



Contra  
Costa  
County

To: Board of Supervisors  
From: Anna Roth, Health Services Director  
Date: April 12, 2022

Subject: Purchase Order with Medline Industries

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Purchasing Agent to execute, on behalf of the Health Services Director, a Purchase Order with Medline Industries, in an amount not to exceed \$300,000 for the purchase of end-to-end distribution services for the period from April 1, 2022 through September 30, 2022.

**FISCAL IMPACT:**

Approval of this action will result in expenditures of up to \$300,000 and will be funded 100% by the Hospital Enterprise Fund I revenues.

**BACKGROUND:**

Several years ago, the Hospital went through bid process for the selection of their Prime Medical/Surgical distributor. One of the bid requirements was for the selected vendor to provide a product distribution channel from their distribution center to the point of use at the hospital and clinics. Professional Hospital Supply (PHS) was the only distributor that provided their customers with end-to-end distribution. In 2014, Medline Industries purchased PHS. Both PHS and Medline were awarded Medical/Surgical distribution agreements through Vizient (formerly VHA/UHC/Med Assets).

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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY  
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **04/12/2022** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: April 12, 2022

Contact: Ronny Leffel,  
925-550-2299

Monica Nino, County Administrator and Clerk of the Board of  
Supervisors

By: , Deputy

cc:

CCRMC has space constraints making it a challenge to be able to provide Low Unit of Measure (LUM) distribution program. The square footage and floor plan of the warehouse is inadequate to store and properly inventory the thousands of Store Keeping Units (SKUs) maintained on the static carts.

### BACKGROUND: (CONT'D)

Most of the items stocked on the carts are distributed to the units and clinics by Medline and are not available from the CCRMC warehouse.

CCRMC has been in the process of evaluating the future of medical/surgical replenishment for CCRMC and Health Clinics. Research and analysis to determine the most efficient and cost-effective solutions for inventorying, ordering, distribution, and replenishment processes for supplying medical/surgical supplies has taken longer than anticipated causing a delay in establishing a new service contract.

CCRMC is currently working with Medline to negotiate a new contract for future services with a goal of finalizing a new service contract within the next six months.

### CONSEQUENCE OF NEGATIVE ACTION:

If this purchase order is not approved, end to end distribution of medical supplies will no longer be available. Supplies will be delivered in bulk for the departments to restock, inventory and order their PAR supplies within the designated timeframe set by the Medline Distribution agreement. Late submission of orders will result in unfilled orders. Order quantities ordered by the lowest unit of measure that does not meet the distributor's stocking requirements will only be available for order by the box/case. Space and staffing constraints limit Materials Management's ability to assist with the completion of the distribution process.

### CLERK'S ADDENDUM

**RELISTED to a future date uncertain.**