

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting : February 1, 2018

Item Number: 053

Purchasing Office

Authorize negotiation and execution of a multi-term contract through the U.S. Communities Cooperative Program with McKesson Medical-Surgical, Inc., to provide pharmaceutical and clinic supplies, for up to five years for a total contract amount not to exceed \$2,750,000. (Note: This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this procurement, there were no subcontracting opportunities therefore, no subcontracting goals were established).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of \$550,000 is available in the Fiscal Year 2017-2018 Operating Budget of Austin Public Health. Funding for the remaining contract term is contingent upon available funding in future budgets.
Purchasing Language	Multiple cooperative purchase programs were reviewed for these goods. The Purchasing Office has determined this contractor best meets the needs of the department to provide the goods required at the best value for the City.
For More Information	Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov or to the buyer, Marty James, at 512-974-3164 or Marty.James@austintexas.gov .
Client Department(s)	Austin Public Health.

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Additional Backup Information:

The contract will provide pharmaceuticals and clinic supplies for Austin Public Health (APH). The medical supplies will support medical facilities and programs including Immunization and Communicable Disease, epidemiology, nursing staff, Women Infant and Children Clinics (WICC), Neighborhood and Community Centers, a Refugee Clinic, Sexually Transmitted Disease and Tuberculosis Clinic, and the Human Immunodeficiency Virus Clinic. A variety of clinic supplies are offered through this contract such as vaccines, needles, exam gloves, bandages, thermometers, and test kits. Orders for supplies will be placed using an online ordering system which provides the ability to run reports, view invoices, check availability of items, and view order history.

The original APH medical supplies contract expired August 31, 2016. In the interim, APH joined the public safety medical supplies contract which supports Emergency Medical Services, the Austin Fire Department, and the Austin Police Department. The previous authorized amount was \$2,668,666 with a total spend of \$2,517,258. APH estimates an annual spend of \$550,000 to support all future facilities and programs.

The U.S Communities cooperative establishes competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

If a contract is not secured, APH may not have the supplies required to provide clinical services to those who require medical treatment.

Contract Detail

	<u>Contract</u> <u>Term</u>	<u>Contract</u> <u>Amount</u>	<u>Contract</u> <u>Amendment</u>	<u>Revised</u> <u>Amount</u>
Initial Term	2	\$1,100,000	n/a	n/a
Extension Option 1	1	\$ 550,000	n/a	n/a
Extension Option 2	1	\$ 550,000	n/a	n/a
Extension Option 3	1	\$ 550,000	n/a	n/a
TOTAL	5	\$2,750,000	\$ -	\$ -