

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Gloria Schmanek

SUBJECT: Early Council Packet

DATE: November 26, 2012

Approved



Date

11/27/12

EARLY DISTRIBUTION COUNCIL PACKET FOR
DECEMBER 11, 2012

Please find attached the Early Distribution Council Packet for the December 11, 2012 Council Meeting.

8.x Actions Related to the Cardiac and Automatic External Defibrillators for the Fire Department.

Recommendation:

- (a) Approve an award to purchase Cardiac and Automatic External Defibrillators to Physio-Control, Inc. (Redmond, WA) for a total cost not to exceed \$1,521,792, including equipment accessories, five-year maintenance and support service, wireless transmission technology; training, testing, delivery, and sales tax, and authorize the City Manager to execute the purchase order.
 - (b) Authorize the City Manager to execute purchase orders as required for ongoing maintenance and support and purchase additional quantities of Cardiac and Automatic External Defibrillator equipment, subject to the appropriation of funds.
- CEQA: Not a Project, File No. PP10-066(a), Purchase Order for the purchase of supplies and equipment with no change in the physical environment. (Finance)

This item will also be included in the Council Agenda Packet with an item number.


GLORIA SCHMANEK
Agenda Services Manager





Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Julia H. Cooper

SUBJECT: SEE BELOW

DATE: November 19, 2012

Approved

Date

11/26/12

**SUBJECT: REPORT ON REQUEST FOR BIDS (RFB) FOR CARDIAC AND
AUTOMATIC EXTERNAL DEFIBRILLATORS FOR THE FIRE
DEPARTMENT**

RECOMMENDATION

1. Approve an award to purchase Cardiac and Automatic External Defibrillators to Physio-Control, Inc. (Redmond, WA) for a total cost not to exceed \$1,521,792, including equipment accessories, five year maintenance and support service, wireless transmission technology; training, testing, delivery, and sales tax, and authorize the City Manager to execute the purchase order.
2. Authorize the City Manager to execute purchase orders as required for ongoing maintenance and support and purchase additional quantities of Cardiac and Automatic External Defibrillator equipment, subject to the appropriation of funds.

OUTCOME

Approval of this award would allow the Fire Department to replace its aging inventory of Cardiac and Automatic External defibrillators (AED's) and related support equipment, and provide the firefighters with state of the art emergency, life saving medical equipment.

BACKGROUND

The Assistance to Firefighters Grant (AFG) Program is a program of the Federal Emergency Management Agency (FEMA). The primary goal of AFG funding is to provide grants to help firefighters and other first responders obtain critically needed equipment, training, and other resources.

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Cardiac Monitor/Defibrillators and Automatic External Defibrillators (AED's) are emergency medical equipment and used by firefighters and citizens to help save lives anytime there is a medical emergency. Cardiac Monitor/Defibrillators are used by paramedic personnel to deliver advanced life support treatment and AED's are pre-programmed portable units typically used by Emergency Medical Team (EMT) personnel on satellite units with no permanently assigned paramedic. Fire Department policy requires that a Cardiac Monitor/Defibrillator is used during patient care. The Fire Department's Cardiac Monitor/Defibrillators and AED's equipment are 11 years old and have exceeded the manufacture's recommended useful life expectancy of 7 to 9 years. Due to the age of the equipment and advanced life support benefits provided by newer state of the art technology, staff highly recommends replacing the aging, outmoded equipment.

In September 2011, the Fire Department applied for grant funding to replace its existing defibrillator inventory of 62 Cardiac Monitor/Defibrillators and 34 AEDs. On March 23, 2012, the City received notification of award of a \$1,246,538 grant issued to the Fire Department by FEMA for the purchase of 45 cardiac monitor/defibrillators, 30 AEDs, and pertinent accessories. The period of performance for the grant is from March 16, 2012 through March 15, 2013. On April 17, 2012 City Council approved the acceptance of the grant award.

