

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # *B-12

Urgent Routine

AGENDA DATE December 22, 2009

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Purchase, Renovate and Install a Polymerase Chain Reaction (PCR) Systems for the Public Health Laboratory to Test and Monitor Public Health Data and Related Actions

STAFF RECOMMENDATIONS:

1. Approve a project to acquire equipment, and install the equipment through a minor renovation of the Health Services Agency Public Health Laboratory for a total cost not to exceed \$216,000, to test and monitor public health data.
2. Authorize the Purchasing Agent to issue a purchase order to Roche Diagnostic Corporation for the sole-source purchase, as approved by the State of California -California emergency Management Agency Grants Management Division for Fiscal Year 09 State Homeland Security Grant Program of a polymerase chain reaction (PCR) system.

(Continued on Page 2)

FISCAL IMPACT:

The total estimated cost of the Polymerase Chain Reaction (PCR) Project is \$376,585, which includes equipment costs of \$281,585, and construction costs estimated not to exceed \$95,000. Homeland Security Grant funding of \$281,585 previously approved by the Board on November 3, 2009 will fund equipment costs, while Public Facility Fees (PFF) of \$66,431 and Health Services Agency Public Health laboratory fund balance of \$28,569 will fund construction costs associated with the minor renovations required at the Health Services Agency Public Health Laboratory for the PCR Project.

(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2009-870

On motion of Supervisor Chiesa, Seconded by Supervisor Grover

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Grover, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

STAFF RECOMMENDATIONS: (Continued)

3. Authorize the purchase of up to \$65,585 in associated equipment and supplies, including reagents, probes, and primers, for the direct operation of the polymerase chain reaction system by the Chief Executive Office and the Stanislaus County Office of Emergency Services for use by the Health Services Agency's Public Health Laboratory.
4. Authorize the Chief Executive Office to issue a request for proposals (RFP) for a licensed contractor for the minor renovations needed at the Public Health Lab to accommodate the installation of the equipment.
5. Authorize the Project Manager to issue a notice inviting proposals on January 4, 2010; authorize the Project Manager to modify the issuance date if necessary; to accept and open the proposals on February 9, 2010, immediately after 2:00 p.m.; and to return to the Board of Supervisors to recommend a contract to the lowest responsible bidder.
6. Authorize the Project Manager to sign agreements for professional services, construction management, and other related project costs consistent with available project funds.
7. Approve the use of up to \$66,431 of Public Facility Fees (PFF) for partial funding of the anticipated renovation costs associated with the tenant improvements at the Health Services Agency's Public Health Laboratory.
8. Approve the use of up to \$28,569 of Health Services Agency Public Health Laboratory fund balance for partial funding of the minor renovation costs at the Health Services Agency Public Health laboratory.
9. Direct the Auditor-Controller to establish a new Capital Projects Budget and to increase appropriations and estimated revenue as detailed in the attached Budget Journal form.

FISCAL IMPACT: (Continued)

At this time, the Chief Executive Office is recommending the Board authorize the sole-source purchase of a polymerase chain reaction (PCR) system for Health Services Agency's (HSA) Public Health laboratory estimated not to exceed \$281,585 as approved by the State of California Emergency Management Agency Grants Management Division; authorize the Purchasing Agent to issue a purchase order to Roche Diagnostic Corporation in the amount estimated not to exceed \$216,000 for the purchase of the PCR system; authorize the purchase of up to \$65,585 for associated PCR equipment and supplies, including reagents, probes, and primers, for the direct

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operation of the PCR system; approve the use of up to \$66,431 of PFF and \$28,569 of HSA Public Health Laboratory fund balance for tenant improvements; and Direct the Auditor-Controller to increase appropriations and estimated revenue of \$95,000 as detailed in the attached Budget Journal through an operating transfer from the Health Services Agency Public Health budget into a new Capital Projects budget for this effort.

There is no additional impact to the General Fund associated with this item.

DISCUSSION:

Role of a Public Health Laboratory

The construction of the Stanislaus County Health Services Agency Public Health Laboratory was completed in 1962.

The public's health depends upon the rapid, reliable transmission of test results and other vital health data. Elected officials, policy makers, public health, clinicians and emergency responders rely on this data to diagnose, treat and control health threats

Public Health Laboratories operate as a first line of defense to protect the public against diseases and other health hazards. Working in collaboration with other arms of the nation's public health system, public health laboratories provide diagnostic testing, disease surveillance, applied research, laboratory training and other essential services to the communities they serve.

Public health laboratories play an essential role in public health and safety. They function to generate critical data used to make informed decisions regarding the implementation of preventative measures and development of effective policies that protect the public from unforeseen conditions, hazards, and threats. Data provided by these laboratories include those related to screening newborn infants, detecting infectious outbreaks, identifying hazardous chemicals, responding to emergencies, and monitoring significant public health trends.

