



REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

CONSENT
APRIL 18, 2006

Honorable Mayor and
Members of the City Council

Subject: Purchase: Authorization to purchase pharmaceutical supplies through the use of a cooperative purchasing agreement.

Location/Council District: Citywide

Recommendation:

Adopt a resolution to 1) suspend competitive bidding and 2) authorize the cooperative purchase of pharmaceutical supplies through a contract established between King County, Washington and Bound Tree Medical, in an amount of up to \$70,000 a year for up to three years for a total not to exceed \$210,000 through April 2009.

Contact: Ray Jones, Assistant Chief, 264-8100
Dennis Kerhulas, Senior Buyer, 808-6242

Department: Fire

Division: Emergency Medical Services

Organization No: 2554

Summary:

The existing contract for pharmaceutical supplies for the Sacramento Fire Department (SFD) has ended. The Department's requirements include a customized list of medications and pharmaceutical supplies based on the unique needs and operations of the Sacramento Fire Department as well as complying with the requirements set by the Sacramento County EMS. After evaluating options, staff is recommending a contract to purchase these supplies through a cooperative purchasing agreement with King County, Washington. The pharmaceutical supply list used in King County contract meets the requirements of SFD with best pricing and provides special accommodation such as replacing medications that are close to expiration date at no charge. Therefore, staff is requesting the City Council suspend competitive bidding and authorize the use of cooperative purchases of pharmaceutical supplies using the contract established by King County, Washington, for an annual amount of \$70,000 up to three years and a total not to exceed \$210,000.

Committee/Commission Action: None.

Background Information:

In providing Advanced Life Support (ALS) service, the Fire Department requires the use of pharmaceutical supplies. The department responded to over 48,000 calls for emergency medical service (EMS) last year. During these responses, pharmaceutical supplies are utilized. The EMS portion of the business continues to grow and is a vital link to our service in the community.

The contract SFD has been using to purchase pharmaceuticals has expired. The types of medications and pharmaceutical supplies to be purchased must be in compliance with the requirements set by the Sacramento County EMS and meet the operational needs of SFD. In researching potential vendors to supply pharmaceuticals, SFD evaluated several existing contracts and found that a contract between Bound Tree Medical and King County, Washington met the requirements of SFD.

This existing agreement would allow for purchase of pharmaceutical supplies based on the Department's specific requirements, complies with the Sacramento County EMS requirements, offers favorable pricing and provides special accommodation such as replacing medications that are close to expiration date at no charge. Through a cooperative purchase agreement, the City of Sacramento would piggyback on the King County contract #12748VZN. The contract will be utilized by SFD at an annual amount not to exceed \$70,000 for up to three years through April 2009. Total contract amount would not exceed \$210,000. Staff recommends that the City Council approve the attached resolution to suspend competitive bidding and authorize the use of cooperative purchases of pharmaceutical supplies through the King County contract.

Financial Considerations:

The annual cost of the contract is \$70,000. Funding is available in the Fire Department operating budget.

Environmental Considerations:

None.

Policy Considerations:

The recommendation in this report is in accordance with provisions of the City Code, section 3.56.240 for cooperative purchases, which allows for the use of legal contracts of other governmental jurisdictions of public agencies without separate competitive bidding by the City upon approval of the City Council.

Emerging Small Business Development (ESBD):

King County held a competitive bidding process, which included incentives for small businesses. Even with those incentives, Bound Tree Medical won the bid. Bound Tree Medical is not certified as an Emerging or Small Business Enterprise.

Reviewed/Approved by: Chris Stewart PB
Christopher Stewart
Procurement Services Manager

Approved by: [Signature]
Julius J. Cherry
Fire Chief

Recommendation Approved:

[Signature]
Ray Kerridge
City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

April 18, 2006

**AUTHORIZATION TO PURCHASE PHARMACEUTICAL SUPPLIES AND EQUIPMENT
THROUGH THE USE OF A COOPERATIVE PURCHASE AGREEMENT**

BACKGROUND

- A. The contract SFD has been using to purchase pharmaceuticals has expired. The pharmaceuticals that can be purchased and utilized by SFD is restricted by Sacramento County EMS.
- B. The Sacramento Fire Department is recommending that the City Council authorize the purchase of pharmaceutical supplies under the contract established between King County in the state of Washington and Bound Tree Medical.
- C. The Sacramento Fire Department seeks the authority to suspend competitive bidding pursuant to Sacramento City Code Section 3.5.240 and begin cooperative purchases through the expiration of the contract, including any subsequent extensions, between King County and Bound Tree Medical for pharmaceutical supplies through April 31, 2009.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY
COUNCIL RESOLVES AS FOLLOWS:**

Section 1. Formal competitive bidding is hereby suspended.

Section 2. Pursuant to Sacramento City Code section 3.56.240, the City Manager is hereby authorized to execute the necessary purchase of medical supplies and equipment from Bound Tree Medical, P.O. Box 29661/Dept. 2013 Phoenix, AZ 85038-9661, through the use of cooperative agreement with King County contract #12748vzn.

