



**Purchasing Supply Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 12
AGENDA DATE: Thu 02/05/2004
PAGE: 1 of 2**

SUBJECT: Authorize execution of a 12-month supply agreement with ARNOLD DENTAL SUPPLY COMPANY, INC., Lynnwood, WA, for dental supplies in an amount not to exceed \$70,000, with two 12-month extension options in an amount not to exceed \$70,000 per extension for a total agreement amount not to exceed \$210,000.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$40,833.33 is available in the Fiscal Year 2003-2004 Approved Operating Budget of the Community Care Services Department. Funding for the remaining five months of the original contract period and extension options is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing
DEPARTMENT: for Community Care
Services;

**DIRECTOR'S
AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Barbara McConnell, Buyer, 512-972-4009

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bid of three received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established.

The Community Care Services Department (CCSD) has utilized a stockless inventory system for its three dental clinics since 1992. CCSD contracts for direct ordering and delivery of required dental supplies on an as needed basis. A stockless inventory system helps reduce overhead costs by minimizing storage space requirements and allowing the department to keep on hand only limited quantities of perishable items. By ordering once a week, CCSD is able to keep frequently used items on hand and order infrequently utilized items as necessary. This contract will allow CCSD to continue using this stockless inventory system.

MBE/WBE solicited: 1/0

MBE/WBE bid: 0/0



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**BID TABULATIONS
Dental Supplies
IFB No. BM04100005**

<u>VENDOR</u>	<u>TOTAL CATALOG LIST PRICE</u>	<u>PERCENTAGE OFF</u>
ARNOLD DENTAL SUPPLY COMPANY, INC. Lynnwood, Washington	\$69,390.50	15%
Henry Schein, Inc. Melville, New York	\$82,555.50	19%
Smart Practice Phoenix, Arizona	\$85,985.65	16%

Bids were evaluated using a sampling of high volume/dollar items to compare each vendor's catalog list price and the percentage off list price that each vendor offered.

PRICE ANALYSIS

- Adequate competition.
- Eighteen notices were sent including one MBE and no WBEs. Eight bid packets were issued of which none were MBE/WBEs. Three bids were received. One "no bid" was received. One bid received was considered non-responsive because it did not meet specification.
- In comparing cost of contract items, this contract reflects an overall 2% decrease from the current contract pricing.

APPROVAL JUSTIFICATION

- Low bidder.
- The Community Care Services Department concurs with the recommended award.
- Advertised in the Austin American-Statesman and on the Internet.