

Before the Board of Supervisors County of Placer, State of California

In the matter of:

Resolution No: 2018-016

A resolution directing and approving the layoff of Public Health Laboratory employees based on necessity due to a lack of work, pursuant to Chapter 3 section 3.08.1090 of the Placer County Code.

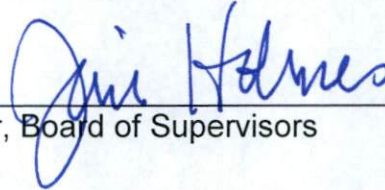
The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held February 6, 2018, by the following vote on roll call:

Ayes: DURAN, WEYGANDT, UHLER, HOLMES

Noes: NONE

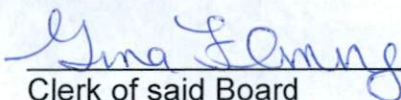
Absent: MONTGOMERY

Signed and approved by me after its passage.



Chair, Board of Supervisors

Attest:



Clerk of said Board

WHEREAS, Placer County Code Chapter 3, section 3.08.1090 provides that layoffs shall be made solely under the direction of the Board of Supervisors, and with Board approval, the county executive officer may direct the department's appointing authority to lay off employees for necessity, based on lack of funds or work;

WHEREAS, on December 12, 2017, the Placer County Board of Supervisors received a report on the Placer County Public Health Laboratory and a study into the feasibility of a transition of public health laboratory services to a regional public health laboratory model that noted:

1. dramatic reductions in testing volumes performed by our Placer County Public Health Laboratory (PHL) as a result of a changing healthcare environment over the past decade
2. lack of significant staffing reductions over the same time frame
3. changes in laboratory technologies and economies of scale
4. significant reductions in discretionary revenues dedicated to local public health core functions

5. heavy reliance of our Placer County PHL on these dwindling discretionary revenues
6. the emergence of alternative models that might meet Placer County's need for public health laboratory services in a more cost-effective and sustainable way
7. a very antiquated physical plant for our PHL;

WHEREAS, the report further presented the Board with three potential options going forward:

Option 1: Maintain current service model of a local PHL with current County contracts and local services

Option 2: Modify current service model of a local PHL to enhance revenue and/or lower costs

Option 3: Restructure PHL services to obtain laboratory testing through a regional PHL while maintaining local access.

WHEREAS, the Placer County Board of Supervisors directed the Department of Health and Human Services to investigate and negotiate contractual proposals with regional public health laboratories while also conducting a more in-depth examination of opportunities to modify the current PHL model to enhance revenue and/or lower costs.

WHEREAS, in the past 3 years PHL expenditures have already been reduced from over \$2 million per year to approximately \$1.7 million per year;

WHEREAS, the primary source of additional reductions in expenditures that would preserve the Placer County-operated PHL would involve reductions in labor;

WHEREAS, the only labor reduction model believed to preserve adequate PHL services would save less than \$200,000 per year, and would still require over \$840,000 per year in support from county general fund or 1991 realignment;

WHEREAS, opportunities for additional revenue for the PHL that were explored included offering drug testing and requiring partner counties to pay significantly more to support the total cost of the PHL;

WHEREAS, the Placer PHL would be in competition with lower-cost, specialized private labs for drug testing and with higher-volume/ lower-cost PHLs (including Sacramento County PHL) for partner county business, calling into question the sustainability of these potential revenue sources;

WHEREAS, there are also questions about the long-term sustainability of federal revenue sources that currently help to support the Placer County PHL;

WHEREAS, analysis of option 3 revealed that the Sacramento County PHL is able to perform all of the tests currently performed by the Placer County PHL, with the exception of water and blood lead testing, which are already performed by private labs in the area who could easily absorb the additional volume of water and blood lead tests from Placer County PHL;

WHEREAS, the capacity of the Sacramento County PHL to provide quality PHL services to Placer County residents and its partners appears to be comparable to the current capacity of the Placer County PHL;

WHEREAS, the annual cost of a contract with Sacramento County to perform PHL services is estimated to be less than \$25,000, while current Placer County PHL expenditures are approximately \$1.7 million per year;

WHEREAS, the proposed closure of the Placer County PHL and transition of public health laboratory services to the Sacramento County PHL is projected to save Placer County at least \$800,000 per year;

WHEREAS, these savings would largely be in the form of 1991 Health Realignment funds which would then be available for other important health-related expenditures.

WHEREAS, the estimated long-term capital savings under the proposed model resulting from not having to address long-term Placer County PHL facility challenges are estimated to be \$5-10 million;

WHEREAS, on February 6, 2018 the Placer County Board of Supervisors authorized the Director of Health and Human Services to execute a contract for Placer County public health laboratory services with the County of Sacramento;

NOW, THEREFORE, BE IT RESOLVED, By The Board of Supervisors Of The County Of Placer, State Of California As Follows:

The Board directs the layoff of County employees in the classifications identified below as may become necessary and based on necessity due to a lack of work as related to the transition of County public health laboratory services to Sacramento County Public Health Laboratory:

Public Health Microbiologist
Public Health Microbiologist- Senior
Laboratory Technician

BE IT FURTHER RESOLVED AND ORDERED, the Board delegates to the County Executive Officer the authority under the County Code section 3.08.1090 to determine the timing of layoff. The layoff shall be conducted in accordance with the County Code sections 3.08.1090 through 3.08.1120.