



San Bernardino County

Legislation Text

File #: 4055, Agenda Item #: 7

REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

May 4, 2021

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Amendment to the Product Supply Agreement with Praxair Distribution Inc. for the Provision of Bulk Medical Gases, Medical Gas Cylinders, and Site Gas Services

RECOMMENDATION(S)

Approve Amendment No. 1 to the Product Supply Agreement (Contract No. 4400005501) with Praxair Distribution Inc., increasing the not-to-exceed amount by \$750,000 from \$1,180,000 to \$1,930,000, with no changes to the term of August 22, 2017 through August 21, 2022, for the delivery of bulk medical gases, medical gas cylinders and site gas services to Arrowhead Regional Medical Center.
(Presenter: William L. Gilbert, Director, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Costs). The cost of \$750,000 is funded by State Medi-Cal, Federal Medicare, private insurances and other departmental revenues. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Adequate appropriation and revenue have been included in the Arrowhead Regional Medical Center (ARMC) 2020-21 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

Approval of this item will allow ARMC to continue to utilize Praxair Distribution, Inc. (Praxair) for the provision of all bulk medical gases, medical gas cylinder and site gas needs. Due to the COVID-19 pandemic, the usage of all three of the above listed categories have dramatically increased, increasing overall spending and requiring an increase to the contract amount to fund the extra usage.

Medical gas cylinders delivered by Praxair are distributed throughout ARMC and the affiliated Family Health Centers and include oxygen tanks for patient transport and crash carts, compressed air, and various specialty gases for anesthesia and procedural use. Bulk supply systems supply all the compressed air and oxygen lines that enter the facility and are made available at the patient's bedside for use as needed.

PROCUREMENT

This is a non-competitive procurement based on the current contract. Purchasing supports this non-competitive procurement

On August 22, 2017 (Item No. 7), the Board authorized the Purchasing Agent to issue a Master Blanket Purchase Order No. 183463 with Praxair for the delivery of bulk medical gases, medical gas cylinders and site gas services to ARMC in the total amount of \$1,180,000 for the term of August 22, 2017, through August 21, 2022.

Master Blanket Purchase Order No. 183463 was subsequently converted to Contract No. 4400005501.

On February 9, 2021 (Item No. 12), the Board approved an increase to Contract No. 4400005501 with Praxair Distribution Inc., increasing the amount by \$750,000 from \$1,180,000 to \$1,930,000, with no changes to the term of August 22, 2017 through August 21, 2022, for the delivery of bulk medical gases, medical gas cylinders and site gas services to Arrowhead Regional Medical Center.

Approval of the recommended item will formalize the previously approved increase in the form of an Amendment to the Product Supply Agreement that increases the not-to-exceed amount up to \$1,930,000.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5465) on April 9, 2021; Purchasing Department (Ariel Gill, Buyer, 777-0722) on April 13, 2021; ARMC Finance (Chen Wu, Finance Budget Officer, 580-3165) on April 13, 2021; Finance (Yael Verduzco, Administrative Analyst, 387-5285) on April 14, 2021; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on April 18, 2021.