



# WASHOE COUNTY

Integrity Communication Service  
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## STAFF REPORT

BOARD MEETING DATE: July 16, 2024

**DATE:** June 10, 2024

**TO:** Board of County Commissioners

**FROM:** John Stewart, Captain, Washoe County Sheriff's Office  
775-328-6362, [Jstewart@washoecounty.gov](mailto:Jstewart@washoecounty.gov)

**THROUGH:** Darin Balaam, Sheriff

775-328-3010 [dbalaam@washoecounty.gov](mailto:dbalaam@washoecounty.gov)

**SUBJECT:** Recommendation to **1**) award Request for Proposal (RFP) No. 3223-24 for inmate medical services for the Washoe County Detention Facility to the highest scoring bidder NaphCare, Inc. in the amount of [\$13,502,694.24] for year 1, and [\$14,177,828.88] for year 2 and 2) approve the use of General Fund Contingency in an amount up to but not to exceed [\$1,300,000] to increase expenditure authority within the Washoe County Sheriff's Office departmental budget for detention medical services for unbudgeted expenditures for Fiscal Year 2025 in accordance with Nevada Revised Statute (NRS) 354.598005 and; if approved, retroactively authorize the Purchasing and Contracts Manager to execute a two-year agreement, July 1, 2024, through June 30, 2026, with the option to renew for two (2) additional two (2) year periods at the sole discretion of the County and direct the Comptroller's Office to make the necessary budget appropriation transfers as needed [Total fiscal year 2025 impact up to \$1,300,000, contract is fully budgeted for FY25]. (All Commission Districts).

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### SUMMARY

The Washoe County Sheriff's Office is requesting the Board to award Request for Proposal (RFP) No. 3223-24 for detention inmate medical services to Naphcare Inc. Naphcare scored highest in aggregate as well as cost among the 6 responders to the RFP.

AGENDA ITEM # \_\_\_\_\_

Nevada Revised Statute (NRS) 354.598005(5) provides that “budget appropriations may be transferred between functions, funds or contingency accounts .... if such a transfer does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions”. Further, Nevada Revised Statute (NRS) 354.608 states that “no expenditure may be made directly from a contingency account, except as a transfer to the appropriate account...in accordance with the procedure established in NRS 354.598005”.

The purpose of this item is to consider approval of the use of the General Fund Contingency account. Approval of this recommendation will align budget authority for expenditures anticipated to be incurred, for Fiscal Year 2025 (FY25), including providing additional resources to the Washoe County Sheriff’s Department. All adjustments are within the Washoe County existing approved FY25 budget. Additional FY25 Contingency items may be submitted for BCC approval if necessary.

**Washoe County Strategic Objective supported by this item:** Fiscal Sustainability

### **PREVIOUS ACTION**

On June 20, 2018 the Board approved a two year extension of the NaphCare Inc. RFP contract No. 3042-17 for Inmate Medical Services to the most responsive and responsible bidder, NaphCare, Inc., in the proposed amount of [\$7,051,900.44] for period July 1, 2018 to June 30, 2019, and in the proposed amount of [\$7,051,900.44] for period July 1, 2019 to June 30, 2020.

On December 27, 2021 the Board approved Amendment No. 2 to the Health Services Agreement between Washoe County and NaphCare Inc. to extend the NaphCare Inc. contract until June 30, 2024.

On September 25, 2023 the Washoe County Purchasing Office released Request for Proposal No. 3223-24 for Detention Facility Inmate Medical Services to select a vendor for a health care services contract to provide on-site direct medical, phlebotomy, dental, mental health, administrative, and related health care services to persons in the custody of the Washoe County Detention Facility.

On February 15, 2024 an Intent to Award NaphCare Inc. was published by the Washoe County Comptrollers Office.

On July 16, 2024, the Board is also being requested to approve the use of General Fund contingency in the amount of \$100,000 to support the anticipated unbudgeted costs to implement a “Transparency and Open Checkbook” website which will display Washoe County’s vendor payments, expenditures and other financial information to the public.

### **BACKGROUND**

The County must stay within its adjusted budget for each fund, with certain very limited exceptions, and by function. To remain compliant with this statutory requirement, a

General Fund Contingency account transfer totaling up to \$1,300,000 is needed. It's anticipated that this adjustment will cover actual and/or anticipated FY25 fund and functional expenditures. Additional contingency requests, related to this item or separate, will be brought forward for Board approval, pursuant to the requirements of NRS 354, as aforementioned.

