

**MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Children's System of Care**

TO: Honorable Board of Supervisors

FROM: Richard J. Burton, M.D., M.P.H.
Placer County Health Officer and Director of Health & Human Services
Richard S. Knecht, Director of Children's System of Care

DATE: June 7, 2011

SUBJECT: Change Order for Blanket Purchase Order No. BP017823 with Phamatech, Inc. to Provide Drug and Alcohol Lab Testing Services

ACTION REQUESTED:

Approve a Change Order to Blanket Purchase Order No. BP017823 with Phamatech, Inc. for drug and alcohol lab testing services, increasing the amount of the agreement by \$64,500, for a revised total of \$278,000 from July 1, 2010 through June 30, 2011, and authorize the Purchasing Manager to sign the change order.

BACKGROUND:

Phamatech, Inc. provides drug and alcohol testing for both the Adult and Children's Systems of Care for the substance abuse treatment programs and child welfare services. This Blanket Purchase Order was originally awarded to Phamatech through a competitive bid process by your Board on June 23, 2009 and extended through FY 2010-11 on June 22, 2010.

The increase in the amount is due to unanticipated increases in court ordered testing of parents involved in child welfare services or court supervised adult drug treatment. The Systems of Care have successfully negotiated a roll back of some pricing with the vendor, effective May 2011, and is working with court partners to reduce orders for testing whenever possible.

FISCAL IMPACT:

This request results in an increase of \$64,500 for Fiscal Year 2010-2011, which is included in the Department's Final Budget. The revised total of \$278,000 for this agreement is funded by \$224,000 (81%) in Federal and State funding, \$6,000 (2%) in client fees, and \$48,000 (17%) in County General Funds.

cc: Procurement Services

