

603



**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**FROM:** Community Health Agency/Department of Public Health

**SUBMITTAL DATE:**

April 25, 2007

**SUBJECT:** Sole Source purchase of LTV 1200 Ventilating Systems from Medical Dynamics, Inc.

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the purchase of six LTV1200 ventilating systems without seeking competitive bids, and;
2. Authorize the Purchasing Agent to issue a purchase order accordingly, not exceeding \$72,000 in accordance with the Health Resources and Services Administration grant.

**BACKGROUND:** On May 16, 2006, Agenda Item #3.3, the Riverside County Board of Supervisors accepted \$790,510 in funding for the National Bioterrorism Hospital Preparedness Program through the Health Resources and Services Administration Grant (HRSA). Included in this award was \$72,000 for the purchase of ventilating systems to address the needs of a pandemic influenza or other public health emergency. The LTV 1200 ventilating system is an essential part of an emergency preparedness plan that provides a response to mass incidents of all varieties – from influenza outbreaks to biological events.

(Continued)

KS:RL:ma

*Susan D. Harrington*

Susan Harrington  
Director, Department of Public Health

**FINANCIAL DATA**

Current F.Y. Total Cost:	\$ 72,000	In Current Year Budget:	Yes
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
Annual Net County Cost:	\$ 0	For Fiscal Year:	06/07

**SOURCE OF FUNDS:** 100% grant funding (Health Resources and Services Administration)

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION: APPROVE**

**County Executive Office Signature**

*Debra Cournoyer*

Debra Cournoyer

- Policy
- Policy
- Consent
- Consent

Dep't Recomm.:  
Per Exec. Ofc.:

Purchasing: [Signature] Assistant Director  
Mark Seller Departmental Concurrence

Form 11

Sole Source purchase of LTV 1200 Ventilating Systems from Medical Dynamics, Inc.

Page 2

Background (Continued)

The California Department of Health Services (CDHS) has purchased 2,400 LTV 1200's to store at regional locations throughout California. The Riverside County Department of Public Health decided to purchase the LTV 1200 ventilating system to be consistent with the State's purchase and to further equipment standardization across the state.

The LTV 1200 has become the preferred ventilating system by respiratory therapists state-wide. The Chief Respiratory Therapist at Riverside County Regional Medical Center along with respiratory therapists across the County recommended the LTV 1200 model be purchased as part of the Riverside County disaster preparedness caches.

**FINANCIAL INFORMATION:** 100% grant funded by the FY 05/06 Health Resources and Services Administration Grant.

**PRICE REASONABLENESS:** The vendor selected has offered to the County a 20% discount on the price of the ventilators from the retail price. CHA Purchasing has investigated other sources of supply for this item, and found that the manufacturer has no distributors or retailers who sell this item. It is only sold direct by the vendor. As this vendor is the only vendor who sells the ventilating system, the price is considered to be fair and reasonable.

Date: April 13, 2007

From: Susan Harrington, Director Department/Agency: Department of Public Health

To: Board of Supervisors

Via: Purchasing Agent

Subject: Sole Source Procurement; Request for: Purchase of LTV 1200 Ventilating System from Medical Dynamics, Inc.

**The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.**

**Supply/Service being requested:** LTV 1200 Ventilating System

**Supplier being requested:** Medical Dynamics, Inc.

**Alternative suppliers that can or might be able to provide supply/service:** The model of the ventilating system being requested is solely manufactured by Viasys Healthcare Pulmonetic Systems and marketed exclusively through Medical Dynamics Inc.

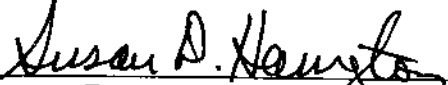
**Extent of market search conducted:** Market research found that there are three well known ventilating systems on the market, including the LTV 1200. Because this model was selected for our use due to compatibility purposes, the market research concentrated on locating other sources of supply for the LTV 1200. It was found that this item can only be purchased from Medical Dynamics Inc., as they have no retailers or distributors for the product. This was confirmed by CHA Procurement.

**Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** The LTV 1200 ventilating system automatically configures the initial settings for infant, pediatric or adult patients. The LTV 1200 offers an 'in-the-field' user interface, individualized air pressure and volume controls settings and internal oxygen blending. It also can be powered from a variety of sources, including internal and external and an automobile auxiliary power outlet. The LTV 1200 is the only ventilating system that provides a portable option.

**Reasons why my department requires these unique features and what benefit will accrue to the county:** The LTV 1200 ventilating system will allow for enhanced effectiveness of ventilating systems during an emergency. The California Department of Health Services (CDHS) has purchased 2,400 of this particular model to store at regional locations throughout California. The Department of Public Health decided to purchase the LTV 1200 ventilating system to be consistent with the State's recommendation along with the Chief Respiratory Therapist at Riverside County Regional Medical Center. The LTV 1200 has become the preferred ventilating system by respiratory therapists state-wide.

**Price Reasonableness:** The purchase of the LTV 1200 ventilating system has been approved by the California Department of Health Services. This purchase is 100% grant funded by the Health Resources and Services Administration grant FY 05/06. Medical Dynamics, Inc. is offering a discount of 20% off their normal pricing to the County of Riverside. The regular price is \$15,000 and the discounted price is \$12,000. Based on the discount offered by the vendor, the price is considered to be fair and reasonable.

**Does moving forward on this product or service further obligate the county to future similar contractual arrangements?** No.

  
Department Head Signature

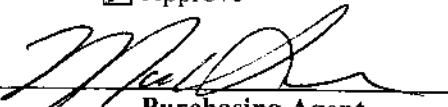
4/25/07  
Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

  
Purchasing Agent

5-1-07  
Date