



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

VACANT
First District

JOEL ANDERSON
Second District

TERRA LAWSON-REMER
Third District

MONICA MONTGOMERY STEPPE
Fourth District

JIM DESMOND
Fifth District

DATE: January 28, 2025

02

TO: Board of Supervisors

SUBJECT

AUTHORIZE SINGLE SOURCE PROCUREMENT OF HAMILTON MICROLAB SERIES MANUFACTURER-SPECIFIC INSTRUMENTATION, MAINTENANCE, CONSUMABLES, AND SUPPLIES FOR THE PUBLIC HEALTH LABORATORY (DISTRICTS: ALL)

OVERVIEW

The County of San Diego (County) Health and Human Services Agency, Public Health Laboratory (PHL) provides high-quality laboratory services to protect the health of the community and prevent the spread of disease. PHL has been a leader in infectious disease control locally, in California, and across the nation by analyzing clinical and environmental samples through surveillance, assessment, and assurance activities. In addition, PHL supports regional preparedness and response to communicable disease events, outbreaks, and emerging infectious disease threats.

On October 25, 2022 (11), the San Diego County Board of Supervisors (Board) approved the establishment of appropriations for design and pre-construction services for a new PHL. The new facility will be larger than the previous PHL and will also be a Biosafety Level 2 and 3 reference laboratory, as the County serves as an approved Centers for Disease Control and Prevention Select Agent Laboratory for San Diego and Imperial Counties. PHL is also the designated location for the federal BioWatch program for the detection of bioterrorism agents in San Diego County. This new expanded PHL will allow for enhanced and expanded testing services and capabilities. The use of specialized laboratory equipment is essential to ensure this expansion of testing while maintaining and increasing testing proficiency and accuracy.

Today's actions request the Board authorize a single source contract with Hamilton Company for their Microlab series manufacturer-specific specialized instrumentation, maintenance, consumables, and supplies to sustain critical services and enhance PHL.

Today's actions support the County vision of a just, sustainable, and resilient future for all, specifically those communities and populations in San Diego County that have been historically left behind, as well as our ongoing commitment to the regional *Live Well San Diego* vision of healthy, safe, and thriving communities. This will be accomplished by re-enforcing PHL's ability to safeguard and improve the health and well-being of San Diego County residents through

SUBJECT: AUTHORIZE SINGLE SOURCE PROCUREMENT OF HAMILTON MICROLAB SERIES MANUFACTURER-SPECIFIC INSTRUMENTATION, MAINTENANCE, CONSUMABLES, AND SUPPLIES FOR THE PUBLIC HEALTH LABORATORY (DISTRICTS: ALL)

enhanced and increased testing, prevention, and intervention to interrupt transmission of disease while maintaining good fiscal management.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. In accordance with Board Policy A-87, Competitive Procurement, approve and authorize the Director, Department of Purchasing and Contracting to enter into negotiations with Hamilton Company, and subject to successful negotiations and determination of a fair and reasonable price, award a contract for Hamilton Microlab series manufacturer-specific instrumentation, consumables and ongoing maintenance and repairs for the life of the equipment, for an Initial Term of up to one year, with four one-year Options, and up to an additional six months, if needed, and to amend the contract as needed to reflect changes to services or funding allocations, subject to the availability of funds and the approval of the Deputy Chief Administrative Officer, Health and Human Services Agency.
2. Authorize the Deputy Chief Administrative Officer, Health and Human Services Agency, or designee, to apply for additional funding opportunity announcements, if available, that would support the Public Health Laboratory efforts.

EQUITY IMPACT STATEMENT

San Diego County has one of the busiest border crossings in the United States and is home to a diverse population including military and tribal communities. Reports from the Centers for Disease Control and Prevention have highlighted disparities among populations impacted by diseases such as HIV, viral Hepatitis, Sexually Transmitted Infection, tuberculosis, and COVID-19. Disparities in ethnicity have shown to be linked to behavioral risk factors, environmental exposures, social determinants of health, and access to accurate and timely testing. To protect the health and well-being of all residents, the County of San Diego (County) Health and Human Services Agency, Public Health Laboratory (PHL) provides diagnostic testing that helps to diagnose diseases among the public, including but not limited to, tuberculosis, measles, mumps, norovirus, and malaria. Additionally, insights from testing results and patient demographics, available through the laboratory information management system, enables PHL to record and monitor health disparities and inequities across a wide range of diseases. PHL works in conjunction with public health clinics, local hospitals and healthcare providers, and the County Department of Environmental Health and Quality to analyze clinical and environmental samples to detect and identify bacteria, viruses, and other pathogens, perform rapid diagnostic testing, and characterize pathogens.

