



Legislation Text

File #: 21-0627, **Version:** 1

Adopt resolution authorizing 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)

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.

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

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.

Approve recommendation.

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KELLY COLOPY
DIRECTOR
HEALTH AND HUMAN SERVICES

APPROVED:

THOMAS B. MODICA
CITY MANAGER