

Agenda Report

TO: CITY COUNCIL

DATE: January 26, 2009

FROM: CITY MANAGER

SUBJECT: AWARD OF A THREE YEAR CONTRACT TO LIFE ASSIST INC. FOR THE PROVISION OF MISCELLANEOUS MEDICAL SUPPLIES IN AN AMOUNT NOT TO EXCEED \$450,000

RECOMMENDATION:

It is recommended that the City Council: 1) accept the bid dated December 15, 2008, submitted by Life Assist Inc. in response to specifications for the provision of miscellaneous medical supplies, 2) reject all other bids, 3) authorize the issuance of a purchase order contract to Life Assist, Inc. for a period of three years or until an amount of \$450,000 is expended whichever occurs first, and 4) authorize the City Manager to extend the purchase order contract up to two additional one-year periods not to exceed \$150,000 per year provided all other terms and conditions remain unchanged.

BACKGROUND:

The City of Pasadena operates five paramedic ambulances. Each one of these units is stocked with various medical supplies and medications that are critical to the treatment of patients. Historically, the City received these supplies and medications from Huntington Memorial Hospital without cost. However, as a result of an opinion issued by the federal office of the Inspector General concerning the possibility of inhibiting competition, many hospitals, including Huntington Memorial, suspended the practice of providing medical supplies and medications to emergency service agencies without cost. Consequently, the City has been purchasing these items under the formal bid specification process.

On November 27, 2008, a notice inviting bids for furnishing and delivery of miscellaneous medical supplies was published in the Pasadena Business Journal and posted on the City's electronic bid board. In addition, specifications were sent to 18 businesses on the Purchasing Division's vendor list. A total of four bids were received at the bid opening of December 16, 2008.

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The bids called for pricing on various medical supplies and in quantities equal to the estimated usage for a one year period. The quantities of the items used in the bid were general approximations used for price evaluations. The actual amount of materials that the Fire Department expects to use will vary.

The bid results were as follows:

<u>BIDDER</u>	<u>AMOUNT</u>
Life Assist, Inc.	\$110,400.84
Midwest Medical Supply, LLC	\$111,349.76
Progressive Medical International	\$127,112.35
Bound Tree Medical, LLC	Non-responsive

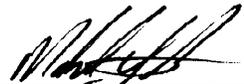
Bound Tree Medical was deemed non-responsive because the firm qualified its bid which is not allowed under the provisions of the City's competitive bidding process.

Life Assist, Inc. was the lowest responsive and responsible bidder and is currently the City's supplier of miscellaneous medical supplies. Based on this, it is recommended that the City Council authorize the issuance of the purchase order contract to Life Assist, Inc.

FISCAL IMPACT:

The term of the proposed purchase order contract is \$450,000 or three years whichever occurs first. There will be two optional extension periods, each not to exceed \$150,000 or one year whichever occurs first. The total maximum purchase order amount will be \$750,000. These funds are recovered through charges for emergency medical services. Funds for the purchase of medical supplies are provided for in the adopted operating budget.

Respectfully submitted,



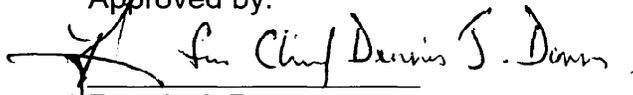
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City Manager

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