A fully functioning PHL that implements the core activities of surveillance, assessment, and assurance, is essential to provide the best health outcomes for our communities. Thus, PHL is continuously tracking advancements in specialized laboratory and testing equipment to ensure the most efficient and effective instrumentation is a priority. The procurement of advanced instrumentation will lead to improved testing capabilities, reduced response times, and more efficient and effective services to interrupt the transmission of disease and protect all San Diego County residents, especially the most vulnerable.

SUBJECT: AUTHORIZE SINGLE SOURCE PROCUREMENT OF HAMILTON MICROLAB SERIES MANUFACTURER-SPECIFIC INSTRUMENTATION, MAINTENANCE, CONSUMABLES, AND SUPPLIES FOR THE PUBLIC HEALTH LABORATORY (DISTRICTS: ALL)

SUSTAINABILITY IMPACT STATEMENT

Today's actions support the County of San Diego (County) Sustainability Goal #3 to transition to a green, carbon-free economy, and reduce greenhouse gas emissions; and Sustainability Goal #4 - to protect the health and well-being of everyone in the region, with a focus on collaborating with community partners and advocating for environmental justice for communities that have been disproportionately impacted. The County Public Health Laboratory continuously increases capacity and testing services aimed at detecting and preventing illnesses by using the most effective and efficient equipment available. Testing and identification will improve the overall health of communities, reduce the demand for associated care services, while increasing the effectiveness of care providers and lowering operating costs of facilities, thus reducing greenhouse gas emissions and waste generated within the care sector. Since climate change and air pollution are direct threats to human health, the reduction of pollution is also considered a preventative healthcare measure.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year (FY) 2024-25 Operational Plan of the Health and Human Services Agency. If approved, this request will result in estimated costs and revenue of \$300,000 in FY 2024-25 for purchase of one-time equipment and lab supplies and estimated costs and revenue of \$50,000 in FY 2025-26 for ongoing lab supplies and maintenance of the equipment. Funds for subsequent years will be incorporated into future operational plans. The funding sources are Enhancing Laboratory Capacity Enhancing Detection grant funds and existing Health Realignment. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

The Health Services Advisory Board reviewed this item on October 8, 2024, and recommended approval of the recommendations.

BACKGROUND

The County of San Diego (County) Health and Human Services Agency, Public Health Laboratory (PHL) provides high-quality laboratory services to protect the health of the community and prevent the spread of disease. PHL has been a leader in infectious disease control locally, in California, and in the nation by analyzing clinical and environmental samples through the core activities of surveillance, assessment, and assurance. These services include clinical testing, beach water testing, rabies testing, and sequencing, and bioterrorism preparedness.

Previously, PHL was housed at the Health Services Complex building, and in February 2022, an inspection of the building determined that significant structural work was required, and it was decided that the building was no longer suitable for use. Due to this, an immediate plan for a new laboratory was initiated, and on October 25, 2022 (11), the San Diego County Board of Supervisors (Board) approved the design and pre-construction services for a new public health laboratory. The

SUBJECT: AUTHORIZE SINGLE SOURCE PROCUREMENT OF HAMILTON MICROLAB SERIES MANUFACTURER-SPECIFIC INSTRUMENTATION, MAINTENANCE, CONSUMABLES, AND SUPPLIES FOR THE PUBLIC HEALTH LABORATORY (DISTRICTS: ALL)

new facility will be a Biosafety Level 2 and 3 reference laboratory, as the County serves as an approved Centers for Disease Control and Prevention Select Agent Laboratory for San Diego and Imperial Counties. The new PHL is estimated to be approximately 52,000 square feet to accommodate laboratory needs. The space allocation at the new facility will almost double the previous laboratory workspace to allow expansion of testing capabilities and methods within PHL. Thus, in addition to maintaining the established testing processes, the County aims to expand and improve PHL's capabilities through updated instrumentation, consumables, and preventative and needed maintenance.

