

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

801



FROM: Department of Public Health

SUBMITTAL DATE:
June 4, 2013

SUBJECT: Approve the Agreement for Bi-Annual Preventive Maintenance Service to LTV 1200 Ventilators Purchased from Carefusion, Via the Competitive Bidding Process, with only One Bid Received.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the agreement for CareFusion to provide the bi-annual preventive maintenance service to the LTV 1200 Ventilators for total amount including tax and delivery not to exceed \$103,587 for the period of June 18, 2013 through June 30, 2014 and;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459.4, to exercise the renewal option for two additional bi-annual preventive maintenance service agreements due in July 2015 and July 2017; based on the availability of grant funding.

BACKGROUND on Page 2

Susan D Harrington

Susan Harrington, Director
Department of Public Health

FINANCIAL DATA

Current F.Y. Total Cost:	\$ 103,587	In Current Year Budget:	Yes
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
Annual Net County Cost:	\$ 0	For Fiscal Year:	12/13

SOURCE OF FUNDS: 100% Funded by Federal grant funds

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

C.E.O. RECOMMENDATION:

APPROVE

BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

- Policy
- Policy
- Consent
- Consent

Departmental Concurrence

Purchasing: *Mark Seiler*
Mark Seiler, Assistant Director

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

Prev. Agn. Ref.: 5/24/11, 3.10

District: All/All

Agenda Number:

3-48

8/13 7:08 11 6W 5:2P
RECEIVED VIA RIVERSIDE COUNTY

Subject: Approve the Agreement for Bi-Annual Preventive Maintenance Service to LTV 1200 Ventilators Purchased from Carefusion, Via the Competitive Bidding Process, with only One Bid Received

BACKGROUND:

In 2010, the County of Riverside Department of Public Health (DOPH) purchased 23 LTV1200 ventilators with federal grant funding. In 2012, the California Department of Public Health (CDPH) provided the DOPH with 159 LTV1200 ventilators because they lost funding for the storage of this equipment at the State level. Of the 159 ventilators, 114 have been distributed to local hospitals and 45 are currently being maintained by DOPH. The 68 ventilators being maintained by DOPH (23 from 2010 purchase and 45 from CDPH) will be used by local hospitals and alternate care sites during a surge event when existing resources are not sufficient.

In order for these LTV 1200 ventilators to be deployed, the ventilators must meet healthcare compliance regulation, which require LTV 1200 ventilators to be serviced according to usage guidelines.

PRICE REASONABLENESS

On April 9, 2013 Riverside County Purchasing released a request for proposals (HSARC-265), with bid notification sent to 22 potential bidders, and posted on publicpurchase.com. The bid was closed on April 30, 2013 and the County received one bid from the manufacturer (CareFusion). The Procurement Contract Specialist (PCS) searched the Internet and made phone calls to companies known to have sold and maintained medical equipment but was unsuccessful at finding any contractor who would service the LTV 1200 ventilators in Southern California. All the vendors contacted referred the PCS back to the manufacturer because they have local offices in Irvine and San Diego.

CareFusion offered the County 10% off their list price. This is the same discount they offer other agencies within California.

REVIEW/APPROVAL: Purchasing concurs with this request.

Date: May 30, 2013
From: Susan D. Harrington, Director
Department/Agency: Department of Public Health
To: Board of Supervisors/Purchasing Agent
Via: Purchasing Agent
Subject: Sole Source Procurement; Request for LTV 1200 Ventilator Bi-annual Preventive Maintenance Services

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.

1. Supply/Service being requested:

LTV 1200 Ventilator Bi-annual Preventive Maintenance Services.

2. Supplier being requested:

CareFusion
3750 Torrey View Court
San Diego, CA 92130

3. Alternative suppliers that can or might be able to provide supply/service:

CareFusion is the only manufacturer, distributor, and maintenance provider for the LTV 1200 System Ventilators.

4. Extent of market search conducted:

Bidding process (RFQ#HSARC-265) resulted in only one response from CareFusion. Purchasing staff searched the Internet and contacted contractors known to have maintained medical equipment; however these efforts resulted in no additional bids.

5. 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.

6. Reasons why my department requires these unique features and what benefit will accrue to the county:

The LTV 1200 ventilating system may be critical response equipment during an emergency. The California Department of Public Health has purchased 2,400 of this particular model to store at regional locations throughout California. 159 units were given to the County of Riverside Department of Public Health (DOPH) Emergency Preparedness and Response Branch for utilization during a healthcare surge. Of those, 114 have been distributed to local area hospitals and 45 are currently being maintained by DOPH for use during a surge event. In addition, DOPH purchased 23 of the LTV 1200 ventilators in 2010 using federal grant funding. The LTV 1200 is the preferred ventilating system by respiratory therapists state-wide.

7. Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:

CareFusion offered the County a 10% discount off their list price. The same discount is offered to other government agencies in California. Total cost for bi-annual preventive maintenance services of 68 units of LTV 1200 ventilators is \$103,587.00

8. Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain).

Yes, as long as the County continues to use the LTV 1200 ventilators the equipment will need to be maintained in accordance with healthcare guidelines. We are required to have the ventilators serviced every two years.

9. Period of Performance:

June 18, 2013 to June 30, 2014; with the option for two additional bi-annual maintenance service agreements due in July 2015 and July 2017; based on the availability of fiscal funding.

Susan D. Hamilton 5/29/13
Department Head Signature Date

Purchasing Department Comments:

Approve Approve with Condition/s Disapprove

Not to exceed: \$ 103,587 One time B-Annual Amount through 7-1-2017

Mark De... 5-30-2013 14-002
Purchasing Agent Date Approval Number
(Reference on Purchasing Documents)