



**Contra
Costa
County**

To: Board of Supervisors
From: Anna Roth, Health Services Director
Date: February 7, 2023

Subject: Payment for Products and Supplies Provided by US Foods, Inc.

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Auditor-Controller to pay \$82,967 to US Foods, Inc. for the purchase of various food categories, chemicals, paper products, kitchen supplies and equipment for Contra Costa Regional Medical Center (CCRMC) during the period of July 12, 2022, through December 29, 2022.

FISCAL IMPACT:

Approval of this amendment will result in expenditures of up to \$82,967 and is entirely funded through the Hospital Enterprise Fund I revenues.

BACKGROUND:

US Foods, Inc. (dba US Foodservice, Inc.) has been CCRMC's primary food and nutrition distributor for the past year and has done an excellent job in offering a variety of food options at a lower price than our previous vendor, Sysco San Francisco, Inc. The Nutrition Department recently transitioned from utilizing Food Service Partners to preparing food in house. Making this transition was imperative for improving patient food quality and standards, which has also increased our need to rely on US Foods, Inc. for most of our

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY

☐ RECOMMENDATION OF BOARD

ADMINISTRATOR

COMMITTEE

Action of Board On: **02/07/2023** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Ken Carlson, District IV Supervisor
Federal D. Glover, District V Supervisor

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: February 7, 2023

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

Contact: Stephanie N. Dockham,
(925) 370-5381

By: Antonia Welty, Deputy

cc:

product needs.

On January 11, 2022, the Board of Supervisors approved item C.78 to execute a purchase order (#24200) with US Foods, Inc. in the amount of \$1,000,000 for the purchase of all food categories, chemicals, paper products, kitchen supplies and equipment for Contra Costa Regional Medical Center (CCRMC), for the period from January 1, 2022 through December 31, 2022. US Foods, Inc. is an awarded supplier for Food and Nutrition Distribution on the Vizient Group Purchasing Organization (GPO) contract portfolio.

BACKGROUND: (CONT'D)

During the past year, food inflation has risen by approximately 7.5% - 8.5% due to key factors such as increased freight charges and delays, elevated labor wages and labor shortages, grain and poultry shortages and drought conditions. Due to administrative oversight, the department did not become aware of the shortfall in available funds under the current purchase order with US Foods, Inc. until November of 2022.

As such, the Department recommends that the Board authorize the Auditor-Controller to issue a one-time payment to US Foods, Inc. in an amount not to exceed \$82,967. Nutrition services will continue to collaborate with Materials Management to track and monitor their monthly expenses going forward.

The vendor is entitled to payment for the reasonable value of the products and supplies under the equitable relief theory of quantum meruit. The theory provides that where a vendor has been asked to provide products and supplies without a valid payment instrument, and the vendor does so to the benefit of the County, the vendor is entitled to recover the reasonable value of those items. The vendor has provided services at the request of the CCRMC staff.

CONSEQUENCE OF NEGATIVE ACTION:

Title 22 requires the provision of food of the quality and quantity to meet the patient's needs in accordance with physicians' orders and, to the extent medically possible, to meet the Recommended Daily Dietary Allowances, adopted by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences.

If this action is not approved, the CCRMC account will be placed on hold and Nutrition Services would not be able to prepare meals for patients and/or the hospital staff, and be in violation of Title 22, CMS, and other regulatory agencies.