

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

753



FROM: Community Health Agency - Department of Public Health

SUBMITTAL DATE:
May 24, 2011

SUBJECT: APPROVE SOLE SOURCE PURCHASE OF THE LTV 1200 SYSTEM FROM CAREFUSION.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the sole source purchase of the LTV 1200 System Ventilators from CareFusion for total amount including tax and deliver not to exceed \$237,000, and;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459.4, to exercise the future Sole Source purchases as needed for four additional years; based on the availability of fiscal grant funding.

(Continued on Page 2)

FORM APPROVED BY COUNTY COUNSEL
BY: NEAL R. KIPINS DATE: _____
Departmental Concurrence

Purchasing: Mark Seiler, Assistant Director

Susan D. Harrington
Susan D. Harrington, M.S., R.D., Director
Department of Public Health

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 237,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	10/11

SOURCE OF FUNDS: 100% funded by the Federal Public Health Emergency Response Grant	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

Consent Policy
 Consent Policy

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: May 24, 2011
xc: CHA-Public Health, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By: *[Signature]*
Deputy

Prev. Agn. Ref.: _____ District: All Agenda Number: _____

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.10

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

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PAGE 2

BACKGROUND

The LTV1200 ventilator will be purchased using funds from FY 2010-11 Public Health Emergency Response (PHER) grant. The grant was allocated in response to the H1N1 Influenza Pandemic in 2009. Initially, funding was allocated to local government agencies to assist in preparedness and response efforts to the H1N1 Influenza Pandemic. Since the end of the H1N1 Influenza Pandemic, the California Department of Public Health (CDPH) has instructed local government to utilize the remaining funds to prepare for future influenza pandemics.

The H1N1 After Action Report recommended that Riverside County Department Of Public Health (RCDOPH) have a cache of rapidly deployable ventilators to facilitate medical surge. The RCDOPH has consulted with respiratory therapists from several hospitals in the county and has determined that 23 ventilators are needed. RCDOPH has allocated sufficient funds to be used towards the purchase of the ventilators. The LTV1200 Ventilator is the same make and model purchased by CDPH for medical surge caches used throughout the state. RCDOPH will use the 23 ventilators to augment the existing cache in the event of a medical surge. The ventilators may be used in hospitals, clinics, skilled nursing facilities and alternate care sites.

PRICE REASONABLENESS

On April 5, 2011 Riverside County Purchasing released a request for proposals (HSARC-162), with bid notification sent to 22 potential bidders, and posted on publicpurchase.com. The bid was closed on April 26, 2011 and the County received one bid with a letter from the manufacturer (CareFusion) on company letterhead (see attached Sole Source letter); stating that LTV 1200 is manufactured and sold exclusively through them. The Procurement Contract Specialist (PCS) searched the Internet and made phone calls to companies selling medical equipment but was unsuccessful obtaining pricing for a new LTV 1200 system. Most companies referred the PCS back to the manufacturer and some only have refurbished equipment originally purchased from this manufacture.

The list price for the ventilators is \$15,000 per system. In 2008 the County purchased systems at \$12,000 with a twenty percent manufacture's discount. Current pricing is \$9,250 per ventilator, or a thirty-eight percent savings.

Cost Breakdown

Item	Description	Qty	Unit Cost	Ext. Cost
1.	LTV 1200 System Ventilators	23	\$9,250.00	\$212,750.00
2.	Adult Patient Circuit w/out peep, SPU 22mm	23	\$85.27	\$1,961.21
3.	Pediatric Patient Circuit w/out peep, SPU 22mm	23	\$85.27	\$1,961.21
4.	CA Sale Tax (8.75%)			\$18,958.84
5.	Freight (estimated)			\$370.00
6.	Total			\$236,001.26

REVIEW/APPROVAL: Purchasing and County Counsel concurs with this request.

Date: May 5, 2011
From: Susan D. Harrington, Director **Department:** Department of Public Health
To: Board of Supervisors
Via: Purchasing Agent
Subject: Sole Source Procurement; Request for LTV 1200 System Ventilators

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 System Ventilators

Supplier being requested:
CareFusion

Alternative suppliers that can or might be able to provide supply/service:
No, CareFusion is the only manufacturer and distributor of the LTV 1200 System Ventilators.

Extent of market search conducted:
Bidding process (RFQ#HSARC-162), Internet, and by contacting the California Department of Public Health (CDPH).

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 CDPH 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 CDPH. This purchase is 100% funded by The Public Health Emergency Response (PHER) grant. The listed cost for these ventilators is at \$15,000 per system. In 2008 the County purchased these systems at \$12,000 with the 20% discount through the manufacturer. Current bid price through the manufacturer is \$9,250 per ventilator, which equates to 38% in savings off the listed price.

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6.	Total			\$236,001.26

Period of Performance:

May 1, 2011 to June 30, 2012, with optional four additional years of Sole Source purchases based on the availability of fiscal grant funding.

Does moving forward on this product or service further obligate the county to future similar contractual arrangements?

No.

Susan D. Harrington 5/12/11
Department Head Signature Date

Purchasing Department Comments:

Approve Approve with Condition/s Disapprove
[Signature] 5-12-11
Purchasing Agent Date

CareFusion #203
Pulmonetic Systems, Inc.
17400 Medina Road, Suite 100
Minneapolis, Minnesota 55447-1341
763.398.8300 tel
763.398.8400 fax



www.carefusion.com

April 21, 2011

Rick Hai,
Riverside County Purchasing & Fleet Services
2980 Washington Street
Riverside, CA 92504-4647
951-955-4937

Re: RFQ HSARC-162

Dear Mr. Hai

In response to the above mentioned request for LTV1200 ventilators. This product is manufactured and sold exclusively by us, CareFusion #203 (Formerly Pulmonetic Systems). We do not have distributors in which you could obtain these from; therefore, we are the sole source to obtain the LTV1200.

If we can be of further assistance please don't hesitate to call our Customer Care Department @ 800/754-1914.

Sincerely,
CareFusion #203

Deb Solie
Customer Service Manager