

October 26, 2021

To:
Capt. Russell Pedersen
Washoe County Sheriff's Office

From:
Paul Granstrom
President
ARC Health & Wellness Centers

RE: Contract Extension # 3086-19 Option

Capt. Pedersen,

The team at ARC Health & Wellness is honored to serve Washoe County Sheriff's Office under contract # 3086-19 (July 1st, 2019 – June 30th, 2022). This primary purpose of this letter is to address the optional renewal option and if the Sheriff's Office would like to extend our contract, in lieu of going to RFP for a whole new contract. Our goal is to continue serving the members of WCSO for years to come.

Due to the current economic climate, it's been a financially challenging year with increased expenses all around us. Like many organizations, we've experienced a significant increase in wages and salary, cost of goods, overall expenses and cost of living increases, etc.

We continuously strive to improve our product, like opening the brand new office last month at 5546 Longley Lane to finally provide an EXCLUSIVE private medical practice to serve Police and Fire only.

In saying all that, we are prepared to extend the current contract with for the additional two years with the following consideration – we are requesting an price increase effective July 1st, 2022 – June 30th, 2024 for the following items:

Physician Examination – increase of \$75.00 per examination

Price increase justification – to cover the overall increased expenses based on the economic climate

TB Test – increase of \$15.00 per TB skin test

Price increase justification – price of PPD has literally doubled due to new CDC regulations and is in now in HIGH DEMAND, likely to continue to increase in the coming months.

Chest X-Ray – increase of \$25.00 per Chest X-Ray

New Nevada Based regulations involving X-Ray licensure mandate has increased all X-Ray Techs salary to provide competitive wages and difficulty finding skilled staff.

If we are unable to maintain our current X-Ray techs, we'll be forced to send to your Deputies to places like Northern Nevada Medical Center Radiology to provide this service instead of us being able to conduct during the Annual Examinations.

We'll keep all other tests prices the same for simplicity.

If you would prefer to have a new RFP submitted, we will proudly participate in that. We thank you for your consideration and understanding. We wanted to allow ample time for the Sheriff's Office to find the best course of action.

Sincerely,

Paul Granstrom
President
ARC Health & Wellness Centers