



CITY AND COUNTY OF SAN FRANCISCO CONTRACT MONITORING DIVISION

S.F. ADMINISTRATIVE CODE CHAPTERS 12B and 14B WAIVER REQUEST FORM (CMD-201)

Send completed waiver requests to:
cmd.waiverrequest@sfgov.org or
CMD, 30 Van Ness Avenue, Suite 200, San Francisco, CA
94102

FOR CMD USE ONLY	
Request Number:	7668
2014 DEC 26 AM 11:54	
CONTRACT MONITORING DIVISION	

Section 1. Department Information

Department Head Signature: _____
 Name of Department: Department of Public Works
 Department Address: 30 Van Ness Ave., 4th Floor
 Contact Person: Ronald Alameida
 Phone Number: (415) 695-3861 E-mail: ronald.alameida@sfdpw.org

Section 2. Contractor Information

Contractor Name: Pneumatic Tube Products Co. Vendor No.: 14725
 Contractor Address: PO Box 56865; Hayward, CA 94545-6865
 Contact Person: Mark Nutter Contact Phone No.: (503) 705-2328

Section 3. Transaction Information

Date Waiver Request Submitted: 12/18/2014 Type of Contract: Sole Source - Construction
 Contract Start Date: March 1, 2015 End Date: December 31, 2015 Dollar Amount of Contract: \$ \$ 951,887.00

Section 4. Administrative Code Chapter to be Waived (please check all that apply)

- Chapter 12B
 Chapter 14B Note: Employment and LBE subcontracting requirements may still be in force even when a 14B waiver (type A or B) is granted.

Section 5. Waiver Type (Letter of Justification *must* be attached, see Check List on back of page.)

- A. Sole Source
 B. Emergency (pursuant to Administrative Code §6.60 or 21.15)
 C. Public Entity
 D. No Potential Contractors Comply (Required) Copy of waiver request sent to Board of Supervisors on: _____
 E. Government Bulk Purchasing Arrangement (Required) Copy of waiver request sent to Board of Supervisors on: _____
 F. Sham/Shell Entity (Required) Copy of waiver request sent to Board of Supervisors on: _____
 G. Subcontracting Goals
 H. Local Business Enterprise (LBE)

CMD/HRC ACTION	
12B Waiver Granted: _____	14B Waiver Granted: <input checked="" type="checkbox"/>
12B Waiver Denied: _____	14B Waiver Denied: _____
Reason for Action: <u>Due to installation requirements to General Hospital Pneumatic tube system, a sole source waiver is required to continue operations</u>	
CMD Staff: <u>[Signature]</u>	Date: <u>12/26/14</u>
CMD Director: <u>Maia L Codero</u>	Date: <u>12/26/14</u>
HRC Director (12B Only): _____	Date: _____



Edwin M. Lee
Mayor

Mohammed Nuru
Director

San Francisco Public Works
1 Dr. Carlton B. Goodlett Pl.
Room 348
San Francisco, CA 94102
tel 415-554-6920

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December 17, 2014

Ms. Maria Cordero
Director, Contract Monitoring Division
Office of the City Administrator
30 Van Ness Ave., Suite 200
San Francisco, CA 94102

RE: Letter of Justification – Sole Source Waiver for Pneumatic Tube Products Co.
San Francisco General Hospital – Pneumatic Tube Connectivity

Dear Ms. Cordero:

The Department of Public Works (DPW) and Department of Public Health (DPH) are seeking a Sole Source waiver for Pneumatic Tube Products Co. (PTP), a specialty product installer vital to the continued operations of San Francisco General Hospital. Concomitant to the sole source request is a request to waive the Subcontracting Goals and Good Faith Outreach efforts.

Pneumatic Tube Products Co. has been the sole operator of San Francisco General Hospital's pneumatic tube system for over 35 years – since the construction of the existing hospital and trauma center (Building 5.) The new hospital and trauma center (Building 25) also has a pneumatic tube system installed by a competitor named SwissLog, which was procured through the competitive public bid process.

For the integration of the two buildings' pneumatic tube systems, the City had a choice of contracting with SwissLog or PTP, as control panels and other system components are proprietary to each company. PTP was chosen as the most cost-effective entity posing the least operational impacts. Contracting with PTP ensures the cost avoidance of at least \$2 million by eliminating the need for wholesale replacement of control stations at 31 locations in Building 5 with extensive reconstruction of existing hospital walls and ceilings adjacent to these pneumatic tube components. Due to the age of Building 5, the City would have encountered numerous hazardous materials abatement areas, severely inconveniencing hospital operations, extending construction times and amplifying the infection control measures needing to be implemented.

DPW and DPH seek to award the contract to PTP in the most expeditious manner possible, following City procedures for Sole Source waivers. Until PTP completes its work, General Hospital is in jeopardy of being forced to use existing and new courier personnel to transport medications, medical records, time-sensitive lab specimens, sterile supplies, and other critical patient care items between the two hospital buildings. Use of courier staff would slow down delivery times thus diminishing current patient care while elevating operational cost.

An Ordinance is being submitted to the Board of Supervisors in parallel to the CMD waiver process. The Ordinance seeks to award the Pneumatic Tube Products Co. contract on a sole source basis, waiving subcontracting competitive bidding requirements and LBE subcontracting goals. We are striving to be scheduled for Board of Supervisors' review in the January 2015 Committee and Full Board calendars.

Should you have any questions regarding this request, Ron Alameida – Program Manager for San Francisco General Hospital Rebuild – can be reached at 415-695-3861. Thank you for your time and consideration.

Sincerely,



Mohammed Nuru
Director, Public Works

Cc: Edgar Lopez, Deputy Director for Buildings and City Architect
Ronald Alameida, DPW Rebuild Program Manager
Terry Saltz, DPH, DPH Rebuild Program Director