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ADDENDUM NO. 2 TO REQUEST FOR PROPOSALS (RFP) FOR LABORATORY COURIER SERVICES

March 10, 2011, the Los Angeles County, Department of Public Health (DPH), in collaboration with the Department of Health Services (DHS), released a RFP to solicit proposals from qualified laboratory courier contractors for the provision of services transporting laboratory specimens, reports, supplies, and other materials to and from designated locations within Los Angeles County.

As indicated in the RFP, Paragraph 1.5, County Rights & Responsibilities, the County may amend the RFP by written addendum. Addendum No. 2 amends the RFP as indicated below:

- 1. Attachment I shall be added to the RFP as County's response to proposers' questions submitted in accordance with RFP, Paragraph 2.5, Proposers' Questions.
- 2. RFP, Paragraph 1.7, Contract Rates, shall be deleted in its entirety and replaced as follows:

"During the first three (3) years of the contract, rates will remain fixed with the following exception: The fuel price may be adjusted on a quarterly basis, at the County's sole discretion, beginning three (3) months after the Contract's effective date. The adjustment is based on the increase or decrease in the fuel price published in the Official Energy Statistics from the United States Department of Energy website at

http://tonto.eia.doe.gov/dnav/pet/pet_pri_gnd_dcus_sca_m.htm for Gasoline – Regular (monthly) for California. The percentage change shall be obtained using the fuel prices published on the month of the proposal submission date and /or subsequent adjustment dates and the fuel price most recently published for the month prior to the effective date of the adjustment. However, when the percentage increase or decrease in the fuel price is less than 5 percent, no fuel adjustment will be granted. In the event the fuel adjustment is granted, the fuel adjustment (increase or decrease) will be added to or subtracted from, as applicable, the Budget Sheet, Fuel Price line item. Such adjustments will be applied to the "All Inclusive Fixed Fee per Stop/Pick Up" for Routine Services and the "All Inclusive Charge Per Mile" for Non-Routine Services.

In the last two years of the Contract, the Contract (hourly, daily, monthly, etc.) amount may be additionally adjusted annually based on the increase or decrease in the U.S. Department of Labor. Bureau of Labor Statistics' Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County Area for the most recently published percentage change for the 12-month period preceding the contract anniversary date, which shall be the effective date for any cost of living adjustment. However, any increase shall not exceed the general salary movement granted to County employees as determined by the Chief Executive Office as of each July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in County employee salaries; no cost of living adjustments will be granted. Where the County decides to grant a Cost of Living Adjustment (COLA) pursuant to this paragraph for living wage contracts, it may, in its sole discretion exclude the cost of labor (including the cost of wages and benefits paid to employees providing services under this contract) from the base upon which a COLA is calculated. unless the Contractor can show that his/her labor cost will actually increase."

- 3. RFP, Appendix D, Exhibit 12B, Price Sheet, shall be deleted and replaced with the attached revised Exhibit 12B. (Please note that the Non-Routine budget has been revised from stop calculation to per mile calculation)
- 4. RFP, Appendix D, Exhibit 14, Budget Sheet, DPH & DHS, shall be deleted and replaced with the attached revised Exhibit 14, Budget Sheet, DPH & DHS.

Addendum No. 2 has been posted on the following County of Los Angeles websites: <u>http://publichealth.lacounty.gov/cg/index.htm</u>, <u>http://cg.dhs.lacounty.gov/</u>, and <u>http://camisvr.co.la.ca.us/lacobids/BidLookUp/BidOpenStart.asp</u>.

Thank you for your interest in contracting with the County of Los Angeles. Except for the revisions contained in Addendum No. 1 and Addendum No. 2, there are no other revisions to the RFP.

