



## Recommendation for Action

**File #:** 20-3447, **Agenda Item #:** 28.

12/3/2020

### **Posting Language**

Authorize negotiation and execution of four multi-term cooperative contracts to provide pharmaceutical and clinic supplies, with McKesson Medical-Surgical, Inc.; Henry Schein, Inc.; Cardinal Health; and Medline Industries, Inc.; each for a term of up to 27 months, for total contract amounts not to exceed \$2,000,000, divided among the contractors.

(Note: This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this procurement, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

### **Lead Department**

Purchasing Office.

### **Client Department(s)**

Austin Public Health.

### **Fiscal Note**

Funding in the amount of \$412,497 is available in the Fiscal Year 2020-2021 Operating Budget of Austin Public Health. Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Purchasing Language:**

Multiple cooperative purchase programs were reviewed for these goods. The Purchasing Office has determined these contractors best meets the needs of the department to provide the goods required at the best value for the City.

### **For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or [AgendaOffice@austintexas.gov](mailto:AgendaOffice@austintexas.gov) <<mailto:AgendaOffice@austintexas.gov>> or to John Hilbun, at 512-974-1054 or [john.hilbun@austintexas.gov](mailto:john.hilbun@austintexas.gov) <<mailto:john.hilbun@austintexas.gov>>.

### **Additional Backup Information:**

These contracts will provide pharmaceuticals and clinic supplies to support medical facilities and programs including immunizations, communicable diseases, epidemiology, nursing staff, Women Infant and Children Clinics (WICC), Neighborhood and Community Centers, Refugee Clinic, Sexual Health and Tuberculosis Clinics. A variety of clinical supplies are offered through these contracts such as vaccines, needles, exam gloves, bandages, thermometers, laboratory supplies, and test kits.

The Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) Infuse cooperative establishes competitively bid contracts that can be utilized by other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging larger volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

| <b><u>Contract Term</u></b> | <b><u>Length of Term</u></b> | <b><u>Contract Authorization</u></b> |
|-----------------------------|------------------------------|--------------------------------------|
| Initial Term                | 3 months                     | \$ 660,000                           |
| Optional Extension 1        | 12 months                    | \$ 670,000                           |
| Optional Extension 2        | 12 months                    | \$ 670,000                           |
| <b>TOTAL</b>                | <b>27 months</b>             | <b>\$2,000,000</b>                   |

**Note:** Contract Authorization amounts are based on the City's estimated annual usage.

**Strategic Outcome(s):**

Health and Environment.