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December 19, 2017

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

34 December 19, 2017

LORI GLASGOW  
EXECUTIVE OFFICER

**APPROVAL TO EXECUTE A SOLE SOURCE CONTRACT WITH THE CITY OF LONG BEACH  
DEPARTMENT OF HEALTH AND HUMAN SERVICES FOR THE PROVISION OF HIV AND STD  
PREVENTION SERVICES EFFECTIVE  
JANUARY 1, 2018 THROUGH DECEMBER 31, 2022  
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**SUBJECT**

Request approval to execute a sole source contract with the City of Long Beach Department of Health and Human Services for the provision of HIV and STD prevention services, funded by the Centers for Disease Control and Prevention (CDC), effective January 1, 2018 through December 31, 2022.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Delegate authority to the Director of the Department of Public Health (DPH), or her designee, to execute a sole source contract, with the City of Long Beach (CLB), Department of Health and Human Services for the provision of HIV/STD prevention services, effective January 1, 2018 through December 31, 2022; at the annual maximum obligation of \$635,000; 100 percent funded by CDC, Integrated HIV Surveillance and Prevention Programs (IHSP) for Health Departments funds.
2. Delegate authority to the Director of DPH, or her designee, to execute amendments to the contract that adjust the term through June 30, 2023 and/or provide an increase or decrease in funding up to 10 percent above or below each term's annual base maximum obligation, effective upon amendment execution or at the beginning of the applicable contract term, and make corresponding service adjustments, as necessary, subject to review and approval by County Counsel, and notification to your Board and the Chief Executive Office (CEO).



**BOARD OF SUPERVISORS**

Hilda L. Solis

First District

Mark Ridley-Thomas

Second District

Shirley Kuehl

Third District

Janice Hahn

Fourth District

Kathryn Barger

Fifth District

3. Delegate authority to the Director of DPH, or her designee, to execute change notices to the contract that authorize modifications to or within budget categories within each budget, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and /or corrections of errors in the contract's terms and conditions.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of Recommendation 1 will enable DPH to enter into a sole source contract with CLB for the provision of HIV and STD prevention services in Long Beach. CLB has access to protected HIV surveillance data and is uniquely qualified to provide HIV and STD prevention services at its multi-use health clinics. Specific activities CLB will provide include: targeted HIV/STD testing, partner services, risk reduction counseling, in-house referrals to biomedical HIV prevention services, linkage to care for those newly or previously diagnosed with HIV but not actively participating in medical care, and condom distribution. All HIV and STD services will be provided by CLB HIV Clinic staff within the city limits of Long Beach.

In addition, approval of Recommendation 1 will allow DPH to comply with the requirements under the Notice of Funding Opportunity (NOFO) PS-18-1802, IHSP. As required under the CDC's NOFO, DPH must work with other local health jurisdictions in Los Angeles County that are heavily impacted by HIV disease burden. CLB is the only other local health jurisdiction in Los Angeles County that meets such requirement. Long Beach is the second largest city in the County after the City of Los Angeles, with a population of approximately 473,000 residents, and an HIV seroprevalence of nearly 5,000 people.

Approval of Recommendation 2 will allow DPH to execute amendments to the contract to adjust the term of the contract and/or increase or decrease funding up to 10 percent above or below the annual base maximum obligation, effective upon amendment execution or at the beginning of the applicable contract term, and make corresponding service adjustments, as necessary. This recommended action will enable DPH to amend the contract to adjust the term for a period of up to six (6) months beyond the expiration date. Such amendments will only be executed if and when there is an unanticipated extension of the term of the applicable grant funding to allow additional time to complete services and utilize grant funding. This authority is being requested to enhance DPH's efforts to expeditiously maximize grant revenue, consistent with Board Policy 4.070: Full Utilization of Grant Funds.

Recommendation 2 will also enable DPH to amend the contract to allow for the provision of additional units of funded services that are above the service level identified in the current contract and/or the inclusion of unreimbursed eligible costs, based on the availability of grant funds and grant funder approval. While the County is under no obligation to pay a contractor beyond what is identified in the original executed contract, the County may determine that the contractor has provided evidence of eligible costs for qualifying contracted services and that it is in the County's best interest to increase the maximum contract obligation as a result of receipt of additional grant funds or a determination that funds should be reallocated. This recommendation has no impact on net County cost.

Approval of Recommendation 3 will allow DPH to execute change notices to the contract that authorize modifications to or within budget categories within each budget, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and/or

corrections of errors in the contract's terms and conditions.

### **Implementation of Strategic Plan Goals**

The recommended actions support Strategy I.2, Enhance our Delivery of Comprehensive Interventions, of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The total cost of the contract is \$3,175,000, consisting of \$635,000 annually for the period effective January 1, 2018 through December 31, 2022; 100 percent funded by CDC IHSPF for Health Department funds.