Attachments (3)

ANSWERS TO PROPOSERS QUESTIONS REQUEST FOR PROPOSALS (RFP) FOR LABORATORY COURIER SERVICES DEPARTMENT OF PUBLIC HEALTH & DEPARTMENT OF HEALTH SERVICES

- Q1: Pursuant to the Freedom of information (FOIA) and California Public Records (CPRA) Acts, please provide a copy of the current contract in place for these services and the current pricing.
- A1: To obtain an electronic copy of the current contract from 2009 to 2011, please submit your e-mail address to Paula McGehee, no later than April 8, 2011, at pmcgehee@ph.lacounty.gov
- Q2: Pursuant to the Freedom of Information (FOIA) and California Public Records (CPRA) Acts, please provide the current pricing in place for these services.
- A2: See A1. The existing contract provides the current pricing.
- Q3: I have reviewed Section 2.3 RFP Timetable and I see a reference to Appendix E, Request For a Solicitation Requirements Review (SRR) that is due March 23. Is this something that we need to fill out and FAX/email to you to be officially considered in on the RFP?
- A3: No. The SRR is not intended for vendors to submit in order to be officially considered. See A4 below.
- Q4: Is there anything that we need to submit to you or your office to be officially included in the RFP process?
- A4: No, there is nothing to submit to our office to be officially included in the RFP process. RFP, Paragraph 1.4, Minimum Mandatory Requirements, states that "Interested and qualified Proposers that can demonstrate their ability to successfully provide the required services outlined in Appendix B, Statement of Work of this RFP are invited to submit a proposal, provided they meet the following requirement(s):
 - 1.4.1 Proposer must have three (3) consecutive years experience, within the last five (5) years, providing laboratory courier services equivalent or similar to the services identified in Appendix B, Statement of Work to hospitals, medical groups, or satellite laboratories.
 - 1.4.2 Proposer must attend the Mandatory Proposers Conference."
- Q5: Who is the current contractor?
- A5: Accurate Courier Services Inc.

Q6: How long has the current contractor held the contract?

A6: Approximately 13 years.

Q7: What is the current annual dollar amount for the contract?

A7: See A1.

Q8: Will fuel charges be permitted?

- A8: Fuel charges in addition to those factored into the "All Inclusive Fixed Fees" will NOT be permitted. Fuel charges should be included in the "All Inclusive Fixed Fee Per Stop/Pick Up", Exhibit 12A and "All Inclusive Charge Per Mile", Exhibit 12B.
- Q9: If not, will the County adjust contract rates to reflect a rise in operating fuel expenditure per the US Department of Energy Information Administration's Fuel Price Index, as it does for Cost of Living Adjustments per the Department of Labor's Consumer Price Index?
- A9: See Addendum No. 2, #2.
- Q10: If not, in the event of a significant, unexpected rise in fuel costs, what recourse does the contractor have in recouping expenses?
- A10: See A9.

Q11: Can you tell me the last total bid amount of the current vendor?

A11: No. Such bid amount is not applicable as the contract has been extended over a 13 year span. Response to Q1 provides a copy of the existing agreement with current terms.

Q12: Will DPH offer contacts 24/7, 365 days?

A12: Yes, contacts will be provided under resultant Contract.

Q13: What are DHP's average daily delivery volumes?

A13: RFP, Appendix C, Statement of Work Exhibits, Technical Exhibit 3 provides an estimated average of required services. Additionally, pursuant to RFP, Appendix A, Sample Contract, Paragraph 8.1 Amendments, Sub paragraph 8.1.3, "An Amendment to the Contract shall be prepared by the County and executed by the Contractor and by Director or his/her designee to add, delete, or change Facilities and routes to meet patient or departmental needs. Any such change will affect the laboratory courier services required herein, and may result in a reduction or augmentation of required contract services."

Q14: Will all bidders be notified of the contract award winner?

A14: RFP, Paragraph 3.7.1, Departmental Debriefing Process, 1st paragraph, 1st sentence states that "Upon completion of the evaluation, the Department shall notify the remaining Proposers in writing that the Department is entering negotiations with another Proposer."

Q15: Will all pickup and deliveries be transport ready, or will the vendor need to ready the delivery in any manner?

A15: RFP, Appendix B, Statement of Work, Paragraph 6.2, Furnished Specimens and other Laboratory Supplies/Items states that "The County will provide the Contractor with specimens and other laboratory supplies and items that are appropriately labeled in accordance with DOT, Cal/OSHA, State, federal, local laws, ordinances regulations, rules and directives for transport and packed for pick up at Facility and transport by Contractor's laboratory courier service. The County shall be responsible for the preparation and packaging of prescriptions and pharmaceutical supplies for transport to designated sites. Items shall be labeled appropriately and contained in locked totes."

Q16: Will the driver need to directly handle the product at any point from pickup to delivery?

