



City of San Antonio

Agenda Memorandum

File Number:20-2326

Agenda Item Number: 8.

Agenda Date: 4/9/2020

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Annual Contract for SAFD Pharmaceuticals

SUMMARY:

This ordinance authorizes a contract with Bound Tree Medical, LLC to provide the San Antonio Fire Department with the purchase and delivery of pharmaceutical supplies for an estimated annual cost of \$945,000.00. 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 for the purchase and delivery of pharmaceutical supplies for the San Antonio Fire Department Emergency Medical Services (EMS) Division. Bound Tree Medical, LLC has committed to satisfy the 5% Minority and / or Women-Owned Business Enterprise (M/WBE) subcontracting goal through the use of B&E Medical Supply and Equipment, LLC in the estimated amount of \$47,250.00 annually. Bound Tree Medical, LLC will deliver pharmaceutical supplies on an as-needed basis to maintain established inventory levels for the EMS Division.

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 SAFD Pharmaceuticals 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 businesses.

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 regarding the Drug Supply Chain Security Act was applied to this solicitation for pharmaceutical supplies.

The City issued a Request for Offer (RFO) for an “Annual Contract for SAFD - Pharmaceuticals” (RFO 6100011706) on October 17, 2019 with a submission deadline of December 11, 2019. This RFO contained a single category for award with a 5% Minority and/or Women-Owned Business Enterprise (M/WBE) subcontracting goal. Five offers were received and evaluated. Staff recommends acceptance of the low 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 unit pricing offered by awarded vendor must remain fixed for the first twelve months of the initial contract period.

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 pharmaceutical supplies for the San Antonio Fire Department. The supplies include Albuterol, Epinephrine and Sodium Chloride and will be used during emergency medical responses by the Emergency Medical Services Division. Bound Tree Medical, LLC will provide pharmaceutical supplies and within five (5) business days after receipt of purchase order and will provide expedited forty-eight (48) hour delivery services, if required by the department.

This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program. Bound Tree Medical, LLC has committed to satisfying the 5% Minority and/ or Women-Owned Business Enterprise (M/WBE) subcontracting goal.

In accordance with the Local Preference Program, no local preference was applied, since the local offerors are 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 pharmaceutical supplies 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 timeliness in which pharmaceutical supplies are received and

impact the department's ability to properly address the medical needs of the citizens of San Antonio.

FISCAL IMPACT:

This ordinance authorizes a contract with Bound Tree Medical, LLC, to provide the San Antonio Fire Department with the purchase and delivery of pharmaceutical supplies for an estimated annual cost of \$945,000.00. 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.

RECOMMENDATION:

Staff recommends the approval of this contract with Bound Tree Medical, LLC, to provide the San Antonio Fire Department Emergency Medical Services Division with the purchase and delivery of pharmaceutical supplies for an estimated annual cost of \$945,000.00.

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