Funding for this contract was not included in DPH's fiscal year (FY) 2017-18 Final Adopted Budget. Upon receipt of the CDC award, DPH will request approval of an appropriation adjustment with the CEO's mid-year Budget Adjustment. Funding will be included in future FYs, as necessary.

There is no net County cost associated with this action.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In 2011, the CDC released Funding Opportunity Announcement (FOA) CDC-PS12-1201 "HIV Prevention Services for Health Departments". In the FOA, the CDC required that all municipal jurisdictions that have another bona fide health department within their geographic statistical area with a substantial HIV burden, make a joint determination with the applicable state HIV prevention program to determine which of the two (2) larger jurisdictions would administer CDC funding for prevention services during the five-year cooperative agreement period. In the FOA, the CDC identified that a minimum of \$700,000 in CDC HIV prevention cooperative agreement resources earmarked annually for Los Angeles County should be allocated to CLB.

At the time the FOA was released, the state of California Office of AIDS (OA) agreed that the CDC should re-direct \$700,000 annually from DPHS's award to the OA to contract directly with CLB for the provision of services within Long Beach city limits. The OA contracted for services within CLB per a cooperative agreement, which ends December 31, 2017. Thus, DPH and OA agreed that CDC would divert \$700,000 annually from DPH's Standard Agreement with OA to support those services with CLB starting January 1, 2018.

On June 27, 2017, the CDC released NOFO PS18-1802, IHSPF for Health Departments. The NOFO was limited to health departments or their bona fide agents previously funded under FOA PS12-1201 Comprehensive HIV Prevention Programs for Health Departments and PS13-1302 National HIV Surveillance System. On September 13, 2017, DPH submitted its application in response to the NOFO, which included a signed Letter of Agreement between DPH and the OA indicating that DPH will begin to contract directly with CLB for services in Long Beach.

On November 7, 2017, your Board authorized the Director of DPH, or her designee, to accept a forthcoming CDC Notice of Award for IHSPF effective January 1, 2018 through December 31, 2022.

As required under Board Policy 5.100, your Board was notified on November 1, 2017, of DPH's intent to negotiate a sole source contract with CLB.

Attachment A is the Sole Source Checklist signed by the CEO.

### **CONTRACTING PROCESS**

Contracts with CLB, as a public-sector government entity, do not come under the Los Angeles County Code's bidding requirements for contracts with private businesses.

This contract with CLB is being awarded as a sole source. Beginning January 1, 2018, the OA will no longer administer funding to support CLB HIV and STD prevention services. If the sole source contract is not approved, DPH will be out of compliance with the CDC grant requirement to allocate resources received for HIV/STD prevention and surveillance to the other local health jurisdiction that is heavily impacted by HIV disease. To prevent jeopardizing grant funding and delays in services, DPH is requesting your Board approval to contract with CLB.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended actions will allow DPH to support provision of HIV and STD prevention services to residents in Long Beach.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Barbara Ferrer". The signature is fluid and cursive, with the first name "Barbara" written in a larger, more prominent script than the last name "Ferrer".

Barbara Ferrer, PhD, MPH, MEd  
Director

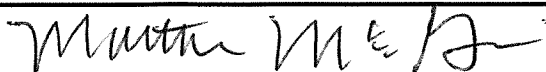
BF:jc  
BL#04145  
Enclosure

Enclosures

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors

**SOLE SOURCE CHECKLIST**

Check (✓)	<b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS</b> Identify applicable justification and provide documentation for each checked item.
	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. Monopoly is an <i>"Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist."</i>
	➤ Compliance with applicable statutory and/or regulatory provisions.
	➤ Compliance with State and/or federal programmatic requirements.
✓	➤ Services provided by other public or County-related entities.  <i>In 2011, the Center for Disease Control and Prevention (CDC) released Funding Opportunity Announcement (FOA) CDC-PS12-1201 "HIV Prevention Services for Health Departments". In the FOA, the CDC required that all municipal jurisdictions that have another bona fide health department within their geographic statistical area with a substantial HIV burden, make a joint determination with the applicable state HIV prevention program to determine which of the two (2) larger jurisdictions would administer CDC funding for prevention services during the five-year cooperative agreement period. In the FOA, the CDC identified that a minimum of \$700,000 in CDC HIV prevention cooperative agreement resources earmarked annually for Los Angeles County should be allocated to the City of Long Beach (CLB).</i>  <i>The sole source contract the CLB, as a public-sector government entity, does not come under the Los Angeles County Code's bidding requirements for contracts with private businesses.</i>
	➤ Services are needed to address an emergent or related time-sensitive need.
	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best economic interest of the County (e.g., significant costs to replace an existing system or infrastructure, administrative cost savings and excessive learning curve for a new service provider, etc.) In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.




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Chief Executive Office

11-20-17

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Date