Approval of these transfers will leave \$11,200,000 available in the FY25 General Fund contingency. (If the board approves the \$100,000 for the "Transparency and Open Checkbook" website, \$11,100,000 will be available in the GY

General Fund Contingency appropriation transfers are necessary as outlined below:

**Contingency Transfers:**

WASHOE COUNTY SHERIFF'S OFFICE – up to \$1,300,000

Inmate medical services at the Detention Facility are mandated services of the Washoe County Sheriff. Utilizing NaphCare, Inc. inmate medical services provides the Sheriff's Office with a contractor well versed in correctional medical requirements nationally and in the State of Nevada.

The expenditure associated with this item was unanticipated and not included in the District Attorney's Office FY24 adopted budget.

**FISCAL IMPACT**

If approved, the use of contingency funds in account 189000-820000 and the associated cross-functional budget appropriation transfers are intended to bring the budget into alignment with anticipated expenditures for FY25 for the item outlined above. All adjustments are within the existing approved budget for Washoe County and are summarized in the table below:

<b>General Fund Contingency Transfer: Fund/Function</b>	<b>Department/ Expenditure/Transfer</b>	<b>Cost Objective(s)/ GL Account(s)</b>	<b>Budget Change</b>
General Fund (F100)		Contingency Funds	
General Govt	Contingency	189000-820000	(\$1,300,000)
<b>Subtotal Contingency</b>			<b>(\$1,300,000)</b>
General Fund (F100)	Sheriff's Office		
Public Safety	Sheriff's Office Detention – Medical Services	C150900-710105	\$1,300,000
<b>Subtotal Expenditures</b>			<b>\$1,300,000</b>
<b>NET TOTAL</b>			<b>-\$0.00-</b>

\*Upon approval, transfers will be processed on an as-needed basis after all other sources of funding have been exhausted up to, but not to exceed \$1,300,000.

Should the board approve this contract, and approve the above budget appropriation transfers, sufficient authority exists within the FY25 Sheriff's Office, adopted budget as follows:

Detention (Cost Center 150900) - Medical Services (Account 710105) - \$9,281,340

Undesignated-Public Safety (Cost Center 190040) - Medical Services (Account 710105)-  
\$3,000,000

General Fund Contingency (Cost Center 189000) - Contingency (Account 820000) – up to  
\$1,300,000

Total availability – up to \$13,581,340

Funds are anticipated to be requested for future fiscal years applicable to the agreement and  
renewals.

<u>Contract Year</u>	<u>Contract Dates</u>	<u>Amount</u>
Year 1	July 1, 2024 – June 30, 2025	\$13,502,694.24
Year 2	July 1, 2025 – June 30, 2026	\$14,177,828.88

Should the combined ADP fall below 1,000 or increase above 1,500 for a period in excess of  
ninety (90) days, the Parties agree to meet and confer to negotiate any necessary contractual  
modifications.

### **RECOMMENDATION**

It is recommended that the Board of County Commissioners **1)** award Request for Proposal  
(RFP) No. 3223-24 for inmate medical services for the Washoe County Detention Facility  
to NaphCare, Inc. in the amount of [\$13,502,694.24] for year 1, and [\$14,177,828.88] for  
year 2 and 2) approve the use of General Fund Contingency in an amount up to, but not to  
exceed [\$1,300,000] to increase expenditure authority within the Washoe County Sheriff’s  
Office departmental budget for detention medical services for unbudgeted expenditures for  
Fiscal Year 2025 in accordance with Nevada Revised Statute (NRS) 354.598005 and; if  
approved, retroactively authorize the Purchasing and Contracts Manager to execute a two-  
year agreement, July 1, 2024, through June 30, 2026, with the option to renew for two (2)  
additional two (2) year periods at the sole discretion of the County and direct the  
Comptroller’s Office to make the necessary budget appropriation transfers as needed [Total  
fiscal year 2025 impact up to \$1,300,000, net fiscal impact \$-0-]. (All Commission  
Districts).

### **POSSIBLE MOTION**

Should the Board agree with staff’s recommendation, a possible motion would be: “**1)**  
award Request for Proposal (RFP) No. 3223-24 for inmate medical services for the Washoe  
County Detention Facility to NaphCare, Inc. in the amount of [\$13,502,694.24] for year  
1, and [\$14,177,828.88] for year 2 and 2) approve the use of General Fund Contingency in  
an amount up to, but not to exceed [\$1,300,000] to increase expenditure authority within  
the Washoe County Sheriff’s Office departmental budget for detention medical services  
for unbudgeted expenditures for Fiscal Year 2025 in accordance with Nevada Revised  
Statute (NRS) 354.598005 and; if approved, retroactively authorize the Purchasing and  
Contracts Manager to execute a two-year agreement, July 1, 2024, through June 30, 2026,  
with the option to renew for two (2) additional two (2) year periods at the sole discretion  
of the County and direct the Comptroller’s Office to make the necessary budget

appropriation transfers as needed [Total fiscal year 2025 impact up to \$1,300,000, net fiscal impact \$-0-]. (All Commission Districts).