Why Make This Investment Now

The Health Services Agency's Public Health Department identified the need for a polymerase chain reaction (PCR) system as a critical piece of laboratory infrastructure that will be key in the surveillance and monitoring activities of the County Health Department. Laboratory applications for this equipment include confirmation of bioterrorism, the H1N1 virus and Norovirus. The PCR system offered by Roche Diagnostics Corporation is interoperable with most county public health laboratories in California. The California Emergency Management Agency approved the sole source purchase of the PCR system.

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The PCR test is used to detect the identity of specific DNA using only a piece of the DNA strand. The test involves using DNA polymerase, an enzyme that helps copy or repair DNA, to rapidly make millions or more copies of the piece of DNA. Before PCR technologies were readily available, obtaining enough DNA for analysis was a time-consuming (days to weeks) and complicated process. Now, PCR can have the same result in hours. Having a relatively large amount of DNA to work with has made testing faster, cheaper and more accurate.

With the Board's approval of the sole source purchase of a PCR system, it will greatly enhance the Public Health Laboratory's capability in identifying viral diseases inclusive of bioterrorism, influenza, and norovirus. Examples of potential local PCR applications include: H1N1 Influenza testing, Norovirus testing, Pertussis (whooping cough) related testing, SARS related testing, Meningococcal disease testing (potentially fatal if not detected as soon as possible), Methicillin Resistant Staphylococcus Aureus aka MRSA testing (potential for specimens from the private sector—i.e. hospitals), Food borne illness outbreak testing, Hand Foot and Mouth disease outbreak testing—i.e. childcare facilities, Rabies related testing, and QuantiFERON—Tuberculosis testing.

Even though Stanislaus is the 17th largest county in California, the Stanislaus County Health Services Agency's Public Health Laboratory is one of only 14 out of 36 (39%) local public health laboratories that is unable to perform H1N1 testing due to the lack of PCR technology. Locally, the County must rely on out-of-county reference labs, such as the San Joaquin County Public Health Laboratory (SJCPHL) or the State. More importantly, the current turnaround time for H1N1 testing sent to the SJCPHL is already at 5 – 7 days, while in-house PCR capabilities would allow results in just hours.

This is extremely important as longer wait times reduce Public Health's ability to respond to and mitigate H1N1 infections. As longer turnaround times occur due to an ever increasing number of sick people emerging, the ever-widening sphere of infection could ultimately result in an "outbreak". Public Health Staff are evaluating a potential future fee for non-priority population testing which would be considered during the March, 2010 County fee review. This project is fully funded without any present or future fee considerations.

Minor Renovations Needed at the Health Services Agency Public Health Laboratory

Stanislaus County Chief Executive Office Capital Projects and Public Health Services staff met previously to review and assess the spacing and minor renovations needed at the Public Health Laboratory to create an environment where staff can operate most efficiently and effectively and the new equipment can be accommodated.

The existing space is an office adjacent to the lab and is approximately 150 square feet of reusable space. Recommended modifications to the existing space to support the PCR system are as outlined below:

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- Removal of the existing door from the hall into the new lab space. The existing door into the lab will remain;
- Remove the carpet and replace with sheet vinyl with coved base;
- Remove the existing acoustical ceiling and replace with new gypsum board ceiling;
- Re-paint the room;
- Install new electrical receptacles to accommodate the new equipment;
- Modify the existing heating and air conditioning system to tie into the existing lab system;
- Provide new cabinetry and counter tops; and
- Install a new sink with eye-wash capability.

At this time, the Chief Executive Office is requesting the Board authorize the Chief Executive Office to issue a request for proposals (RFP) for a licensed contractor for the minor renovations needed at the Health Services Agency's Public Health Laboratory. Staff are also requesting the Board to authorize the Project Manager to issue a notice inviting proposals on January 4, 2010; authorize the Project Manager to modify the issuance date if necessary; to accept and open the proposals on February 9, 2010, immediately after 2:00 p.m.; and to return to the Board of Supervisors to recommend a contract to the lowest responsible bidder.

POLICY ISSUES:

The Board of Supervisors should determine if approval of this matter will supports the Board priorities of *A safe community, A healthy community, and Efficient delivery of public services.*

STAFFING IMPACT:

Chief Executive Office Capital Projects, Health Services Agency Public Health, and Office of Emergency Services staff will collaborate to ensure the project is implemented.

