

C-10

July 13, 2021

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute a Membership Application and Member Facility Agreement, and any subsequent amendments, with the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) Infuse, to access MMCAP's contracts and pricing;

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any necessary documents including any subsequent amendments, with McKesson Medical-Surgical, Inc., of Richmond, VA, McKesson Medical-Surgical Minnesota Supply, Inc., of Golden Valley, MN, and Moore Medical LLC, of Farmington, CT (collectively McKesson), to furnish and deliver medical surgical supplies and services, on the same terms and conditions afforded to the State of California Department of General Services, in an annual amount of \$85,000, with a 15 percent contingency of \$12,750, for a total annual contract amount not to exceed \$97,750, until the State of California Department of General Services contract expires on October 30, 2021, with the option to renew for as long as the State of California Department of General Services contract is in effect, at the discretion of the City Manager; and,

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract, and any necessary documents including any subsequent amendments, with Henry Schein Medical, a division of Henry Schein, Inc., of Melville, NY, to furnish and deliver medical surgical supplies and services, on the same terms and conditions afforded to the State of California Department of General Services, in an annual amount of \$30,000, with a 15 percent contingency of \$4,500, for a total annual contract amount not to exceed \$34,500, until the State of California Department of General Services contract expires on April 9, 2022, with the option to renew for as long as the State of California Department of General Services contract is in effect, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into contracts with McKesson Medical-Surgical, Inc., McKesson Medical-Surgical Minnesota Supply, Inc., and Moore Medical LLC (collectively McKesson), and Henry Schein Medical, a division of Henry Schein, Inc. (Henry Schein), to furnish and deliver medical surgical supplies and services to the Health and Human Services Department (Health Department) and Occupational Health within the Human Resources

Department. Both Departments currently use medical supplies from these vendors to support the clinics' needs, as well as the increased demand for Personal Protective Equipment (PPE) and other COVID-related supplies by Public Health Emergency Management. Medical supplies include, but are not limited to, pharmaceuticals and vaccines, COVID-19 diagnostic equipment, COVID-19 test kits, disinfectants and sterilization products, dressings and bandages, face and eye protection, gloves, needles and syringes, oximeters, patient monitoring devices, protective barriers, dividers and shields, protective garments and gowns, thermometers, and treatment equipment.

The Purchasing Division of the Financial Management Department and the Health Department researched procurement options for medical supplies and discovered other agencies had completed an open, fair, transparent, and competitive procurement process. The City reviewed several options and determined that the contract between the State of California Department of General Services (CA DGS) and the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) with McKesson and Henry Schein provided the best value to the City. A Membership Application and Member Facility Agreement must be signed to utilize the MMCAP contracts. McKesson was selected based on their competitive pricing, breadth of medical supplies offerings, and existing relationships. Henry Schein was selected based on their competitive pricing, quality of products, services, and customer service.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other governmental agencies. This alternative procurement method can save time and reduce costs through economies of scale by purchasing under existing contracts from other government agencies on a voluntary and selective basis, when authorized by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson on June 17, 2021, Business Services Bureau Manager Tara Mortensen on June 10, 2021, and by Budget Analysis Officer Gregory Sorensen on June 24, 2021.

TIMING CONSIDERATIONS

City Council action to adopt Resolutions and award contracts concurrently is requested on July 13, 2021, to ensure the contracts are in place expeditiously.

FISCAL IMPACT

The total annual aggregate amount of the contracts will not exceed \$132,250. Sufficient funds of \$87,250 are currently budgeted in the Health Fund Group in the Health and Human Services Department, offset by grant revenue, and \$45,000 in the Insurance Fund Group in the Human Resources Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



KELLY COLOPY
DIRECTOR
HEALTH AND HUMAN SERVICES

ATTACHMENTS – RESOLUTIONS (2)

APPROVED:



THOMAS B. MODICA
CITY MANAGER

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH HENRY SCHEIN MEDICAL, A DIVISION OF HENRY SCHEIN, INC. TO FURNISH AND DELIVER MEDICAL SURGICAL SUPPLIES AND SERVICES, THROUGH THEIR CONTRACT WITH STATE OF CALIFORNIA DEPARTMENT OF GENERAL SERVICES, IN AN ANNUAL AMOUNT NOT TO EXCEED \$34,500

WHEREAS, the Charter of the City of Long Beach (the "City"), Section 1802, permits the City to purchase services, supplies, materials, equipment and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis when authorized by resolution; and

WHEREAS, the City desires to furnish and deliver medical surgical supplies and services; and

WHEREAS, City's Health Department and the Human Resources Department currently use medical supplies from this vendor to support the clinics' needs, as well the increased demand for Personal Protective Equipment and other COVID-related supplies by Public Health Emergency Management; and

WHEREAS, medical supplies include, but are not limited to, pharmaceuticals and vaccines, COVID-19 diagnostic equipment, COVID-19 test kits, disinfectants and sterilization products, dressings and bandages, face and eye protection, gloves, needles and syringes, oximeters, patient monitoring devices, protective barriers, dividers and shields, protective garments and gowns, thermometers, and treatment equipment; and

