

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

September 10, 2024

FROM

ANDREW GOLDFRACH, ARMC Chief Executive Officer, Arrowhead Regional Medical Center

SUBJECT

Amendment to Agreement with Cepheid for the Purchase of Cepheid Reagents, Equipment and Services

RECOMMENDATION(S)

Approve **Amendment No. 2 to Reagent Rental Agreement No. 23-26** with Cepheid for testing reagents and to add a new instrument and services, increasing the contract amount by \$1,632,290 from \$952,300 to \$2,584,590, and extending the term of the agreement for an additional two years, for the total term of January 1, 2023 through December 31, 2027. (Presenter: Andrew Goldfrach, ARMC Chief Executive Officer, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General funding (Net County Cost). The cost of \$1,632,290 is funded by State Medi-Cal, Federal Medicare, private insurances, and other departmental revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Adequate appropriation and revenue have been included in the Arrowhead Regional Medical Center (ARMC) 2024-25 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

Amendment No. 2 (Amendment) to Reagent Rental Agreement No. 23-26 (Agreement) with Cepheid provides ARMC continuing performance of necessary diagnostic testing for COVID-19, Influenza, Respiratory syncytial virus, Clostridium difficile, and Methicillin-resistant Staphylococcus aureus for accurate and rapid diagnosis and treatment of infections for an additional two-year period. This Amendment increases the Purchase Commitment of the original Agreement.

The Amendment also provides for replacement of the existing 14-year-old Cepheid analyzer system, which is scheduled for end-of-life within the next 12 months. ARMC negotiated the analyzer replacement and service package at no additional charge since it is tied to the existing usage of the supplies (test cartridges) from Cepheid.

On January 24, 2023 (Item No. 11), as the result of a non-competitive procurement, the Board of Supervisors (Board) approved Agreement No. 23-26, with Cepheid for the purchase of

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COVID-19 test kits, in the amount of \$952,300 for the contract term of January 1, 2023 through December 31, 2025.

On June 13, 2023 (Item No. 15), the Board approved Amendment No. 1 to Agreement No. 23-26 with Cepheid to expand the types of reagents available for purchase, with no change to the not-to-exceed amount of \$952,300 or the term of January 1, 2023 through December 31, 2025.

ARMC recommends approval of the Amendment as it will expand the items available for purchase from Cepheid, include additional reagents for the testing of Clostridium difficile infection, and provide for the replacement of obsolete equipment. This Amendment will continue to allow ARMC access to the discounted reagent pricing for the extended term of the Agreement.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, Supervising Deputy County Counsel, 387-5455) on August 9, 2024; Purchasing (Veronica Pedace, Buyer III, 387-2464) on August 9, 2024; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on August 16, 2024; Finance (Jenny Yang, Administrative Analyst, 387-4884) on August 19, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on August 22 2024.

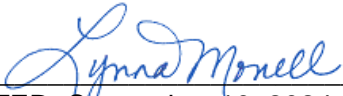
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr.
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY  _____
DATED: September 10, 2024



cc: ARMC - Goldfrach w/agree
 Contractor - c/o ARMC w/agree
 File - w/agree
CCM 09/12/2024