A16: While the County will appropriately package and label specimens, the driver will be required to place the specimen package from the lab storage area (i.e. refrigerator, freezer, room temperature) into a contractor provided specimen transport bag, and from the transport bag, to the contractor vehicle specimen container. Upon arrival at the designated location, the driver must take the specimen package out of the vehicle specimen container and place it into a contractor transport bag, for delivery to the designated lab area.

Q17: What is the number of drivers currently used on this contract?

- A17: The number of current drivers is not applicable to this solicitation because the route schedules are different than what is currently in place. Proposer must review the Statement of Work, Technical Exhibits (including route schedules) and provide solution. Proposers are required to describe how they propose to meet the County's needs based on their review of the RFP. See A18.
- Q18: What is the estimated number of drivers needed daily for the route and non route service?
- A18: Interested Laboratory Courier Contractors should review the Statement of Work and Technical Exhibits and, as subject matter experts in their field, provide an appropriate number to meet the service needs of the contract. See A17.

Q19: Other than gloves are specific special protective clothing required?

A19: RFP, Appendix B, Statement of Work, Paragraph 1.0, Statement of Work, fourth (4th) paragraph states that "Contractor must provide all labor, vehicles, vehicle dispatch communication equipment, liability, property, and automobile insurance documentation, vehicle transport containers, refrigeration and freezer accommodations, driver carrier bags or carrier containers, (if utilized for transporting specimens/materials from pick up site to vehicle), spill clean-up kits/driver safety supplies, (e.g., gloves, protective clothing, etc.), vehicle fuel, lock boxes (as described in Paragraph 12.8, Lock Boxes), and full-time supervision necessary to establish and provide laboratory courier services."

RFP, Appendix B, Statement of Work, Paragraph 3.0 Quality Control Plan, first (1st) paragraph, states that "Contractor shall establish and utilize a comprehensive Quality Control Plan (QCP) to assure the County a consistently high level of performance throughout the term of the Contract in providing laboratory courier services herein that meet, or exceed, federal Department of Transportation (DOT); Hazmat Materials Regulations (HMR); Title 49 Code of Regulations (CFR) Parts 171-180, California Division of Occupational Safety and Health Administration (Cal/OSHA;e.g., 1910.1030 Bloodborne Pathogens Standard) California Code of Regulations (Title 8, Section 5193), HIPAA compliancy, and other State and federal, and local laws ordinances, regulations, rules, and directives, and any other appropriate accreditation or licensing agency regarding transport of biologic specimens, prescriptions, transport containers, specimen handling procedures, labeling of transport containers, and that drivers are trained in the transport/handling of biohazardous materials, diagnostic specimens/etiologic agents, biohazard spill cleanup, and HIPAA familiarization and compliance per these regulations."

RFP, Appendix B, Statement of Work, Paragraph 6.4, Laboratory Courier Personnel, sub-paragraph 6.4.2, states that "Contractor shall ensure that all of its specimen pick up drivers: 1) maintain an acceptable driving record, 2) have a valid California driver's license (not suspended or revoked), and maintain automobile insurance in accordance to the terms of the Contract, Paragraph 8.25, 3) are trained in biohazardous materials handling, bloodborne pathogens exposure, and spill cleanup in compliance with DOT, CDC transportation regulations, State and federal regulations and all applicable

regulatory agencies 4) assure that samples and other transported supplies/items are transported in accordance with the terms of this Contract and 5) trained in Health Insurance Portability and Accountability Act of 1996 (HIPAA)."

RFP, Appendix B, Statement of Work, Paragraph 6.4, Laboratory Courier Personnel, sub paragraph 6.4.6, Laboratory Courier Personnel Health and Safety Standards, states that "Contractor shall ensure that its employees satisfy the health and safety standards set forth in the Contract and all applicable State and federal regulations, ordinances, and directives [e.g., Cal/OSHA; California Code of Regulations; Title 8, Section 5193 (e.g., Hepatitis B vaccination for contracted employees)]; including initial and annual bloodborne pathogen exposure training."

- Q20: Will the driver be expected to carry at all times multiple types of transport containers, or will DPH instruct the vendor on the container(s) needed to process the delivery(s)?
- A20: See A16. Drivers will be expected to carry the proper types of transport containers at all times for the type of items to be picked up and delivered. Please note that all courier transport containers utilized by the contractor must be properly labeled adhering to DOT, Cal/OSHA and other State, federal, and local laws.

