



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Health System



**Date:** September 17, 2012  
**Board Meeting Date:** October 23, 2012  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Jean S. Fraser, Chief, Health System  
Susan Ehrlich, MD, MPP, Chief Executive Officer, San Mateo Medical Center

**Subject:** Amendment to the agreement with UltraEx, Inc.

**RECOMMENDATION:**

Adopt a Resolution waiving the Request for Proposals process and authorizing an amendment to the agreement with UltraEx, Inc. for courier and delivery services, reducing the term of the agreement to November 30, 2012, and increasing the amount by \$166,000 to \$266,000.

**BACKGROUND:**

In March 2012, San Mateo Medical Center (SMMC) mistakenly assumed that their courier service needs cost about \$8,000 per month. Accordingly, SMMC solicited three quotes from vendors for courier services and subsequently entered into an agreement with UltraEx, Inc. (UltraEx) for the term of April 1, 2012 through March 31, 2013, in the amount of \$100,000 for courier and transportation services.

**DISCUSSION:**

The agreement currently provides transportation of laboratory specimens from SMMC clinics to the medical center for processing, patient prescriptions filled at SMMC to be delivered to the Burlingame Long Term Care facility and deliveries for the Meals on Wheels Program (MOW) one day a week. In addition, the agreement provides for routine business deliveries and daily transportation of patient cash co-pays collected from SMMC clinics to the County Controller's office.

Once it was determined that courier needs average \$33,000 per month, a Request for Proposals (RFP) was issued for these services. However, the (RFP) and contracting process will not be complete until November 1. Because the courier services are critical to SMMC's functioning, we must continue the service while we go through the RFP process. Accordingly, SMMC requests your Board waive the RFP requirement and

augment the existing agreement to cover the cost of courier services through November.

SMMC also requests that your Board authorize the Chief of the Health System or designee to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

The amendment and Resolution have been reviewed and approved by County Counsel as to form.

The Contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

This amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by providing the delivery of balanced meals to homebound seniors through the San Mateo County MOW program and SMMC's necessary transportation and courier services. It is anticipated that 98% of scheduled meals will be delivered on time.

**PERFORMANCE MEASURE:**

Measure	FY 2011-12 Actual	FY 2012-13 Projected
Delivering scheduled meals on time	98%	98%

**FISCAL IMPACT:**

The term of this agreement is April 1, 2012 to November 30, 2012. The amendment increases the amount by \$166,000 to \$266,000. Funds in the amount of \$166,000 to cover the costs for this fiscal year are included in the SMMC FY 2012-13 Adopted Budget. About \$64,000 will be reimbursed to SMMC by the Aging and Adult Services Division for the MOW program. Approximately \$19,000 will be reimbursed by the Public Health Division for transportation of laboratory samples to and from various testing sites.

Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation.