

## AGENDA



Thursday, July 26, 2007

**Purchasing Office**  
**RECOMMENDATION FOR COUNCIL ACTION**

Item No. 59

**Subject:** Authorize award and execution of a 36-month requirements service contract with CLINICAL PATHOLOGY LABORATORIES, INC., Austin, TX, for specialized HIV laboratory tests in an estimated amount not to exceed \$2,337,000, with three 12-month extension options in an estimated amount not to exceed \$818,895 for the first extension option, \$859,840 for the second extension option, and \$902,832 for the third extension option, for a total estimated contract amount not to exceed \$4,918,567.

**Amount and Source of Funding:** Funding in the amount of \$129,834 is available in the Fiscal Year 2006-2007 Operating Budget of the Community Care Services Department. Funding for the remaining 34 months of the original contract period and extension options is contingent upon available funding in future budgets.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Barbara McConnell, BuyerII/972-4009

**Purchasing Language:** Sole bid received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract will allow Community Care Services Department (CCSD) to make viral load tests available for the patients at CCSD's David Powell Community Health Center. Monitoring a patient's viral load allows health care providers to determine when drug therapy should be initiated, how well the patient's current drug treatment is working, and/or whether a change is needed in the patient's medication.

This testing will conserve CCSD's budget by identifying and discontinuing ineffective medication and will enhance HIV patient's quality of life by providing appropriate drug treatment.

MBE/WBE solicited: 2/4

MBE/WBE bid: 0/0

**PRICE ANALYSIS**

- a. Sole bid. There are only two known vendors who are able to provide these services in the Austin area. The original bid was issued on March 5, 2007, with only Clinical Pathology Laboratories submitting a bid. Due to the lack of competition, this bid was cancelled and reissued on April 30, 2007, with an attempt to contact both known vendors. Clinical Pathology Laboratories was the only vendor who submitted a bid for the second time.
- b. One hundred six notices were sent, including two MBEs and four WBEs. One bid was received, with no response from the MBEs/WBEs.
- c. The pricing offered represents a 10% increase to the last contract award in May 2003. Clinical Pathology Laboratories is the current contractor providing these services.

**APPROVAL JUSTIFICATION**

- a. Sole bid received.

- b. The Purchasing Office concurs with the Community Care Services Department's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.