



MEMORANDUM

**City of Austin
Financial & Administrative Services Department
Purchasing Office**

DATE: May 31, 2007

TO: Mayor and Councilmembers
Toby Hammett Futrell, City Manager

FROM: Byron E. Johnson, C.P.M.
Purchasing Officer

RE: Contract with St. David's Community Health Foundation Leadership

The purpose of this memo is to advise you of an upcoming item on the June 7, 2007 agenda requesting authorization to execute a contract/service agreement with St. David's Community Health Foundation Leadership. Execution of this agreement, if approved, will occur as an exception to the competitive solicitation requirements for reasons of public health and safety.

- The proposed contract with St. David's Community Health Foundation Leadership is being awarded as an exempted procurement under LOCAL GOVERNMENT CODE CHAPTER 252. PURCHASING AND CONTRACTING AUTHORITY OF MUNICIPALITIES Subsection 252.022 (2). It is exempt from municipal bidding requirements for the following reasons:
 - Texas municipal bidding statutes specifically exempt contracts "necessary to preserve or protect the public health or safety of the municipality's residents" from the competitive bidding process.

In 2004, the City entered into an agreement with the Texas Department of Health (TDH), as it was then known, under which TDH provided the City with the use of a state-owned mobile dental unit (MDU). In addition, in 2004, the City received a Health for the Homeless Grant from the United States Health Resources and Services Administration (HRSA), which required provision of dental services to the homeless population of Austin.

The City, through the Community Care Services Department (CCSD), then contracted with St. David's Health Leadership Corporation (St. David's now known as St. David's Community Health Foundation Leadership) for the following, with the term June 1, 2004 through March 31, 2007:

- City leased one MDU owned by City to St. David's for consideration of \$1.00 per year
- City provided the MDU owned by TDH to St. David's for use
- City provided the services of various full time and part time personnel to perform service delivery and support
- City furnished dental sealant materials in an amount not to exceed \$6,000.00 per year
- St. David's provided, using the City's assigned personnel and their own assigned employees, dental exams, dental emergency services, and dental surgery to low-income students attending Title I schools in the Austin and Del Valle Independent School Districts, homeless individuals at designated locations in the City of Austin, and (using the TDH MDU) eligible students in the Hays Consolidated Independent School District (HCISD), as well as students and adults at other designated locations
- St. David's maintained the MDUs in good working order and outfitted with new equipment as required
- St. David's maintained insurance coverage on the MDUs
- St. David's provided personnel to coordinate the service program

That contract was successfully completed and CCSD desires to engage St. David's Community Health Foundation Leadership in a new contract. The principal differences between the proposed new contract and the previous (2004-2007) contract are:

- TDH MDU will no longer be operated by St. David's
- City will now provide funding directly to St. David's for the hire of a full-time dental hygienist (general fund monies)
- City will not provide the services of any part-time or full-time personnel for service delivery or administration
- City will now maintain the MDU and dental equipment
- Delivery of dental services narrowed to sealant applications
- Target population for service delivery no longer includes homeless population or HCISD students

St. David's is the only entity providing dental sealant services to low-income students of Title I schools in the Austin and Del Valle Independent School Districts (AISD and DVISD) who form the target population for these services under the proposed new contract. Additionally, St. David's is the only entity in Travis County providing dental sealant services to other students (besides AISD and DVISD) and residents of the county. These students and residents of Travis County otherwise would have no ready access to dental care. Thus, CCSD is seeking approval to execute this new contract with St. David's.