



Monterey County

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Board Report

Legistar File Number: A 16-227

July 19, 2016

Introduced: 6/28/2016

Version: 1

Current Status: Agenda Ready

Matter Type: BoS Agreement

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute an agreement with Philips Healthcare Services for routine maintenance of existing ultrasound equipment within NMC's radiology department (sites 45681263, 45681362, 45682902, 53740574 and 46178314) and cardiology department (site 60593692), and for routine maintenance of existing ultrasound equipment within NMC's Specialty Clinic (site 66995143), with a total agreement amount not to exceed \$352,803 and with a retroactive start date of July 1, 2016 through June 30, 2020.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute an agreement with Philips Healthcare Services for routine maintenance of existing ultrasound equipment within NMC's radiology department (sites 45681263, 45681362, 45682902, 53740574 and 46178314) and cardiology department (site 60593692), and for routine maintenance of existing ultrasound equipment within NMC's Specialty Clinic (site 66995143), with a total agreement amount not to exceed \$352,803 and with a retroactive start date of July 1, 2016 through June 30, 2020.

SUMMARY/DISCUSSION:

Joint Commission requires all imaging equipment to be maintained per manufacture guidelines. This requirement ensures the overall quality of the equipment.

NMC desires to enter into a four year service agreement with Philips Healthcare services to maintain the equipment by performing preventive maintenance on the equipment and to make any necessary repairs on the equipment when the equipment malfunctions. The service agreements account for parts and labor with clearly stipulate hours of coverage and parts that are included. The service hours are Monday through Friday 8-5 pm excluding holidays. NMC has elected to purchase the Value program for the ultra sound and echo machines. NMC elects to purchase the Primary Plan for the specialized TEE transducer. The Value Program includes 1-2 planned service and inspections.

This service agreement covers five ultra sound machines; four are located in the main Radiology department and one is located in the Specialty Clinic. In additional, the contract will provide service for echo cardiology ultra sound machine and a specialized transducer. Each unit had a one year warranty initially. Four of the ultra sound machines, the echo cardiology

ultra sound machine and the transducer were purchased in previous years and are off of warranty. The ultra sound machine in the Specialty Clinic is the most recent purchase. This machine will be off of warranty on September 28, 2016; therefore, the maintenance service agreement for this piece will be prorated for the month of September 2016.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved the agreement as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The agreement was reviewed and approved by the NMC Finance Committee on May 26, 2016 and by the NMC Board of Trustees on June 3, 2016.

FINANCING:

The cost for this agreement is \$352,803, of which \$88,887 has been included in the FY16-17 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

Prepared by: Heidi Riggenbach, Laboratory and Radiology Manager, 772-7760

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Philips Agreement for Ultrasound Equipment Maintenance

Attachments on file with the Clerk of the Board