



## Legislation Text

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**File #:** 21-0275, **Version:** 1

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**TO:**

Honorable Mayor and Members of the City Council

**THROUGH:**

Bruce Moe, City Manager

**FROM:**

Lisa Jenkins, Human Resources Director

Briza Morales, Risk Manager

**SUBJECT:**

Consideration of Ratification of an Agreement with DropFusion IV, LLC for Onsite COVID-19 Testing in the Amount of \$100,000 and Appropriate \$100,000 from the General Fund (Human Resources Director Jenkins).

- a) **ADOPT RESOLUTION NO. 21-0077**
- b) **RATIFY AGREEMENT FOR ONSITE COVID-19 TESTING**
- c) **APPROPRIATE FUNDS**

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**RECOMMENDATION:**

Staff recommends that the City Council ratify the agreement with DropFusion IV, LLC In the amount of \$100,000 and appropriate \$100,000 from the unreserved General Fund balance.

**FISCAL IMPLICATIONS:**

Funds in the amount of \$100,000 will be appropriated from the unreserved General Fund balance. Expended funds will then be submitted to the Federal Emergency Management Agency (FEMA) for possible reimbursement as COVID-19 expenses. Should FEMA funding be exhausted and unavailable to the City, the funds will have been spent out of the unreserved General Fund balance, which does contain the \$4.2 million in American Rescue Plan Act (ARPA) funds received in July to support COVID-19 mitigation and recovery measures. In August, the City Council accepted the ARPA funds under the category of "revenue loss", which allowed the City to use the funds for the provision of government services occurring after March 3, 2021.

**BACKGROUND:**

There is a heightened sense of responsibility as the COVID-19 transmission rates have begun to rise once again. According to the Centers for Disease Control and Prevention (CDC), the California Department of Public Health, and the Los Angeles County Department of Public Health (LADPH), COVID-19 continues to pose a serious risk, especially for persons who are not fully vaccinated. Since June 15, 2021, when most restrictions from the state and county were lifted, the average daily case rate of COVID-19 in Los Angeles County has significantly increased putting the County at a "High Transmission" level. In Manhattan Beach, the number of new COVID-19 cases recently exceeded 80 in a single week. To protect employees and continue to provide essential services to the public, at its August 3 meeting, the City Council directed the Human Resources Department to reach out to its

employee labor associations to negotiate the impacts of the decision to collect the vaccination status of all employees and establish a weekly testing program for unvaccinated employees.

## **DISCUSSION:**

Based on direction at its August 3 closed session meeting, Human Resources staff promptly worked to obtain updated vaccination status information from employees, coordinate with departments regarding schedules and logistics for testing, conduct outreach to potential testing providers, and reach out to the employee labor associations to negotiate the impacts of this decision, as required by law.

Throughout the COVID-19 pandemic, the City has implemented safety protocols in compliance with LADPH and the California Occupational Health and Safety Administration (Cal/OSHA). The protocols have included offering employees COVID-19 polymerase chain reaction (PCR) testing when they are symptomatic or have had exposure to a COVID-19 positive person. A PCR test is considered the “gold standard” in COVID-19 detection. This test detects RNA (or genetic material) specific to the virus and can detect the virus within days of infection, even in those with no symptoms. Results for PCR tests, in general, take 24-48 hours. The City has existing contracts with various local providers for COVID-19 PCR testing, and utilizes this testing most often for cases in which an employee has an identified exposure or is symptomatic.

In contrast to testing of symptomatic or employees who have had a known COVID exposure, the type of weekly testing programs implemented by schools and workplaces to screen asymptomatic individuals without known or suspected exposure is known as “screening testing.” Screening testing looks for individual infections in a group, even if there is no reason to suspect those individuals are infected. Antigen (rapid) tests have been used for screening testing in high-risk congregate housing settings, such as nursing homes, in which repeat testing has quickly identified people with COVID-19, allowing for prevention measures to be quickly implemented. Antigen tests are relatively inexpensive and most return results in approximately 15-30 minutes. Antigen tests for COVID-19 are generally less sensitive than PCR tests, but when rapid test turnaround time is critical, there is value in obtaining immediate results.

To establish an efficient onsite rapid testing program, staff contacted existing and prospective providers to obtain rates, type of rapid test offered, result times, scheduling flexibility, and availability for onsite testing sessions, including sessions to accommodate the Fire and Police 24-hour operation. Quotes from existing providers ranged from \$125 to \$150 per rapid test, plus an onsite fee per session. DropFusion IV, LLC (DropFusion) provided a rate of \$100 per rapid test and has no onsite fee for testing conducted within Manhattan Beach. DropFusion’s rapid tests utilize the BD Veritor Plus Analyzer, which detects nucleoproteins from COVID-19 and is 99.5% specific and 84% sensitive. This test produces results within 15 minutes. This test is an anterior nasal swab test, typically preferred by persons over the nasal mid-turbinate (deep nasal) test.

The testing program began on August 12 and testing is offered several times per week at various City facilities. The testing is mandatory for employees that are not vaccinated or have not provided the self-attestation form confirming their fully vaccinated status. Employees are accountable for ensuring they comply with the weekly testing requirement. Fully vaccinated employees may participate in the onsite COVID-19 screening testing on a voluntary basis. From August 12 - August 26, seventy-four tests were administered on a mandatory basis and sixty-two tests were administered on a voluntary

basis. Based on participation to date, staff estimates the requested appropriation in funds will support a screening testing program for fourteen weeks, through November 18, 2021. Staff will return to Council for an update on the program at a future Council meeting.

Considering Drop Fusion's competitive rates and flexibility in scheduling onsite testing, and the urgency of implementing the testing program, an agreement with DropFusion, dated August 10, 2021, was executed within the City Manager's authority as the Emergency Services Director. Because this action was performed on an emergency basis, staff is now seeking City Council ratification for this agreement as required by Municipal Code Section 2.36.120 - Emergency procurement under the auspices of emergency protective measure. This requires City Council approval within a 60-day window.

Accordingly, staff recommends that the City Council adopt the resolution ratifying the agreement with DropFusion IV, LLC and appropriate \$100,000 from the unreserved General Fund balance.

**LEGAL REVIEW:**

The City Attorney has approved the agreement as to form.

**ATTACHMENTS:**

1. Resolution No. 21-0077
2. Agreement - DropFusion IV, LLC