

September 10, 2024

Honorable Mayor and City Council
City of Long Beach
California

RECOMMENDATION:

Recommendation to receive and file an amendment to Contract No. 36862 with Laboratory Corporation of America, of San Diego, CA, for providing comprehensive clinical laboratory services, made pursuant to Chapters 2.69 and 2.85 of the Long Beach Municipal Code (LBMC) and in response to the proclaimed emergency due to an outbreak of Tuberculosis (TB), for a one-time increase to the contract in an amount of \$100,000, for the period from June 2024 through December 31, 2024; and,

Recommendation to authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 36862 with Laboratory Corporation of America, of San Diego, CA, for providing comprehensive clinical laboratory services, to increase the annual contract amount by \$100,000, for a revised annual contract amount not to exceed \$300,000 for the term June 2024 through December 31, 2024, and an annual amount not to exceed \$200,000 for any subsequent contract renewals. (Citywide)

DISCUSSION

On May 7, 2024, City Council recognized that an emergency existed and unanimously passed a resolution ratifying the City Manager's Proclamation of a Local Emergency and the Public Health Officer's Declaration of a Local Emergency due to a TB outbreak within Long Beach. Pursuant to LBMC Chapters 2.69 and 2.85, the City Manager has the authority to approve purchases of up to \$1,000,000, and the City Purchasing Agent has the authority to approve purchases of up to \$500,000, for goods or services related to a proclaimed emergency.

At its meeting on July 19, 2022, the City Council awarded a contract to Laboratory Corporation of America (LabCorp) as part of its adoption of Request for Proposals (RFP) HE22-019 for clinical laboratory services in a total annual amount not to exceed \$60,000 for one year, with the option to renew for four additional one-year periods. The RFP was competitively procured in accordance with purchasing policies and procedures. City Council later authorized an increase on October 3, 2023, for a revised annual contract amount not to exceed \$100,000.

On July 8, 2024, pursuant to emergency purchasing authority referenced above, and contained in LBMC Chapters 2.69 and 2.85, the City Purchasing Agent approved a one-time increase of \$100,000, to Contract No. 36862, from June 2024 through December 31, 2024, directly related to the TB outbreak.

The scope and magnitude of the response was necessary to slow and stop the spread of TB in Long Beach. The population being affected by this outbreak is a vulnerable population with an increased risk of TB disease due to significant barriers to care, including homelessness and housing insecurity, mental illness, substance use, and serious medical comorbidities.

Further increasing the annual contract amount will allow for the continuation of these vital services, which are required for specimens to be analyzed accurately and in a timely manner. Providers can interpret results, make important diagnostic decisions, and provide treatment impacting patient care and health. Additionally, these critical services are necessary to meet the City of Long Beach's obligations under State and County grant-funded programs that mandate lab testing.

This matter was reviewed by Deputy City Attorney Anita Lakhani on August 23, 2024, Administrative Analyst Tommy Ryan on August 15, 2024, and by Budget Analysis Officer Greg Sorensen on August 22, 2024.

TIMING CONSIDERATIONS

City Council action to receive and file an amendment to Contract No. 36862 as well as amend it is requested on September 10, 2024, to ensure there is no interruption of services.

FISCAL IMPACT

The requested action increases the annual contract authority with LabCorp by \$100,000. The total annual amount of the contract will not exceed \$200,000, with the exception of the one-time increase to the contract in the amount of \$100,000, to specifically address the TB crisis, from June 2024 through December 31, 2024. The annual amount of term June 2024 to December 31, 2024 will not exceed \$300,000. Sufficient funding is currently budgeted in the Health Fund Group in the Department of Health and Human Services, offset by grant revenue. Any indirect costs that might not ultimately be eligible for grant funds will be funded by the Health Operating Fund, General Fund, or other eligible funds. 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.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Alison King
Director
Health and Human Services

APPROVED:



THOMAS B. MODICA
CITY MANAGER