



City of San Antonio

Agenda Memorandum

File Number: 17-2491

Agenda Item Number: 4.

Agenda Date: 5/4/2017

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Amendment II - Annual Contract for HIV Tests and Supplies

SUMMARY:

This ordinance approves an amendment to the contract with Bio-Rad Laboratories to provide Human Immunodeficiency Virus (HIV) laboratory testing supplies and rental of the BioPlex 2200 testing platform for the San Antonio Metro Health District. The rental of the BioPlex 2200 testing platform is at no cost; however the State of Texas, acting on behalf of the City, must order a minimum quarterly purchase volume of Syphilis IgG Reagent Kits and HIV Ab-Ag Reagent Packs. Approval of this amendment will increase the value of the contract in the estimated amount of \$21,000.00 over a three year period. Funding is available from the General Fund.

BACKGROUND INFORMATION:

The Bio-Rad HIV and Syphilis assays and BioPlex 2200 testing platform were officially adopted by the Texas Department of State Health Services (DSHS), State of Texas Title V, and the STD-HIV control programs as the standard testing platform. Bio-Rad Laboratories is the sole manufacturer and sole distributor/supplier in the United States of their HIV and Syphilis test kits for this testing platform.

This amendment to the existing contract with Bio-Rad Laboratories allows the City to enter into a reagent-rental agreement to obtain Bio-Rad proprietary analytical testing instrumentation that can only be used with Bio-Rad assay test kits. The amendment extends the current contract for testing supplies and makes it coterminous with the rental of the BioPlex 2200 instrumentation agreement which expires on December 31, 2021.

Testing reagents to be purchased by the DSHS for their use or on behalf of Metro Health are counted toward the minimum annual purchase volumes required by Bio-Rad to obtain the use of the BioPlex 2200 testing platform at no cost to the City. The City is liable for damage to the testing platform, and if the damaged items are not repairable, the City is obligated to pay the vendor the current catalog trade price of the equipment less depreciation.

ISSUE:

Metro Health is requesting approval of the rental agreement with Bio-Rad Laboratories to upgrade from the Evolis Micro Plate Processor to the BioPlex 2200 instrument. It will include at no cost, use of the equipment, and consumables valued at \$140,000.00 annually to be purchased by the DSHS.

The original contract was awarded to Bio-Rad utilizing a Sole Source Exemption.

This contract is an exception to the Local Preference Program.

The Veteran Owned Business Program does not apply to goods/supplies contracts so no preference was applied to this contract.

ALTERNATIVES:

Should this contract not be approved, Metro Health will be required to move the existing low throughput test platform to continue to test infectious disease surveillance specimens. With the planned move into the new Metro Health Facility, scheduled for May 2017, the goal is to remain operational in the existing facility while furnishing the new laboratory with the new equipment to be fully operational on day one.

FISCAL IMPACT:

The ordinance authorizes the acceptance of a rental agreement to upgrade to the BioPlex 2200 instrument and an extension of the current contract term through December 31, 2021. The estimated increased cost to the City for consumables over a three year contract term is \$21,000.00 for those tests not covered under the state program.

Funding is available from General Fund.

RECOMMENDATION:

Staff recommends approval of the amendment with Bio-Rad Laboratories, authorizing an upgrade to the BioPlex 2200 testing platform and an extension of the contract term to December 31, 2021.