1 WHEREAS, the STATE OF CALIFORNIA DEPARTMENT OF GENERAL
2 SERVICES has an agreement for the purchase of these supplies and services,
3 Agreement No. 7-20-65-65-1B (“DGS Agreement”); and

4 WHEREAS, the City’s participation in the DGS Agreement will facilitate the
5 City’s ability to furnish and deliver medical supplies and services as well as provide
6 considerable cost benefits to the City; and

7 WHEREAS, if the City had to utilize a formal bid process rather than
8 participate in the DGS Agreement considerably more funds would be required;

9 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
10 follows:

11 Section 1. The above recitals are true and correct and are incorporated
12 herein by this reference.

13 Section 2. The City Manager or designee is hereby authorized to enter
14 an agreement with HENRY SCHEIN MEDICAL a division of HENRY SCHEIN, INC. to
15 furnish and deliver medical surgical supplies and services, of the same type and kind
16 identified in the DGS Contract except as modified by mutual agreement of the City and
17 HENRY SCHEIN a division of HENRY SCHEIN MEDICAL, INC., and the purchase by the
18 City shall be on the same terms and conditions afforded to the STATE OF CALIFORNIA
19 DEPARTMENT OF GENERAL SERVICES in an amount not to exceed Thirty Thousand
20 Dollars (\$30,000), with a 15 percent contingency of Four Thousand Five Hundred
21 (\$4,500), for a total annual contract amount not to exceed Thirty Four Thousand Five
22 Hundred (\$34,500), including tax and shipping, until the DGS contract expires on April 9,
23 2022, with the option to renew for as long as until the State of California Department of
24 General Services is in effect, at the discretion of the City Manager.

25 Section 3. This resolution shall take effect immediately upon its adoption
26 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2021, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH MCKESSON MEDICAL-SURGICAL INC., MCKESSON MEDICAL-SURGICAL MINNESOTA SUPPLY INC. AND MOORE MEDICAL LLC (COLLECTIVELY MCKESSON) TO FURNISH AND DELIVER MEDICAL SURGICAL SUPPLIES AND SERVICES., THROUGH THEIR CONTRACT WITH THE STATE OF CALIFORNIA DEPARTMENT OF GENERAL SERVICES IN AN ANNUAL AMOUNT NOT TO EXCEED \$97,750

WHEREAS, the Charter of the City of Long Beach (the "City"), Section 1802, permits the City to purchase services, supplies, materials, equipment and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis when authorized by resolution; and

WHEREAS, the City desires to furnish and deliver medical surgical supplies and services; and

WHEREAS, the City's Health Department and the Human Resources Department currently use medical supplies from this vendor to support the clinics' needs, as well the increased demand for Personal Protective Equipment and other COVID-related supplies by Public Health Emergency Management; and

WHEREAS, medical supplies include, but are not limited to, pharmaceuticals and vaccines, COVID-19 diagnostic equipment, COVID-19 test kits, disinfectants and sterilization products, dressings and bandages, face and eye protection, gloves, needles and syringes, oximeters, patient monitoring devices, protective barriers,

1 dividers and shields, protective garments and gowns, thermometers, and treatment
2 equipment; and

3 WHEREAS, the STATE OF CALIFORNIA DEPARTMENT OF GENERAL
4 SERVICES has an agreement for the purchase of these supplies and services,
5 Agreement No. 7-19-65-65-01A (“DGS Agreement”); and

6 WHEREAS, the City’s participation in the DGS Agreement will facilitate the
7 City’s ability to furnish and deliver medical supplies and services as well as provide
8 considerable cost benefits to the City; and

9 WHEREAS, if the City had to utilize a formal bid process rather than
10 participate in the DGS Agreement considerably more funds would be required;

11 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
12 follows:

13 Section 1. The above recitals are true and correct and are incorporated
14 herein by this reference.

15 Section 2. The City Manager or designee is hereby authorized to enter
16 an agreement with MCKESSON to furnish and deliver medical surgical supplies and
17 services, of the same type and kind identified in the DGS Agreement except as modified
18 by mutual agreement of the City and MCKESSON, and the purchase by the City shall be
19 on the same terms and conditions afforded to the STATE OF CALIFORNIA
20 DEPARTMENT OF GENERAL SERVICES in an annual amount of Eighty-Five Thousand
21 Dollars (\$85,000), with a fifteen percent contingency of Twelve Thousand Seven Hundred
22 Fifty Dollars (\$12,750), for a total annual contract amount not to exceed Ninety Thousand
23 Seven Hundred Fifty Dollars (\$97,750), until the State of California Department of
24 General Services agreement expires on October 31, 2021, with the option to renew for as
25 long as the State of California Department of General Services is in effect, at the
26 discretion of the City Manager.

27 Section 3. This resolution shall take effect immediately upon its adoption
28 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2021, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk