

Agenda Report

TO: CITY COUNCIL

DATE: MAY 6, 2002

FROM: CYNTHIA J. KURTZ, CITY MANAGER

SUBJECT: APPROVAL OF A CONTRACT WITH LABORATORY CORPORATION OF AMERICA (LABCORP) FOR PROVISION OF CLINICAL LABORATORY SERVICES TO THE PASADENA PUBLIC HEALTH DEPARTMENT

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize a contract with Laboratory Corporation of America (LabCorp) for a period of one year or \$90,000 whichever occurs first, for the provision of clinical laboratory services to the Pasadena Public Health Department; and,
2. Authorize the City Manager to extend the contract for up to two additional years provided any requested cost increases do not exceed the change in the Consumers Price Index for the latest available twelve-month preceding period.

BACKGROUND

The City of Pasadena Public Health Department (PPHD) operates a number of clinics that include as part of their services laboratory tests for clients. Funding for the clinical services is provided under various State and Federal public health programs. PPHD has retained a clinical laboratory by contract for the last three years. In order to ensure continued use of state-of-the-art technology and competitive pricing of laboratory services, the Department issued an RFP to five laboratories that indicated tentative interest in October 2001. A competitive selection process was conducted in December. Four raters evaluated two RFPs from applicant laboratories for response to six selection criteria. Exhibit I delineates the results of the competitive selection process.

LabCorp scored higher with an overall number of points totaling 95 and is recommended to be awarded the contract for clinical laboratory services in the amount of \$90,000 annually.

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In consideration of the need for continuity of services and building a strong professional relationship between the clinical laboratory and the numerous clinics that will utilize its services, the RFP stipulated a one-year contract that could be extended for up to two additional years, through February 28, 2005, if the contractor satisfied the scope of work requirements.

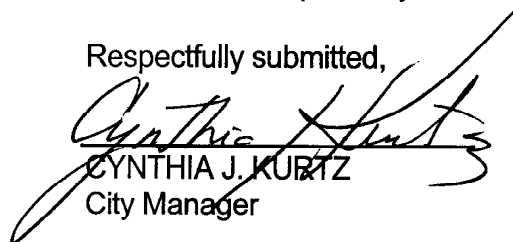
AFFIRMATIVE ACTION:

This contract has been awarded under the competitive bidding and selection processes outlined by the Affirmative Action Department. This two-year contract with Laboratory Corporation of America will maintain continuity of services and will optimize the personal and public health of City residents.

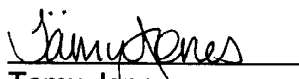
FISCAL IMPACT:

Total funds for clinical laboratory services equaling \$90,000 have been included in the Public Health Department's FY 2002 adopted budget and FY 2003 recommended budget. For FY 2002, the funds are distributed in budget accounts 563319 and 564117 in the amounts of \$28,300 and \$1,700 respectively. For FY 2003, funds are distributed to the same budget accounts in the amounts of \$56,700 and \$3,300 respectively.

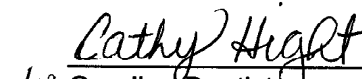
Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

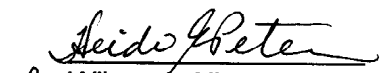
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