Memorandum

MIAMI-DADE COUNTY

Date: May 4, 2010

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

Agenda Item No.8(O)(1)(E)

From: Carlos Alvarez
Mayor

George M. Burgess
County Manager

Subject: Resolution Waiving Formal Bid Procedures

This item was forwarded by the Budget, Planning and Sustainability Committee with a favorable recommendation as amended to bifurcate sub item 1.1 Defibrillators, Equipment, Accessories and Maintenance to allow staff to renegotiate with the vendor, in an effort to obtain a lower price, before this resolution was considered by the Board of County Commissioners. As a result, a savings of $45,450 was achieved. MDFR reduced their allocation from $6,985,000 to $5,883,000 for a total request of $10,401,000. This allocation decrease is attributed to the contract pricing re-negotiation totaling $45,450 in savings to the department, combined with a $1,056,550 adjustment after the department replaced estimated costs of equipment and consumables with actual contract pricing.

Recommendation

It is recommended that the Board of County Commissioners waive competitive bidding procedures for the attached contracts to purchase goods and services pursuant to Section 2-8.1 of the County Code and Section 5.03(D) of the Home Rule Charter, in the best interest of Miami-Dade County. ***Contract amounts and department allocations represent the maximum spending authority based on utilization. This action does not guarantee that the total contract amount/value will be expended by County departments and/or agencies.***

Scope

The impact of the items in the accompanying Bid Waiver Package is countywide in nature.

Fiscal Impact/Funding Source

Funding will be expended only if departmental budgets can support the expenditures approved in their Resource Allocation Plan adopted annually by the Board. Allocations have been rounded consistent with standard auditing practices.

Track Record/Monitor

There are no known performance issues with the vendors recommended for award in the accompany Bid Waiver Package. Each department's contract manager is reflected in the accompanying Bid Waiver agenda item.

Delegated Authority

If this item is approved, the County Mayor or County Mayor's designee will have the authority to exercise in their discretion subsequent options-to-renew (OTR) and extend contracts for purchase of goods and services in accordance with the terms and conditions of the contracts listed in the accompanying Bid Waiver Package.

Background

Section 1 BID WAIVERS

A bid wavier is a purchase of a good or service under Administrative Order 3-38 without formal competitive bidding when it is determined to be in the best interest of the County.

Item 1.1: Defibrillators, Equipment, Accessories and Maintenance is for waiver of formal bid procedures to purchase defibrillators, equipment, accessories and maintenance for various County departments. The amount being requested is **$10,401,000**. If the County chooses to exercise the five year OTR period, the cumulative value will be **$15,618,300**.

Assistant County Manager

SECTION 1
BID WAIVERS

Item 1.1

Contract No.: BW9262-1/20

Contract Title: **Defibrillators, Equipment, Accessories and Maintenance**

Description: Requesting waiver of formal bid procedures and approval to award a contract for defibrillators, equipment, accessories, and maintenance for various County departments.

Contract Term: Five years with one five-year option-to-renew

Previous Contract Allocation: $8,540,000 for six years

Contract Amount: $10,401,000

Using/Managing Department and Funding Source:

Departments	Allocation	Funding Sources	Contract Managers
Aviation	$ 30,000	Proprietary Funds	Neivy Garcia
Corrections and Rehabilitation	$ 38,000	General Fund	Mohammed Haq
Fire Rescue	$ 5,883,000	Fire District	Marianela Betancourt
General Services Administration	$ 125,000	Internal Service Funds	Lucy Romano
Park and Recreation	$ 75,000	General Fund / Proprietary Funds	Maria Quinoa
Police	$ 4,250,000	General Fund	Laura Romano
Total:	**$10,401,000**		

Vendor:	Address	Principal
Physio-Control Inc (Non-local vendor)	11811 Willows Road NE Redmond, WA 98073	Janne Maschal

Performance Data: In May 2008, Physio-Control signed a Consent Decree with the U.S. Food and Drug Administration (FDA) addressing issues raised during inspections of the company's quality systems. Under the terms of this decree, Physio-Control was permitted to ship product quantities to emergency care providers until

quality system improvements were completed.

Miami-Dade County was unaffected by the Consent Decree and received necessary equipment and services during that period.

In February 2010, Physio-Control successfully met quality system improvement requirements, and the company resumed unrestricted worldwide shipments of its external defibrillators.

Compliance Data: There are no compliance issues with this firm.

Contract Measure: No measure – Bid Waiver

Review Committee Date: February 17, 2010; Item# 2-04

Local Preference: Not applicable

Living Wage: The services being provided are not covered under the Living Wage Ordinance.

User Access Program: The User Access Program provision will apply. The 2% program discount will be collected on all purchases.

