



MEMORANDUM
PROCUREMENT SERVICES DIVISION
County of Placer

TO: Honorable Board of Supervisors **DATE:** August 23, 2022
FROM: Jane Christenson, Acting County Executive Officer
BY: Brett Wood, Purchasing Manager
SUBJECT: Specimen Collection Services – Increase Contract with Valley Toxicology Inc.

ACTION REQUESTED

Approve an increase to a contract with Valley Toxicology Inc. of West Sacramento for Specimen Collection Services for Drug Testing Services in the amount of \$15,000.00 for a revised total of \$279,000.00 through June 30, 2022.

Authorize the Purchasing Manager to sign all required documents.

BACKGROUND

The Health and Human Services Department (HHS) provides alcohol and drug testing programs for its Adult System of Care and Children’s System of Care clients. HHS monitors drug use among male and female Child Welfare Services clients, mental health clients, and alcohol and drug treatment program clients as part of its programs. This program helps HHS to support the County’s critical success factors by providing Collaborative Health and Human Services.

The department requires a contract with a firm to perform the observed collection of urine samples for drug and alcohol testing services, for the clients in these programs. On June 25, 2019 your Board approved the renewal of an agreement with Valley Toxicology Inc. as the result of a competitive bid, and authorized renewal options through June 30, 2022 in the maximum amount of \$264,000 annually.

The contract with Valley Toxicology expired on June 30, 2022 and was not renewed. Effective July 1, 2022 HHS transitioned these specimen collection services to another existing contractor who provides other services for the department’s clients who are enrolled in the alcohol and drug treatment programs. Combining these services is anticipated to improve efficiency by streamlining the department’s service capabilities to its clients.

During the last contract period with Valley Toxicology, the contractor increased its rates to the County by approximately 16%, due to increases in labor costs and general overhead costs such as facility rental and utilities. The final invoices for the contract period exceed the maximum amount previously authorized by your Board by approximately \$15,000.00.

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Therefore, your Board's approval is required to increase the last contract with Valley Toxicology in the amount of \$15,000.00 for a new total of \$279,000.00 for services provided through June 30, 2022.

FISCAL IMPACT

The total cost of this contract is \$279,000.00. Funding for this revised total is available in the FY2021-22 CC14001 - Adult System of Care budget.

ATTACHMENTS

None