Balance Type	Budget
Category	* List - Text Budget - Upload
Source	* List - Text AC GL SP
Currency	* List - Text USD
Budget Name	List - Text LEGAL BUDGET
Batch Name	Text
Journal Name	Text JV112454 OES 12/16/09
Journal Description	Text To set up Approp & Est Rev associated with Public Health PCR lab equip
Journal Reference	Text To set up Approp & Est Rev associated with Public Health PCR lab equip
Organization	List - Text Stanislaus Budget Org

Upl	Fund	Org	Acc't	GL Proj	Loc	Misc	Other	Debit	Credit	Period	Line Description
								incr appropriations decr est revenue (format > number > general)	decr appropriations incr est revenue	Upper case MMM-YY List - Text	Text
4	7	5	7	6	6	5					
	1690	0017275	85850	000000	000000	000000	00000	261585		DEC-09	PH PCR lab equip
	1690	0017269	85850	000000	000000	000000	00000	20000		DEC-09	PH PCR lab equip
	1402	1428600	85850	000000	000000	000000	00000	95000		DEC-09	PH PCR lab equip
	1402	1428600	46615	000000	000000	000000	00000		66431	DEC-09	PH PCR lab equip
	2074	0061134	62400	000000	000000	000000	00000	3740.8		DEC-09	PH PCR lab equip
	2074	0061134	62600	000000	000000	000000	00000	1000		DEC-09	PH PCR lab equip
	2074	0061134	62630	000000	000000	000000	00000	2000		DEC-09	PH PCR lab equip
	2074	0061134	62730	000000	000000	000000	00000	250		DEC-09	PH PCR lab equip
	2074	0061134	63000	000000	000000	000000	00000	2500		DEC-09	PH PCR lab equip
	2074	0061134	63430	000000	000000	000000	00000	719.25		DEC-09	PH PCR lab equip
	2074	0061134	63640	000000	000000	000000	00000	5000		DEC-09	PH PCR lab equip
	2074	0061134	64210	000000	000000	000000	00000	1438.5		DEC-09	PH PCR lab equip
	2074	0061134	64600	000000	000000	000000	00000	3596.25		DEC-09	PH PCR lab equip
	2074	0061134	65000	000000	000000	000000	00000	1000		DEC-09	PH PCR lab equip
	2074	0061134	66210	000000	000000	000000	00000	1000		DEC-09	PH PCR lab equip
	2074	0061134	73511	000000	000000	000000	00000	75		DEC-09	PH PCR lab equip
	2074	0061134	73512	000000	000000	000000	00000	125		DEC-09	PH PCR lab equip
	2074	0061134	80300	000000	000000	000000	00000	65000		DEC-09	PH PCR lab equip
	2074	0061134	80355	000000	000000	000000	00000	500		DEC-09	PH PCR lab equip
	2074	0061134	80570	000000	000000	000000	00000	4055.2		DEC-09	PH PCR lab equip
	2074	0061134	80610	000000	000000	000000	00000	1000		DEC-09	PH PCR lab equip
	2074	0061134	83990	000000	000000	000000	00000	2000		DEC-09	PH PCR lab equip
	2074	0061134	46600	000000	000000	000000	00000		281585	DEC-09	PH PCR lab equip
	2074	0061134	46600	000000	000000	000000	00000		95000	DEC-09	PH PCR lab equip
	2074	0061134	84870	000000	000000	000000	00000	281585		DEC-09	PH PCR lab equip

Totals: 753170 443016

Explanation: L1) Increase OES appropriations assoc w/installation costs of Public Health PCR equip

L3) Increase HSA PH Other Oper Trans Out to cover installation costs -L4) Increase PFF Revenue-Transfer In

To set up Approp and Est Revenue for Public Health PCR lab equip and use \$28,569 from HSA Fund Balance

Requesting Department	CEO	Date Entry	Auditors Office Only
<i>W. Lee Lee</i> Signature	<i>Patricia Simon</i> Signature	Keyed by	<i>Steve Perales</i> Prepared By
12/18/09 Date	12/18/09 Date	Date	<i>K. Sue</i> Approved By
			12/18/09 Date

ARNOLD SCHWARZENEGGER
GOVERNOR

MATTHEW R. BETTENHAUSEN
SECRETARY



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**CALIFORNIA EMERGENCY MANAGEMENT AGENCY
GRANTS MANAGEMENT DIVISION**

December 10, 2009

RECEIVED

DEC 17 2009

Ms. Deborah Thrasher
Stanislaus County
3705 Oakdale Rd
Modesto, CA 95357

STANISLAUS CO.

Dear Ms. Thrasher:

**SUBJECT: APPROVAL OF SOLE SOURCE CONTRACT REQUEST
FY09 STATE HOMELAND SECURITY GRANT PROGRAM (SHSGP)
Grant #2009-0019, OES ID #099-00000**

The California Emergency Management Agency (CalEMA) has received, reviewed, and approved Stanislaus County's Sole Source contract request dated December 9, 2009, based on the information your office provided regarding the proposed purchase of a Polymerase Chain Reaction (PCR) system from Roche by Stanislaus County.

If you have any questions about this letter, please contact your Program Representative, Casey Granados, at 916-322-2643 or Casey.Granados@ohs.ca.gov.

Thank you for your work in protecting California. We look forward to your continued collaboration towards our homeland security strategy and appreciate your cooperation and support.

Sincerely,

Ursula Harelson
Program Manager, HSGP Unit