



STAFF REPORT

DATE: December 5, 2017

TO: Ronald L. Olson, City Manager

FROM: Brian Brank, Fire Chief

SUBJECT: Purchase of Consumable Medical Supplies

BACKGROUND AND FINDINGS:

In fiscal year 2016-2017, the Fire Department purchased medical supplies in excess of \$250,000 for the emergency medical services division. Each year the Fire Department does a cost comparison between several vendors and orders the necessary items for the EMS crews from the vendor having the lowest cost for each item; this year Bound Tree Medical provided the best cost for most of these consumable supplies.

THE ALTERNATIVES CONSIDERED:

- Purchase medical supplies from various vendors on an as-needed basis
- Purchase medical supplies in bulk from the vendor with the lowest pricing

Which alternative is recommended? Why?

Purchase Medical Supplies from the Vendor with the Lowest Pricing: Prices for common consumable medical supplies were compared between multiple vendors with BuyBoard contracts on their websites. Bound Tree Medical, Henry Schein, and Southeastern Emergency Equipment all offered similar prices for these items. However, their contracts offered discounts of 28%, 18%, and 5%, respectively. This made Bound Tree the lowest cost vendor for consumable medical supplies. Staff estimates approximately \$150,000 worth of consumable medical supplies will be purchased from Bound Tree Medical.

CONFORMITY TO CITY POLICY:

The Fire Department is requesting authority to purchase medical supplies from Bound Tree Medical in an amount exceeding the \$50,000 threshold for which Council approval is required. Bound Tree is a member of the TASB BuyBoard purchasing cooperative; therefore, making this purchase exempt from state and local legal bidding requirements as found in The Texas Local Government Code 252.022. Staff did, however, compare costs with multiple vendors to achieve the best pricing. Bound Tree's Buyboard contract, #530-17, is effective through May 31, 2020. The Fire Department will continue to compare pricing with all vendors to ensure that we are receiving the best pricing for the City.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

Staff estimates approximately \$150,000 worth of consumable medical supplies will be purchased from Bound Tree Medical this fiscal year. The amount of the expenditure in any given year will be a function of supply costs and demand for these services.

Is this a one-time or recurring expenditure?

Consumable medical supplies are needed every year to provide emergency medical services. The amount of the expenditure in any given year will be a function of supply costs and demand for these services.

Is this expenditure budgeted?

Yes

If not, where will the money come from?

Is there a sufficient amount in the budgeted line-item for this expenditure?

Yes. The Fire Department's Medical and Chemical Account, 010-7070-442.41-75, was funded with \$312,000 to start the fiscal year.

RECOMMENDATION:

Staff recommends the City Council authorize the purchase of medical supplies from Bound Tree Medical through the remainder of their Buyboard Cooperative Contract expiring May 31, 2020, for items which they provide at the lowest cost.

DEPARTMENTAL CLEARANCES:

Legal, Purchasing, Finance

ATTACHED SUPPORTING DOCUMENTS:

BuyBoard Vendor Contract