



# City of San Antonio

## Legislation Details (With Text)

**File #:** 20-2332

**Type:** Purchase of Supplies

**In control:** City Council A Session

**On agenda:** 4/9/2020

**Title:** Ordinance approving a catalog contract with Bound Tree Medical, LLC, to provide a wide variety of medical supplies used by City departments in the normal course of business for an estimated annual cost of \$307,000.00. The initial term of this contract is upon award through December 31, 2023, with two 1-year renewal options. No funds will be encumbered by this ordinance. Funding is available through the FY 2020 General Fund budget. Funding for subsequent years of this contract is subject to City Council approval of the annual budget and funds. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Bound Tree Medical Proposal, Bid Response, 2. Final Bid Tab, 3. Draft Ordinance, 4. Ordinance 2020-04-09-0249

Date	Ver.	Action By	Action	Result
4/9/2020	1	City Council A Session	adopted	Pass

**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Annual Contract for Citywide Medical Supplies Catalog

**SUMMARY:**

This ordinance authorizes a contract with Bound Tree Medical, LLC to provide a wide variety of medical supplies used by City departments in the normal course of business for an estimated annual cost of \$307,000.00. The initial term of this contract is upon award through December 31, 2023, with two 1-year renewal options. No funds will be encumbered by this ordinance. Funding is available through the FY 2020 General Fund budget. Funding for subsequent years of this contract is subject to City Council approval of the annual budget and funds.

**BACKGROUND INFORMATION:**

Submitted for City Council consideration and action is the offer submitted by Bound Tree Medical, LLC to provide a citywide medical supplies contract in which pricing is based upon a fixed discount from published catalog pricing. The medical supplies catalog offered consists of approximately 35,000 line items which will be accessible to City departments with a need for general use medical supplies. This contract will provide a 42% discount for all items purchased through the Bound Tree Medical Supplies, LLC online catalog. Staff recommends acceptance of the responsive offer from Bound Tree Medical, LLC.

The previous medical supplies contract was solicited in 2014 with award to a single provider of medical supplies to the Fire Department, as well as other City departments, and did not include a requirement for the participation of local small minority and women-owned medical supply companies. The Finance Department, working in coordination with the Economic Development and Fire Departments, worked to “de-bundle” this contract into three separate solicitations containing eight categories of medical supplies. Pricing for each category was evaluated and provided the opportunity for a separate contract award. The solicitation for Citywide Medical Supplies Catalog contained a single category for award. In addition, a subcontracting requirement was applied to seven of the eight categories to ensure participation by local, small, minority and women-owned enterprises.

Prior to release of the solicitation, a vendor outreach event was hosted by staff from the Finance, Economic Development, and Fire Departments. The event provided an overview of the medical supplies required and the proposed solicitation and SBEDA processes. This event also allowed potential offerors the ability to provide feedback regarding the upcoming solicitation process. Feedback received was incorporated into the resulting solicitation.

The City issued a Request for Offer (RFO) for an “Annual Contract for Citywide Medical Supplies” (RFO 6100011912) on October 17, 2019 with a submission deadline of December 11, 2019. Eight offers were received and four were deemed eligible for evaluation. The lowest offer was deemed non-responsive for failing to provide a published medical supplies catalog as required in the RFO specifications. Three offers were deemed non-responsive for submitting an incomplete price schedule or offered a range of discounts which was not in accordance with the RFO specifications. Staff recommends acceptance of the responsive offer from Bound Tree Medical, LLC.

The initial term of the agreement shall be upon award through December 31, 2023. Two additional one-year renewals at the City’s option shall also be authorized by this ordinance. The discount offered by awarded vendor must remain fixed for the life of the contract.

This contract was procured by means of a Public Health and Safety exemption in accordance within the provisions of the Texas Statutes Local Government Code 252.022.07.

## **ISSUE:**

This contract will provide for the purchase and delivery of medical supplies for multiple City departments. Primary users of this contract include the Fire Department’s Emergency Medical Services Division and Metropolitan Health District. Additionally, City departments with a need for general use medical supplies will have access to this contract. Medical supplies include disposable gloves, bandages, alcohol pads, procedure masks for protection to staff as well as supplies for assisting patients. Bound Tree Medical, LLC will provide medical supplies within five (5) business days after receipt of purchase order and expedited forty-eight (48) hour delivery services if required by the departments.

This contract is within the scope of the SBEDA Program. However, due to lack of available firms and/or subcontracting opportunities, the Goal Setting Committee was unable to apply a SBEDA tool to this contract.

In accordance with the Local Preference Program, no local preference was applied, since the responsive local offeror is not within 3% of the recommended lowest non-local offeror.

The Veteran-Owned Small Business Preference Program does not apply to goods/supplies contracts, so no preference was applied to this contract.

#### **ALTERNATIVES:**

Should this contract not be approved, the City would be required to purchase medical supply products as needs arise thereby negating the price advantage associated with consolidating the City's purchasing power. In addition, the lack of a contract could affect the City's ability to properly address the medical needs of patients, thus impacting the availability of services to the citizens of San Antonio.

#### **FISCAL IMPACT:**

This ordinance authorizes a contract with Bound Tree Medical, LLC to provide a wide variety of medical supplies used by City departments in the normal course of business for an estimated annual cost of \$307,000.00. The initial term of this contract is upon award through December 31, 2023 with two, one-year renewal options. No funds will be encumbered by this ordinance. Funding is available through the FY 2020 General Fund budget. Funding for subsequent years of this contract is subject to City Council approval of the annual budget and funds.

#### **RECOMMENDATION:**

Staff recommends the approval of this contract with Bound Tree Medical, LLC to provide the City with the purchase and delivery of medical supplies for an estimated annual cost of \$307,000.00.

This contract is procured by means of a Public Health and Safety Exemption and a Contracts Disclosure Form is not required.