

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

322



**FROM:** Purchasing and Fleet Services Department

**SUBMITTAL DATE:**  
May 12, 2006

**SUBJECT: APPROVE THE PROPOSED PRIME VENDOR CONTRACT FOR WHOLESALE PHARMACEUTICAL DISTRIBUTION SERVICES FOR RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND COMMUNITY HEALTH AGENCY**

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Receive and file notice of the proposed purchase of wholesale pharmaceutical drug distribution services for RCRMC and CHA in the annual amount of \$13 million from other than the low bidder in accordance with the Board local preference policy from Amerisource Bergen Corporation for an additional cost of \$92,940 and;
2. Authorize the Purchasing Agent to execute the option to renew annually for up to four additional one year periods.

**BACKGROUND:** The County currently contracts with Amerisource Bergen to provide wholesale pharmaceutical drugs to RCRMC and CHA. Amerisource Bergen, located in Corona, has had an association with Riverside County in either the primary or secondary pharmaceutical wholesaler capacity for at least 15 years. During this time, they have provided services which have been beneficial to the County. Specifically, the physical inventory system allows RCRMC Pharmacy to perform in-house physical inventory using real time costs with a greater accuracy than outside vendors. Thereby eliminating the need for contractual physical inventory vendors at a tremendous saving to the County.  
**(Continued on Page 2)**

*[Signature]*  
ROBERT J. HOWDYSHELL, Director  
Purchasing and Fleet Services Dept.

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2005-2006

<b>SOURCE OF FUNDS:</b> 94% RCRMC Enterprise Funds 6% CHA - Operating revenues from Clinics.	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** **APPROVE**

**County Executive Office Signature** *[Signature]*

Dep't Recomm.:  Policy  
Per Exec. Ofc.:  Policy

**Prev. Agn. Ref.:** | **District:** | **Agenda Number:**

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**Board of Supervisors**

**Form 11: APPROVE THE PROPOSED PRIME VENDOR CONTRACT FOR  
WHOLESALE PHARMACEUTICAL DISTRIBUTION SERVICES FOR  
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND COMMUNITY  
HEALTH AGENCY**

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**BACKGROUND (Continued)**

Amerisource Bergen has also had the advantage of being located within a 60-minute round-trip distance in case of emergency or urgent situations requiring immediate acquisition of pharmaceuticals. In the last 5 years, since the 9/11 terrorist attacks the availability of pharmaceuticals in emergency situations has been a security blanket for RCRMC.

**PRICE REASONABLENESS**

On behalf of RCRMC and CHA, County Purchasing issued a formal Request for Proposal (RFP), PUARC499 in 2004 and subsequently canceled it to revisit the changes in pharmacy distribution technology and services. County Purchasing issued another solicitation, RFQ PUARC816 in 2006 for a prime vendor to provide wholesale pharmaceutical drugs for RCRMC and CHA. Solicitations were sent to four (4) leading pharmaceutical distributors and advertised on the County Purchasing website. Two responses were received and based on the evaluation criteria as set forth in the RFP and utilization of the Board local preference policy, Amerisource Bergen was selected as the most responsive and responsible bidder.

**REVIEW/APPROVAL**

The proposed procurement was reviewed and approved by the County Purchasing Agent.