



CITY OF LONG BEACH

C-7

DEPARTMENT OF HEALTH AND HUMAN SERVICES

2525 GRAND AVENUE • LONG BEACH, CALIFORNIA 90815 • (562) 570-4000 • FAX: (562) 570-4049

June 9, 2015

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract with Hologic, Inc., of Bedford, MA, for the purchase of molecular diagnostic test kits, without advertising for bids, in an annual amount not to exceed \$250,000, for a period of one year, with the option of renewing for two additional years, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter in an annual contract with Hologic, Inc. (Hologic), (formerly Gen-Probe Sales and Service, Inc.), to purchase molecular tests for Mycobacteria species and Chlamydia/GC identification. The Long Beach Department of Health and Human Services' Public Health Laboratory performs approximately 18,500 Chlamydia tests, 15,000 Gonorrhea tests, and 200 DNA Mycobacteria tests each year. In addition to the Department's Tuberculosis Clinic and STD-Family Planning Clinic, the laboratory also provides these tests to the following fee-for-service agencies: St. Mary's Hospital, Community Hospital of Long Beach, Long Beach Memorial Medical Center, Southern Nevada Health District (SNHD), the University of California, San Diego (UCSD), the University of California, Los Angeles (UCLA), and the University of Southern California (USC). This partnership, with the different programs and agencies, makes up the public health laboratory system. With the Public Health Laboratory in the lead role, system participants play an interconnected role in facilitating the exchange of information that aids in the prevention and spread of infectious diseases and public health threats.

Hologic is the only company that has FDA approval on most of the specimen collection sites for testing for chlamydia and gonorrhea. Additionally, Hologic's Aptima Combo2 Assay for CT/GC and Mycobacteria DNA Probe is proprietary to Hologic. Therefore, no useful purpose would be served by advertising for bids, and to do so would be deemed an unnecessary expenditure of public funds and staff time. City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

HONORABLE MAYOR AND CITY COUNCIL

June 9, 2015

Page 2

This matter was reviewed by Deputy City Attorney Linda Vu on April 24, 2015 and by Budget Management Officer Victoria Bell on May 8, 2015.

TIMING CONSIDERATIONS

City Council action to adopt the attached Resolution and award a contract concurrently is requested on June 9, 2015 to ensure that the contract is in place expeditiously. The contract will help maintain inventory of reagents and diagnostic test kits, which will help ensure uninterrupted testing of patients.

FISCAL IMPACT

The requested yearly expenditure of \$250,000 is offset by the revenue produced by fee-for-service agencies requesting these tests. Sufficient funds for this purchase are currently budgeted in the Health Fund (SR130) in the Department of Health and Human Services (HE). There is no local job impact associated with this recommendation.

SUGGESTED ACTION

Approve recommendation.

Respectfully submitted,


KELLY COLOPY
DIRECTOR
HEALTH AND HUMAN SERVICES

APPROVED:


PATRICK H. WEST
CITY MANAGER

Attachment: Resolution

1 RESOLUTION NO.
2

3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO EXECUTE A CONTRACT WITH HOLOGIC,
6 INC., WITHOUT ADVERTISING FOR BIDS, FOR THE
7 PURCHASE OF MOLECULAR DIAGNOSTIC TEST KITS
8 FOR ONE YEAR IN AN AMOUNT NOT TO EXCEED
9 \$250,000 WITH THE OPTION TO EXTEND THE
10 CONTRACT FOR TWO ADDITIONAL ONE-YEAR
11 PERIODS
12

13 WHEREAS, the City's Department of Health and Human Services performs
14 approximately 18,500 Chlamydia tests, 15,000 gonorrhea tests and 200 DNA
15 mycobacteria identification tests each year; and

16 WHEREAS, the technology used by Hologic, Inc. for the Chlamydia and
17 Gonorrhea testing methodology is proprietary and not available from another
18 manufacturer; and

19 WHEREAS, Hologic, Inc. is the only company that produces molecular DNA
20 probe test for the identification of mycobacteria; and

21 WHEREAS, as a result, no useful purpose would be served by advertising
22 for bids for furnishing and delivering these testing kits and to do so would constitute an
23 idle and useless act and an unnecessary expenditure of public funds because Hologic,
24 Inc. is the only corporation, firm or individual that could or would bid for the furnishing of
25 these testing kits to the City;

26 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
27 follows:

28 Section 1. The City Manager is hereby authorized to enter a contract

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 with Hologic, Inc. for the purchase of testing kits for the Department of Health and Human
2 Services as may be required by the City for a period of one (1) year in an amount not to
3 exceed Two Hundred Fifty Thousand Dollars (\$250,000) annually without advertising for
4 bids. The parties may, by mutual agreement, extend the term for two (2) additional
5 periods of one (1) year each. If the sole source status of Hologic, Inc. changes, City shall
6 publicly bid instead of extending the contract.

7 Section 2. This resolution shall take effect immediately upon its adoption
8 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

9 I hereby certify that the foregoing resolution was adopted by the City
10 Council of the City of Long Beach at its meeting of _____, 2015
11 by the following vote:

12
13 Ayes: Councilmembers: _____

14 _____

15 _____

16 _____

17 Noes: Councilmembers: _____

18 _____

19 Absent: Councilmembers: _____

20 _____

21
22
23 _____

City Clerk