corp) to extend the contract term for one year through March 16, 2023, to allow Riverside University Health System (RUHS) to purchase additional COVID testing for its community health centers, in an effort to meet the current testing demands and laboratory services for the members of the community.

**Impact on Residents and Businesses**

These services are a component of RUHS's system of care aimed at improving the health and safety of its patients and the community.

**Contract History and Price Reasonableness**

RUHS entered into an agreement with Lab Corp on March 16, 2020, as a result of the COVID-19 pandemic, under Purchasing Agent authority under its Resolution 2019-147 (June 18, 2019, Agenda Item 3.20), with an initial term of one-year through March 16, 2021, in the amount of \$256,550.

A First Amendment was approved by the Board on December 8, 2020, Agenda Item 15.4, to increase the contract amount by \$11,743,450 from \$256,550 to \$12,000,000, authorized under EPF authority as per the Director of Emergency Services Emergency Procurement Order dated March 26, 2020. The competitive bidding process was suspended for necessary goods and services immediately needed in the County of Riverside's operations for the preservation of life and property during the existence of a Local Emergency in the County of Riverside regarding COVID-19. Of this amended amount, 25% was reimbursed through the CARES ACT and 75% from the Federal Emergency Management Agency (FEMA) Department.

The Second Amendment was ratified and approved by the Board on June 29, 2021, Agenda Item 15.6, to increase the aggregate contract amount by \$6,257,243 from \$12,000,000 to \$18,257,243 through March 16, 2022.

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The Third Amendment will extend the contract term one additional year from March 16, 2022, through March 16, 2023, with no change in the aggregate maximum compensation amount of \$18,257,243 and allow for the option to renew the agreement in one-year increments through March 16, 2025. The associated funds are included in the RUHS County budget. Board approval and ratification of this Third Amendment are requested as it exceeds the previous board approved contract term.

**Attachment A:      THIRD AMENDMENT TO THE LABORATORY SERVICES  
AGREEMENT WITH LABORATORY CORPORATION OF AMERICA**

  
Suzanna Hinkley, Assistant Director of Purchasing and Fleet Service

8/26/2022

  
Jacqueline Ruiz, Sr. Management Analyst

9/7/2022

**THIRD AMENDMENT TO THE LABORATORY SERVICES AGREEMENT BETWEEN  
COUNTY OF RIVERSIDE AND LABORATORY CORPORATION OF AMERICA**

This Third Amendment to the Laboratory Services Agreement (herein referred to as "Third Amendment") is made and entered into by and between **Laboratory Corporation of America**, a Delaware corporation (herein referred to as "LABORATORY"), and the COUNTY OF RIVERSIDE (herein referred to as "COUNTY"), a political subdivision of the State of California on behalf of Riverside University Health System, sometimes collectively referred to as the "Parties".

**WHEREAS**, COUNTY and LABORATORY entered into that certain Laboratory Service Agreement for reference clinical laboratory services, executed on March 17, 2020 (the "Agreement"); to provide such services; and

**WHEREAS**, COUNTY and LABORATORY entered into that certain First Amendment to the Laboratory Services Agreement on December 8, 2020 to update Exhibit A, to include the Federal Contract Provisions, HIPAA Business Associate Addendum and increase the annual maximum compensation amount by \$11,743,450 from \$256,550 to \$12,000,000 annually.

**WHEREAS**, COUNTY and LABORATORY entered into that certain Second Amendment to the Laboratory Services Agreement on June 29, 2021 to renew the term for one (1) year and increase the aggregate maximum compensation amount by \$6,257,243 from \$12,000,000 to \$18,257,243; and

**WHEREAS**, COUNTY and LABORATORY now desire to amend the Agreement to renew the term for one (1) year; and

**NOW THEREFORE**, the Parties agree as follows:

1. **Term and Termination.** Pursuant to the second sentence of Section 1. of the Agreement, this Agreement shall be amended to extend the Renewal term for a period of one (1) year, effective March 16, 2022 through March 16, 2023.
2. **Miscellaneous.** All other terms and conditions of the Agreement not modified herein shall remain unchanged and in full force and effect.
3. **Effective Date.** This Third Amendment to the Agreement shall be effective as of March 16, 2022.
4. **Electronic Signatures.** This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party of this Agreement agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ("CUETA") Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this Agreement. The parties further agree that the electronic signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an

electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

**IN WITNESS WHEREOF**, the Parties hereto have caused their duly authorized representatives to execute this Third Amendment.

**COUNTY OF RIVERSIDE**, a political subdivision of the State of California

By: 

Name: Jeff Hewitt

Title: Chair, Board of Supervisors

Date: SEP 13 2022

**LABORATORY CORPORATION of AMERICA**, a Delaware corporation

By: 

Name: Dean W. Shepardson

Title: Vice President

Date: 08/15/2022

ATTEST:  
Kecia R. Harper  
Clerk of the Board

By:   
Deputy

**APPROVED AS TO FORM:**  
County Counsel

By: 

Name: Esen Sainz

Title: Deputy County Counsel

Date: Aug 23, 2022






# LabCorp 3rd Amendment- draft\_CoCo review 041422\_AATF\_V2\_Vendor sign

Final Audit Report

2022-08-23

Created:	2022-08-16
By:	Gilbert Rivera (g.rivera@ruhealth.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAGnEFrMjUrNr46CCKYaqzsoi9IFD0g2y

## "LabCorp 3rd Amendment- draft\_CoCo review 041422\_AATF\_V2\_Vendor sign" History

-  Document created by Gilbert Rivera (g.rivera@ruhealth.org)  
2022-08-16 - 5:20:15 PM GMT
-  Document emailed to Esen Sainz (esainz@rivco.org) for signature  
2022-08-16 - 5:21:54 PM GMT
-  Email viewed by Esen Sainz (esainz@rivco.org)  
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-  Document e-signed by Esen Sainz (esainz@rivco.org)  
Signature Date: 2022-08-23 - 4:46:46 PM GMT - Time Source: server
-  Agreement completed.  
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