During the COVID-19 pandemic, PHL tested over 500,000 COVID-19 samples, with volumes reaching over 3,000 samples per day at times. At the time, PHL was lacking automated instrumentation to support increasing testing capabilities to these surge volumes. As a result of the surge in lab tests needed, PHL struggled to keep up with the demand in testing. To help alleviate this situation from occurring again, PHL staff researched to identify potential efficiencies available in the testing process to better respond to communicable disease events, outbreaks, and emerging infectious disease threats in the future.

The Hamilton Microlab automated liquid handler is unique and combines abilities and features of multiple other manufacturers' liquid handler instrumentation into one succinct and efficient platform. This instrument allows PHL staff to program different settings that allow for a larger array of testing to be performed on a single unit. One important function of the platform is the automation of transfer from a single blood tube to the 4 QuantiFERON-Plus tubes for latent tuberculosis testing through a collaboration between Hamilton Company and Qiagen. The collection of a single blood tube simplifies the process for clinicians and the Hamilton Microlab instrumentation allows for an error-free transfer from one container to another in the laboratory. Additionally, the Hamilton Microlab instrumentation has automated de-capping and re-capping of QuantiFERON tubes. These features allow for decreased laboratory staff time, associated with the processing of each sample, while increasing efficiency both in timing required for each test and accuracy and consistency from potential human error during each of these processes.

The Hamilton Microlab instrumentation has several unique features not offered by other liquid handlers that improve speed and performance, including patented Compression O-Ring Expansion II technology for precise tip alignment, Dual Liquid Level Detection and Total Aspiration and Dispense Monitoring for detection of the surface of any liquid and deviations from expected volume and Monitored Air Displacement to ensure proper liquid volume. Most liquid handlers only have one function of liquid level sensing that can result in volume errors. These specialty features can detect blood clots in samples, and then adjust for it, allowing timely and accurate processing therein, avoiding invalid test results. The Hamilton Microlab instrumentation will reduce potential hazards and contamination risk, optimize efficiency, shorten turnaround time, and support surge testing capacity. This is the only instrumentation that combines all these unique features into one platform. This combination of features is not available on any other instrumentation and would require PHL to purchase multiple instruments to obtain the same performance capabilities provided by this single instrument. Hamilton Company is the only

SUBJECT: AUTHORIZE SINGLE SOURCE PROCUREMENT OF HAMILTON MICROLAB SERIES MANUFACTURER-SPECIFIC INSTRUMENTATION, MAINTENANCE, CONSUMABLES, AND SUPPLIES FOR THE PUBLIC HEALTH LABORATORY (DISTRICTS: ALL)

company that manufactures and sells this instrument and must be purchased through them. Hamilton Company qualifies for a single source contract pursuant to Board Policy A-87 sections:

- 1.D.1 Competition – The Hamilton Microlab instrumentation cannot be purchased from any company, other than Hamilton Company, and as a result, competition is precluded because of the existence of patent rights, copyrights, secret processes, control of the basic raw material(s) or similar circumstances, and no equivalent good or service is available.
- 1.D.3 - No other liquid handler on the market contains all of the features that the Hamilton Microlab instrumentation does, and these features are critical for the efficiency of PHL's future surge testing and ensure PHL staff can keep up with surge volumes during emergencies. Therefore, this procurement is for services from a provider with unique knowledge, skill, or ability not available from other sources.

Today's actions request the Board authorize new single source contract with Hamilton Company for their manufacturer-specific specialized instrumentation, consumables and ongoing maintenance and repairs for the life of the equipment, for an initial term of up to one year with four one-year options, and up to an additional six months, if needed, to sustain critical services with the goal of building a more improved PHL. Pricing is determined to be fair and reasonable based on comparable pricing for other governmental entities for the Hamilton Microlab instrumentation and consumables.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support the County of San Diego 2025-2030 Strategic Plan Initiatives of Equity (Health) and Community (Quality of Life) as well as the regional *Live Well San Diego* vision of healthy, safe, and thriving communities. This is accomplished by reducing disparities and disproportionality of individuals by building better health and protecting the health of residents through enhanced and increased testing, prevention, and intervention to interrupt transmission of disease.

Respectfully submitted,



FOR

EBONY N. SHELTON
Chief Administrative Officer

ATTACHMENT(S)

N/A