



**MEMORANDUM
ADMINISTRATIVE SERVICES
PROCUREMENT DIVISION**
County of Placer

TO: Board of Supervisors
FROM: Brett Wood, Purchasing Manager
SUBJECT: Specimen Collection and Drug Testing – Valley Toxicology Service Inc.

ACTION REQUESTED

Approve the renewal of a competitively bid agreement with Valley Toxicology Service Inc. of West Sacramento, CA for Specimen Collection and Drug Testing Services in the maximum amount of \$300,000 for the period of July 1, 2017 through June 30, 2018. Funded by the Health and Human Services Department's FY 2017-18 Proposed Budget, which includes \$210,000 of Federal and State revenue, \$12,000 in client fees, and \$78,000 of required County General Fund match.

Authorize the Purchasing Manager to sign all required documents.

BACKGROUND

The Health and Human Services Department (HHS) requires an agreement with a vendor to provide specimen collection, drug and alcohol testing services, and related supplies on an as-needed basis. The department requires these services to monitor their clients' compliance with program requirements. On July 9, 2013, your Board approved the award of competitive Bid No. 10251 to Valley Toxicology Inc. The resulting agreement was issued for a one-year period. On July 8, 2014 your Board approved the renewal of the agreement and authorized two additional one-year renewals. Both of those renewals have been exercised. The current agreement will expire June 30, 2017.

HHS has requested renewal of the BPO for an additional year. Valley Toxicology has requested an increase to their minimum monthly costs due to its increased overhead costs for its facility and staffing. HHS has reviewed the new pricing and concurs with Procurement's recommendation to renew the agreement for an additional year. Section 15 of the bid's terms and conditions permit renewal of the agreement upon successful negotiation of pricing, terms, and conditions.

Therefore, your Board's approval is required to proceed with the renewal of the agreement with Valley Toxicology in the maximum amount of \$300,000 for the effective period of July 1, 2017 through June 30, 2018, and to authorize the Purchasing Manager to sign the agreements.

FISCAL IMPACT

HHS has budgeted appropriately in its FY 2017-18 Proposed Budget, which includes \$210,000 of Federal and State revenue, \$12,000 in client fees, and \$78,000 of required County General Fund match. Funds are not encumbered until services are rendered against the agreements.

cc: Stan Hapak, Fiscal Operations Manager
Amy Ellis, Director – Adult System of Care
Twylla Abrahamson, Director – Children's System of Care

