1	of Pharmaceuticals - Not to Exceed \$977,652,155]
2	
3	Resolution approving Amendment No. 1 to the Group Purchasing Organization
4	pharmaceutical Agreement between McKesson Corporation and the Department of
5	Public Health (DPH), under Administrative Code, Chapter 21A.2, to increase the
6	Agreement sum by \$596,269,164 for a not to exceed amount of \$977,652,155; extend
7	the term by four years and five months from February 1, 2024, for a total term of
8	February 1, 2020, through June 30, 2028; and to authorize DPH to enter into
9	modifications of the Agreement that do not materially increase the City's obligations or
10	liabilities and are necessary to effectuate the purposes of the Agreement or this
11	Resolution.
12	
13	WHEREAS, The Department of Public Health (DPH) has an ongoing need to buy a
14	broad range of pharmaceuticals for use in the daily delivery of care to patients in various DPH
15	programs; and
16	WHEREAS, DPH procured the Agreement as authorized under Administrative Code,
17	Chapter 21A.2 (Membership in Group Purchasing Organizations); and
18	WHEREAS, Charter, Section 9.118, provides that contracts entered into by a
19	department requiring anticipated expenditures by the City of ten million dollars or the
20	modification or amendments to such contracts having an impact of more than \$500,000 shall
21	be subject to approval of the San Francisco Board of Supervisors by Resolution; and
22	WHEREAS, The San Francisco Board of Supervisors approved the Agreement in an
23	amount not to exceed \$381,382,991 by Resolution No. 123-20 (File No. 200012); and
24	WHEREAS, DPH wishes to amend the Agreement to extend the term by four years

and five months, from February 1, 2024, for a total term of February 1, 2020, through June 30,

25

1	2028, and increase the Agreement sum by \$596,269,164, for a total not to exceed amount of
2	\$977,652,155; now, therefore, be it
3	RESOLVED, That the San Francisco Board of Supervisors hereby authorizes the
4	Director of Health to execute Amendment No. 1 to the Agreement to extend the term by four
5	years and five months, from February 1, 2024, for a total term of February 1, 2020, through
6	June 30, 2028, and increase the Agreement sum by \$596,269,164, for a total not to exceed
7	amount of \$977,652,155; and, be it
8	FURTHER RESOLVED, That the Board of Supervisors authorizes DPH to enter into
9	any amendments or modifications to the Agreement that the Department determines, in
10	consultation with the City Attorney, are in the best interests of the City, do not otherwise
11	materially increase the City's obligations or liabilities, are necessary to effectuate the
12	purposes of the Agreement and this resolution, and are in compliance with all applicable laws;
13	and, be it
14	FURTHER RESOLVED, That within thirty (30) days of Amendment No. 1 being fully
15	executed by all parties, the Director of Health shall provide the final Amendment No. 1 to the
16	Clerk of the Board for inclusion into the official File No. 231146.
17	
18	RECOMMENDED
19	/s/
20	Dr. Grant Colfax
21	Director of Health
22	
23	
24	

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