



Legislation Text

File #: 20-0464, **Version:** 1

Recommendation to adopt Specifications No. RFP HE20-057 and award a contract to Curative, Inc., of Menlo Park, CA, for COVID-19 testing kits and lab services, in the amount of \$1,653,750, with a contingency in the amount of \$689,063, for a total contract amount not to exceed \$2,342,813, for a period of one year, with the option to renew for one additional one-year period, at the discretion of the City Manager; and, authorize City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary amendments; and

Increase appropriations in the amount of \$2,342,813 in the Health Fund Group in the Health and Human Services Department. (Citywide)

City Council approval is requested to enter into a contract with Curative, Inc., for providing COVID-19 testing kits and lab services. The Department of Health and Human Services (Health Department) operates several free community COVID-19 testing sites in the City of Long Beach (City). These testing sites complement other State and County testing performed in and around the City, and are part of the larger local and regional test and trace strategy for responding to COVID-19.

The expansion of testing options within the City has positioned Long Beach to begin the process of reopening lower-risk businesses, and allow for certain outdoor recreational activities in beaches and parks. The capacity to test individuals for COVID-19 is key to moving forward through the stages outlined in the State of California's Resilience Roadmap.

The Request for Proposals (RFP) was advertised in accordance with Section 2.85.040 of the Long Beach Municipal Code, and 51 potential proposers specializing in COVID-19 testing kits were notified of the RFP opportunity. Of those proposers, 12 downloaded the RFP via the City's electronic bid system. The RFP document was made available from the Purchasing Division, located on the sixth floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 29 local, minority-owned, and women-owned business groups. Of the six proposals received on May 2, 2020, none were Minority-Owned Business Enterprises (MBEs), Women-Owned Business Enterprises (WBEs), certified Small Business Enterprises (SBE), or Long Beach businesses (Local). The selection committee determined that Curative, Inc., of Menlo Park, CA (not an MBE, WBE, SBE, or Local), was the most qualified firm to provide the services.

The Health Department estimates that 12,000 testing kits in total are required to maintain testing at the City-run sites through the next several months. The requested spending

authority of \$1,653,750 will cover those costs. Of this \$1,653,750 purchasing authority, \$1,000,000 has already been used to purchase 7,200 testing kits, under the Emergency Authority of the City Manager to purchase supplies related to COVID-19. Should additional testing kits be needed beyond the estimated 12,000 kits, the contingency amount of \$689,063 will provide for an additional 5,000 kits.

Local Business Outreach

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids database to download the bid specifications. Through outreach, 29 Long Beach vendors were notified to submit proposals, of which none downloaded or submitted proposals. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson, Deputy Finance Director Sandy Tsang-Palmer, and by Budget Analysis Officer Julissa Jose-Murray on May 13, 2020.

STATEMENT OF URGENCY

The request for City Council to adopt and award a contract to Curative, Inc., is critical to maximize the City's efforts to combat the COVID-19 pandemic. The supplies and services derived from this RFP, which were completed in accordance with emergency procurement procedures, will directly impact the City's public health emergency response.

EQUITY

Diagnostic testing in Long Beach is available to anyone with symptoms of COVID-19. Certain locations also test essential workers who may have been exposed, but are not showing COVID-19 symptoms. Patients are not required to have health insurance to be tested at a City test site, and do not submit a copayment. Testing is available at multiple locations spread across the City to ensure equitable access to patients. Walk-up testing is available for individuals who do not have access to a vehicle.

City Council action to adopt Specifications No. RFP HE20-057 and award a contract concurrently is requested on May 19, 2020, to ensure the contract is in place expeditiously.

The total contract amount, including contingency, will not exceed \$2,342,813. This will allow for the purchase of up to 12,000 COVID-19 test kits and lab services. While these costs, like most costs related to the response to COVID-19, are unfunded, the City is applying for FEMA cost recovery under the Public Assistance (PA) program. The FEMA PA program provides for cost recovery for up to 75 percent of eligible costs. A 25 percent non-federal funding match is required. Staff will be submitting an application for Expedited Funding to FEMA for the test

kits. The expedited funding process provides cost recovery from FEMA on a much quicker timeframe than normal FEMA cost recovery. Additionally, City staff is actively advocating for additional funding, such as CARES Act funds, from the State and County to offset these and other COVID-related expenses. The 25 percent match will be covered by funds available in the Health Fund Group, unless additional external funding can be secured. An appropriation increase is requested in the amount of \$2,342,813 in the Health Fund Group in the Health and Human Services Department, to allow for the purchase of the test kits. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

KELLY COLOPY
DIRECTOR
HEALTH AND HUMAN SERVICES

APPROVED:

THOMAS B. MODICA
ACTING CITY MANAGER