

City of Sacramento

Legislation Text

File #: 2020-00282, Version: 1

Title:

Contract: Suspend Competitive Bidding for Veterinary Laboratory Testing Services and Testing Supplies with IDEXX Laboratories (Two-Thirds Vote Required)

File ID: 2020-00282

Location: Citywide

Recommendation:

Adopt a Resolution: 1) suspending competitive bidding, in the best interests of the City, for Veterinary laboratory testing services and supplies; and 2) authorizing the City Manager or City Manager's designee to execute a contract with IDEXX Laboratories in the amount not-to-exceed \$300,000 for a period of six years.

Contact: Phillip Zimmerman, Animal Care Services Manager, (916) 808-8333; Jennifer Chikasawa, Administrative Analyst, (916) 808-5851, Community Development Department

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Contract
- 3-Resolution

Description/Analysis

Issue Detail: The Shelter is classified as a depositary for living animals and therefore bound by California Civil Code. California Civil Code § 1834 states: "A depositary of living animals shall provide the animals with necessary and prompt veterinary care, nutrition, and shelter, and treat them kindly. Any depositary that fails to perform these duties may be liable for civil damages as provided by law." If an animal enters the shelter and is sick or injured it must be treated promptly. Laboratory testing is a requirement to determine what level and type of veterinary treatment is needed for an animal. Our veterinarians must have access to quick, easy, and reliable testing equipment and when needed, outsourced veterinary lab testing services. IDEXX currently provides all our outsourced laboratory testing services and has recently enhanced their program specifically to better service

shelter veterinary hospitals.

Policy Considerations: City Code Section 3.56.230(c) authorizes the City Council to suspend competitive bidding for service when upon a two-thirds vote, the City Council determines it is in the best interests of the City to do so. Section 3.56.090 requires Council approval to authorize the City Manager to bind the City by contract for purchases that are \$100,000 or more. The recommendations in this report are consistent with Sacramento City Code Section 3.56.

Economic Impacts: Not applicable.

Environmental Considerations: Not applicable. This is exempt from the California Environmental Quality Act (CEQA) because it does not have the potential for causing a significant effect on the environment. (CEQA Guidelines §15061(b)(3).)

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: It is imperative that the Shelter veterinary team has access to quick and accurate testing equipment and services. Veterinary lab testing helps determine how to proceed with a treatment path for a sick or injured animal. IDEXX currently provides daily pickup services for specimen samples and the samples are processed at their laboratory located in West Sacramento. The Shelter's proximity to IDEXX's testing lab helps ensure that test results are received within 24 hours. In order to limit the exposure and contamination of infectious diseases within the Shelter, animals who exhibit signs of contagious diseases or infections must be quarantined until their test results are received. The ability of IDEXX to provide test results to the Shelter within 24 hours increases the speed the Shelter is able to treat the animal and get them adopted.

IDEXX Laboratories has launched a new program called IDEXX 360. Through the 360 program the Shelter will be able to continue to use IDEXX for any outsourced testing services and obtain new testing equipment for the Shelter's medical staff. The Shelter staff are currently using an older machine with outdated technology. There are many times when the veterinary staff have reason to believe that the test results produced by their current machine are inaccurate. When inaccuracies are detected, the test is rerun by our outsourced lab. Updating the Shelter's in-house equipment will reduce these redundancies. The IDEXX 360 program also provides us the ability to purchase our in-house testing supplies directly through IDEXX at special shelter pricing. Based on the previous fiscal year's supply purchase history, it is estimated that the Shelter will save up to \$10,000 per fiscal year on testing supplies. The Shelter also expects to see some saving on outsourced urinalysis reports since the new machine will allow those to be run in-house.

Currently there are only two labs in the Greater Sacramento Area. Of these two labs, IDEXX is the only lab that is offering this type of robust program for both in-house testing equipment and supplies and outsourced laboratory testing services. After thorough review, the Shelter veterinarians have recommended IDEXX Laboratory equipment for our shelter hospital and continue using their lab for any outsourced laboratory testing for the following reasons:

- IDEXX snap tests (blood test run in-house) have greater sensitivity than the current testing equipment.
- IDEXX's in house lab machine results correlate favorably with their outsourced results and both upload to the same software platform.
- Test results are easily downloaded into a PDF format and can be attached to each animal's electronic file to allow records to be updated timely and efficiently.
- IDEXX analyzers are a platform that is upgraded through software downloads rather than equipment replacement
- IDEXX analyzers have internet connectivity to IDEXX headquarters for monitoring to ensure the analyzers are always working properly.
- Under this agreement IDEXX provides a warranty at no additional charge for all analyzers during the contract period. This includes free overnight shipping of replacement analyzer if necessary.
- IDEXX provides a local dedicated field support representative to help trouble shoot analyzers and train any new staff on all IDEXX services.

Financial Considerations: There is sufficient funding available in the Fiscal Year 2019/20 Community Development Department Operating Budget and the F.O.C.A.S. (Friends of the City Animal Shelter) Multi-year Operating Project (I13000400) to fund expenditures for the fiscal year. If the full \$50,000 is not spent at the end of each fiscal year, the balance may be carried over to subsequent fiscal years provided that there is sufficient funding in the operating and F.O.C.A.S. budgets.

Local Business Enterprise (LBE): The minimum LBE participation requirement was waived by the Director of Community Development as staff has determined the waiver is in the City's best interest because of the absence of local suppliers and subcontractors making it impractical and not financially beneficial to the City.