ANALYSIS

On July 5, 2012, the Finance Department released a Request for Bid (RFB) on the City's e-procurement system (BidSync) for the purchase of quantity 45 cardiac defibrillators, quantity 30 automatic external defibrillators, equipment accessories, a five year maintenance and support service plan, wireless transmission technology, training and testing.

A total of 64 companies viewed the RFB and one bid was received by October 18, 2012 bid deadline from Physio-Control at a total bid price of \$1,521,792.

Through the RFB process, products from two manufacturers were pre-approved as meeting all bid specifications and were allowed to submit bids. Unfortunately, one of the pre-approved bidders failed to submit their bid by the deadline and their bid was not accepted pursuant to City procurement practices.

The RFB included an option for bidders to bid on the purchase of the City's existing defibrillator inventory. The not to exceed bid price of \$1,521,792 includes a credit of \$265,415, which will be used to offset the cost of the newly purchased defibrillators.

As part of the bid package Physio-Control, Inc. provided pricing for national and state contracts. As shown in the chart below, the bid for San Jose was lower than the other three contracts.

	San Jose City Bid Pricing	National Association of State Purchasing Officials (NASPO)	Federal Supply Schedule (FSS)	California Multiple Award Schedule (CMAS)
LifePak 15 Defibrillator	\$25,908.75	\$29,363.25	\$29,747.00	\$29,363.00
LifePak 1000 AED	\$1,946.25	\$1,960.00	\$1,960.00	\$1,960.00

Additionally, with this bid purchase, the City plans on trading in forty-five existing cardiac defibrillators at a value of \$265,415 that will be used to offset the cost of the newly purchased defibrillators.

All bid pricing is fixed for the first year from the date of the initial purchase order. Any price increases after the first year is subject to approval by the City with a maximum increase of 3% per year.

Local and Small Business Preference (10%): The funding source for this purchase is a grant from the Assistance for Firefighter (AFG) through the Federal Emergency Management Agency (FEMA). The grant provisions do not allow local preferences. Therefore, the City's Local and Small Business Preference was not applied to this RFB.

Protest Period: The RFB process included a ten-day protest period from the day that the Notice of Intended Award was published. No protests were received.

Recommendation Summary: Staff recommends award of contract to Physio-Control, Inc., as the lowest responsive responsible bidder in accordance with San José Municipal Code Section 4.12.310.

COST IMPLICATIONS

The 2011 AFG award of \$1,246,538 funds approximately 80% of the project costs and the remaining balance to be funded with the matching-fund requirement of the grant. The source of the City matching funds is the City-wide Public Safety General Fund appropriation 3822 Cardiac Monitors/Defibrillators.

The five year service plan provided by Physio-Control covers all costs to replace and/or repair damaged equipment under the service plan. Spares provided under the service plan must be

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provided within one hour of notice from the City that a piece of equipment is nonfunctional in accordance with manufacture's specifications. All shipping and handling costs for replacement or repairs shall be borne by the Physio-Control.

Out of service plan replacements and/or repairs and ongoing operations and maintenance costs are the responsibility of the City and will be absorbed within the Fire Department existing Non-Personal/Equipment appropriation.

In the event that the City requires the purchase of additional items, the cost of such items will be the responsibility of the City if grant funds are no longer available.

EVALUATION AND FOLLOW-UP

No additional follow-up with Council is anticipated.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item meets Criterion 1; this memorandum will be posted on the Council Agenda for the December 11, 2012 Council meeting.

COORDINATION

This memorandum was coordinated with the Fire Department, the City's Manager's Budget Office, and the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This action is consistent with the following General Budget Principles: "We must focus on protecting our vital core city services for both the short - and long-term".

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn.	Amount for Contract	2012-13 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
001	3822	Cardiac Monitors/ Defibrillators	\$1,686,538	\$1,521,792	IX-23	29163 10/16/2012

CEQA

Not a Project, File No. PP10-066 (a), Purchase Order for the purchase of supplies and equipment with no change in the physical environment.

/s/
JULIA H. COOPER
Acting Director of Finance

For questions please contact Mark Giovannetti, Purchasing Division Manager, at (408) 535-7052.