INDIAN RIVER COUNTY OFFICE OF MANAGEMENT AND BUDGET PURCHASING DIVISION

DATE: June 20, 2019

TO: BOARD OF COUNTY COMMISSIONERS

THROUGH: Jason E. Brown, County Administrator

Kristin Daniels, Director, Office of Management and Budget

FROM: Jennifer Hyde, Purchasing Manager

SUBJECT: First Renewal and Modification of Annual Bid 2018057 for Medical Supplies

BACKGROUND:

On June 12, 2018, the Board of County Commissioners awarded the annual bid for Medical Supplies to Bound Tree Medical, Concordance Healthcare Solutions, LLC and Henry Schein. The Board also authorized the Purchasing Manager to renew the bid for two additional one year periods subject to satisfactory performance, vendor acceptance, and the determination that renewal of this annual bid is in the best interest of Indian River County.

In response to the Purchasing Division's request to exercise the first renewal, two of the three firms indicated some items had been subject to a nationwide price increase, and requested a modification to their pricing on certain items.

Henry Schein did not request any modification to their pricing, and their award has been renewed by the Purchasing Manager, as authorized by the Board during award of the bid.

ANALYSIS:

The quantities and types of items needed vary, and are typically ordered monthly to minimize inventory and ensure shelf-life isn't exceeded. The Fire Rescue Division purchases from the lowest priced vendor for the items needed. The Division anticipates expenditures to be comparable for the remainder of the fiscal year with an additional allowance for the rate increase.

Bound Tree has proposed increases to the pricing on 46 of 174 items, and a decrease on two items, with an average price increase of 24% for the 48 items with changed pricing. Concordance has requested an increase to pricing on nine items, and identified four items they cannot provide fixed pricing on, and will therefore be removed from award. Concordance's average price increase on the nine items changed is 21.5%.

Tabulation of the updated pricing is available from the Purchasing Division upon request.

| Vendor | Original Total Base Bid (one of each item) | Updated Total Base Bid (one of each item) | Total Bid at Estimated Annual Quantities | Updated Total Bid at Estimated Annual Quantities |
|---------------------------------------|--|--|--|--|
| Bound Tree Medical | \$5,004.85 | \$5,072.77 | \$203,714.61 | \$209,748.58 |
| Concordance Healthcare Solutions, LLC | \$6,645.41 | \$4,123.93 | \$217,163.38 | \$214,547.21 |
| Henry Schein | \$5,390.42 | \$5,390.42 | \$224,593.67 | \$224,593.67 |

SOURCE OF FUNDS:

A total of \$125,341 has been spent current FY to date on medical supplies from these vendors. The additional \$60,000 anticipated to be required for the remainder of the FY is available in the Emergency Services District's Fire Rescue – Medicine and Medical Supplies account 11412022-035270.

RECOMMENDATION:

Staff recommends the Board approve the amended award to Bound Tree Medical and Concordance Healthcare Solutions, LLC and authorize the Purchasing Division to issue/extend blanket purchase orders through May 10, 2020 with both vendors. Staff also recommends the Board authorize the Purchasing Manager to renew this bid for one additional one year period subject to satisfactory performance, vendor acceptance, and the determination that renewal of this annual bid is in the best interest of Indian River County.