Q21: Can or will DPH offer special training related to the services needed?

A21: No. See RFP, Appendix B, Statement of Work, Paragraph 8.0, Training.

Q22: Will the vendor be required to store or keep the deliveries overnight?

A22: No. Drivers should NOT keep any deliveries overnight or in vehicles overnight. Items that cannot be delivered that day/night should not be picked up. Should issues arise, the affected facilities must be contacted immediately.

Q23: What is DPH standard procedure if a delivery cannot be made before the destination closes?

A23: Pursuant to RFP, Appendix A, Statement of Work, Paragraph 10.0 Routine Route Services, "Specific routine route schedule and pick-up/delivery times are provided in Statement of Work, Exhibit 3, Routine Route Schedule. Routes have been arranged to accommodate each designated facility's hours of operation. Contractor's laboratory courier routes may extend from morning hours to evening hours. **Contractors are mandated to promptly contact County Project Manager, or his/her designee, if deliveries cannot be made or will be substantially delayed beyond thirty (30) minutes from the scheduled pick-up/delivery time.**" Pharmacist's contact information will be provided in the final contract.

Q24: What is the number of "Lock Boxes" needed or required?

A24: The number of lock boxes is to be determined by each facility area pickup location. There may be no lock boxes needed if facilities do not require them for pickup.

Q25: Must transport vehicles have refrigerated units installed or can portables be used?

A25: RFP, Appendix B, Statement of Work, Paragraph 1.0, Statement of Work (SOW), fourth (4th) paragraph states that "Contractor must provide all labor, vehicles, vehicle dispatch communication equipment, liability, property, and automobile insurance documentation, vehicle transport containers, refrigeration and freezer accommodations, driver carrier bags or carrier containers, (if utilized for transporting specimens/materials from pick up site to vehicle), spill clean-up kits/driver safety supplies, (e.g., gloves, protective clothing, etc.), vehicle fuel, lock boxes (as described in Paragraph 12.8, Lock Boxes), and full-time supervision necessary to establish and provide laboratory courier services."

Additionally RFP, Appendix B, Statement of Work, Paragraph 12.5.7, states that "Contractor must maintain a description of **specimen transport containers** (refrigerators, freezers, coolers, carriers, heating blocks, warm and cold packs, dry ice, etc.) **utilized within vehicles to contain specimens and other laboratory supplies during transit and containers used for specimen transport to and from each facility to vehicle** (e.g., insulated shoulder carrier bags). Proper labeling and construction of such specimen transport containers are the responsibility of the Contractor and must adhere to DOT, Cal/OSHA and other State, federal, and local laws, ordinances, regulations, rules and directives. Contractor shall submit to County, upon request, the description of specimen transportation being utilized. County has the right to approve or disapprove Contractor's use of specimen transport containers."

Q26: What problems, if any, have DPH experienced related to this contract?

A26: Examples of problems may include drivers not arriving on time; specimens being lost during transport; drivers arriving too early and not waiting for specimens to be packaged; inappropriate driver behavior or dress, i.e. no picture ID, shorts, sandals; inadequate training; and lack of appropriate supplies.

Q27: What are DPH's main concerns related to this contract?

A27: Examples of concerns include assurance that service delivery is rendered per contract guidelines; on time; and following federal, State, OSHA, and DOT guidelines for specimen transport.

Q28: Has DPH considered a supplemental or backup service provider in addition to a primary contractor?

- A28: The County is only interested in contracting with one provider. See RFP, Paragraph 3.1, Selection Process.
- Q29: What assistance, if any needed, can DPH provide related to this RFP and or contract services?
- A29: RFP, Paragraph 1.0, Introduction, provides specific information regarding the requirements of the Contract and the solicitation process. RFP, Paragraph 2.0, Proposal Submission Requirements, provides instructions to Proposers in how to prepare and submit their proposal.

- Q30: Does the County prefer that the response forms in the RFP be done on computer or is it okay to fill out by hand?
- A30: Yes, we prefer that Proposal and forms, where applicable, are machine printed (e.g., typewriter, laser jet, etc.).

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