

MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Acting Purchasing Manager *JB*

DATE: October 2, 2007

SUBJECT: Approve the Renewal of Blanket Purchase Order Nos. BP014153, BP014154, and BP014155 with Various Vendors for Local Pharmacy Services in the Maximum Aggregate Amount of \$67,000.00 and Approve the Award of Blanket Purchase Orders for Local Pharmacy Services to Rite Aid Corp. in the Maximum Aggregate Amount of \$76,000.00, for a Total Maximum Amount of \$143,000.00, all as a Result of Competitive Bid No. 9606

ACTION REQUESTED

Approve the renewal of Blanket Purchase Order (BPO) Nos. BP014153, BP014154, and BP014155 with various vendors for local pharmacy services in the maximum aggregate amount of \$67,000.00 and approve the award blanket purchase orders for local pharmacy services to Rite Aid Corp. in the maximum aggregate amount of \$76,000.00, for a total maximum amount of \$143,000.00, all as a result of Competitive Bid No. 9606, and authorize the Acting Purchasing Manager to sign the resulting BPOs and to transfer funds between the BPOs as required.

BACKGROUND

On September 26, 2006, your Board approved the award of competitive Bid No. 9606 to Raley's/Bel-Air, Rite Aid Corp., and Sunrise Medical Pharmacy for local pharmacy services. As a result, BPOs were issued for the period of October 1, 2006 through September 30, 2007. The Health & Human Services Department (HHS) Adult System of Care (ASOC) Program and the Medically Indigent Adult (MIA) Program have requested to renew the BPOs.

Safeway Inc. (contract assigned from Sunrise Medical Pharmacy when it was sold to Safeway Inc.) and Rite Aid Corp. have agreed to renew with no changes to the pricing and terms. Raley's/Bel-Air declined the opportunity to renew their BPO. Since Rite Aid Corp. was the next lowest bidder to the categories that were originally awarded to Raley's/Bel-Air, Rite Aid was offered and has accepted the additional categories for pharmacy services. Since pharmaceutical expenditures fluctuate annually, this staff recommendation includes a request to authorize the Acting Purchasing Manager to transfer funds between blanket purchase orders as required.

FISCAL IMPACT

A total of three BPOs are being recommended in the aggregate amount of \$143,000.00 as described below and will all be effective from October 1, 2007, through September 30, 2008.

1. BPO on behalf of MIA to Safeway in the maximum amount of \$20,000.00;
2. BPO on behalf of ASOC to Rite Aid Corp. in the maximum amount of \$83,000.00 (combining renewal of BP014155 in the maximum amount of \$40,000.00 and the award of \$43,000.00 for pharmacy services previously provided by Raleys/Bel-Air);
3. BPO on behalf of MIA to Rite Aid Corp. in the maximum amount of \$40,000.00 (combining renewal of BP014153 in the maximum amount of \$10,000.00 and the award of \$30,000.00 for pharmacy services previously provided by Raleys/Bel-Air).

The HHS Fiscal Impact Statement is attached.

Attachment: HHS Fiscal Impact Statement

cc: Dr. Richard Burton, HHS/Admin
Doreen Drake, HHS/Admin
Jim Nissen, HHS/ASOC
Karen Jarvis, HHS/CAPP

FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors

FROM: Richard J. Burton, M.D., M.P.H.
Placer County Health Officer and Director of Health and Human Services

DATE: September 10, 2007

SUBJECT: **Fiscal Impact Statement**
BPO for Pharmaceutical Services for the period 10/1/07 – 9/30/08

The department has budgeted appropriately for these BPOs and funding is available in the FY 2007-08 department budget.