DPM Contract Manager: Anthony O'Connor

JUSTIFICATION

This contract will provide ongoing inspections, maintenance, parts and repair of LifePak Automated External Defibrillators currently in service with various County departments. The contract also enables departments to purchase new equipment and receive training on its use. The requested allocation also includes a lease option to provide financing for 1800 defibrillators totaling $3,735,328 with a 5.96% fixed interest rate and monthly repayments of $71,781. The lease will be in place for a five year period from the date the equipment is accepted. The County may pay off the lease at any time without incurring pre-payment penalties. Upon expiration of the lease the County may purchase the leased equipment for $1.00.

The LifePak defibrillators manufactured by Physio Control monitor diagnose and treat cardiac arrest victims. Cardiac arrest happens suddenly and without warning, and is commonly caused by an electrical disturbance in the heart that causes an individual to go into abnormal heart rhythms known as ventricular fibrillation, losing a pulse and consciousness. Immediate CPR and defibrillation are critical to survival as survival rates drop about 10 percent every minute without defibrillation. LifePak equipment has become the standard in life saving devices used by the Miami-Dade Police (MDPD) and Miami-Dade Fire Rescue (MDFR) departments for over 25 years. With standardization, transition from basic to advanced life support equipment occurs seamlessly without endangering the life of the patient. Compatibility of the equipment ensures that patients are safely transferred from the care of the initial responder (usually MDPD) to advanced equipment used by MDFR. With the existing Physio Control equipment, the electrodes attached to the patient can

remain in place, the initial responder's equipment is released, and the advanced equipment is then attached to the same electrodes minimizing the risk to patient or rescuer safety.

A standardized equipment network provides interchangeability of equipment, consumables and batteries. It also helps to maintain the sound level of competency developed over many years of exposure to the same equipment. The use of other manufacturers' equipment was investigated. Integrating different equipment into the existing network would require the use of adapters to connect the various components. Using adapters can adversely affect patient safety and invalidates existing warranties.

As attested to by the Miami-Dade Fire Rescue Department (MDFR) Division Chief and Medical Director, MDFR has over 2,300 emergency responders that possess the highest level of competency with all Physio Control equipment in use today. This network is responsible for saving the lives of thousands of Miami-Dade County (County) residents and visitors. Because of the number of emergency care providers employed by the County, a standardized equipment network is mandatory for the success of the survival chain.

Maintenance, support and repair services provided by this contract fully meet the specific needs of the user departments. The services include annual inspections of every unit, response to service calls in the field within two hours, and a pool of 'loaner' units available to temporarily replace equipment being repaired.

The increased contract value includes an additional allocation required by Miami-Dade Police Department (MDPD). A certain model of AED that has been in use by MDPD is being phased out and will no longer be in production or supported by the manufacturer. As such, it is of critical importance that the obsolete units be replaced.

Some of the negotiated achievements contained within this agreement are as follows:

- Increased discounts on most accessories.
- Discounts increased from 15% to 23% on AED equipment purchases.
- Existing pricing can be reduced if lower pricing is afforded to other entities for similar equipment.
- Enhanced warranty coverage does not limit vendors' liability. A full warranty period re-commences if a product is replaced.
- Vendor will assume lease payments if units are recalled for any reason and compatible replacement items are unavailable.
- Equipment set-up, configuration and training will be provided at no additional cost.
- Certain consumables (e.g. tubes, disposable items) will be provided on an annual basis at no cost to the County.
- Trade-in values for certain consumables (including batteries) are now present where none previously existed.

This best value contract improves the high level of service essential for ongoing support of the County's existing defibrillators and maintains the necessary compatibility of equipment between user departments.

MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: May 4, 2010

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 8(O)(1)(E)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(O)(1)(E)
5-4-10

RESOLUTION NO. _____

RESOLUTION APPROVING AWARD OF CONTRACT NO. BW9262-1/20: DEFIBRILLATORS, EQUIPMENT, ACCESSORIES AND MAINTENANCE, TO PHYSIO CONTROL, INC., IN THE AMOUNT OF $10,401,000; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE THE CONTRACT AND TO EXERCISE ANY RENEWAL AND CANCELLATION PROVISIONS CONTAINED THEREIN

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves the award of Contract no. BW9262-1/20 Defibrillators, Equipment, Accessories and Maintenance to Physio Control, Inc., in the amount of $10,401,000 and authorizes the County Mayor or County Mayor's designee to execute the contracts and to exercise any renewal and cancellation provisions contained therein.

The foregoing resolution was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro
Carlos A. Gimenez
Barbara J. Jordan
Dorrin D. Rolle
Katy Sorenson
Sen. Javier D. Souto
Audrey M. Edmonson
Sally A. Heyman
Joe A. Martinez
Natacha Seijas
Rebeca Sosa

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of May, 2010. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency.

By:_____
Deputy Clerk

Bruce Libhaber