

Agenda Report

June 12, 2017

TO: Honorable Mayor and City Council

FROM: Finance Department

SUBJECT: AUTHORIZATION TO EXECUTE A FIVE YEAR CONTRACT WITH WITTMAN ENTERPRISES, LLC FOR PARAMEDIC BILLING SERVICES WITH A FEE OF 3.75 PERCENT OF NET COLLECTIONS, ESTIMATED TO BE \$206,250 PER YEAR.

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) as defined in Section 21065 of CEQA and Sections 15060 (c)(2), 15060 (c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project;
2. Authorize the City Manager to enter into a contract, without competitive bidding pursuant to City Charter Section 1002(F), contracts for professional or unique services, with Wittman Enterprises, LLC, for 3.75 percent of net receipts. The estimated annual fee will be approximately \$206,250 per year based on 3.75 percent applied against net receipts.

BACKGROUND:

In November of 2011, the City Council authorized a five year contract with Wittman Enterprises, LLC for paramedic billing services. On December 5, 2016, the City Council authorized extending the contract for an additional six months. The City issued a request for proposals (RFP) on November 9, 2016. Notification of the RFP was sent to 1,427 vendors, with 25 vendors downloading the RFP document. Two of the vendors downloading the RFP were Pasadena companies; however, neither of them performs the requested service. The Finance Department is not aware of any Pasadena firm that can provide the required service. The City received four proposals on or by December 14, 2016, in response to the RFP. The selection committee comprised of staff from Finance and Fire Department independently evaluated the proposals in accordance with the evaluation criteria set forth in the RFP and selected the top three proposals for

interviews. The fourth proposer was not selected due to lack of California presence, lack of experience with the electronic patient care record (ePCR) provider used by Pasadena, and having the highest fee. Interviews were held by the selection committee on May 1st and May 4th, in order for the three proposers to clarify information in their proposals; the final evaluation scores were as follows:

Wittman Enterprises, LLC	84 points
Intermedix Corporation	80 points
PST Services, Inc., A McKesson Company	66 points

Wittman Enterprises, LLC received the highest overall score from all three evaluators, based on Wittman Enterprises' RFP responses, their significant California presence, experience with the City's existing ePCR provider, and current track record with the City. Attachment A contains a summary of the proposal scoring.

Wittman Enterprises, LLC is a full service billing agency. With over twenty five years of experience in California, they are able to navigate the complicated laws and regulations that govern billing. They currently provide billing services to the cities of Burbank and Glendale and numerous other California cities.

One of the RFP evaluation criteria of "Best Value/Cost Effectiveness" provides for evaluation based on cost effectiveness and not just low price. Wittman Enterprises did not receive the highest score in this area. The score above was based on Wittman's proposal as submitted. Upon the determination that Wittman was the vendor to be recommended for approval, the City requested that they consider reducing their fee. They have agreed to reduce the contract rate from 3.99 percent to 3.75 percent.

Wittman Enterprises, LLC has provided services for the City of Pasadena for the past five and a half years.

COUNCIL POLICY CONSIDERATION:

The City Council's strategic planning goal of maintaining fiscal responsibility and stability will be advanced by the execution of the Services Contract with Wittman Enterprises, LLC.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. The authorization of a contract for Paramedic Billing Services is an organizational and administrative action that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:


The cost of this action will be approximately \$206,250 annually for five years and is budgeted for in account 10120020-811400, General Fund Non-Departmental Contracted Services. Total revenues for EMS billing are anticipated to be \$5.5 million in Fiscal Year 2018.

Respectfully submitted,



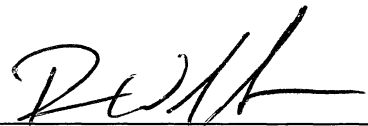
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Attachments:
Attachment A- RFP Evaluation Summary
Attachment B- Taxpayer Protection Amendment