



# Monterey County

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## Board Report

Legistar File Number: A 15-388

December 15, 2015

**Introduced:** 11/16/2015

**Current Status:** Consent Agenda

**Version:** 1

**Matter Type:** BoS Agreement

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Amendment No. 5 to the Agreement (A-12261) with Karl Storz Endoscopy-America for equipment repair and maintenance services at NMC, adding \$37,917.53 for a revised total Agreement amount not to exceed \$640,795.03 and with no change to the Agreement term of May 5, 2011 through June 30, 2017; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute future amendments to the Agreement for the purpose of updating the equipment list and associated cost for maintenance when new scopes are purchased throughout the year provided there is no extension to the term of the Agreement and provided that the total Agreement amount does not exceed \$900,000 through June 30, 2017.

### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Amendment No. 5 to the Agreement (A-12261) with Karl Storz Endoscopy-America for equipment repair and maintenance services at NMC, adding \$37,917.53 for a revised total Agreement amount not to exceed \$640,795.03 and with no change to the Agreement term of May 5, 2011 through June 30, 2017.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute future amendments to the Agreement for the purpose of updating the equipment list and associated cost for maintenance when new scopes are purchased throughout the year provided there is no extension to the term of the Agreement and provided that the total Agreement amount does not exceed \$900,000 through June 30, 2017.

### **SUMMARY/DISCUSSION:**

This Amendment No. 5 is to add the repair and maintenance of Natividad Medical Center's newly purchased laparoscopic instruments/equipment to the existing Karl Storz Endoscopy-America Agreement for maintenance and repair services. The current service Agreement provides guarantee of unlimited repair and replacement of the listed items for the specified sum and time period. Additionally, the contract provides for immediate loan of replacement equipment while repairs are conducted preventing rescheduling or cancellations of procedures. The original Agreement was issued for \$35,712 with a term of May 5, 2011 through June 30, 2012. Amendment No. 1 was issued to increase the total amount by an additional \$42,405 due to added equipment, Amendment No. 2 extended the term through June 30, 2013 and also increased the amount by an additional \$80,290 due to the extended term, Renewal and

Amendment No. 3 extended the term through June 30, 2015 and increased the total by \$235,670 in part due to the extend term and also due to added equipment, Amendment No. 4 extended the term through June 30, 2017 and increased the amount by an additional \$208,800 for a revised total Agreement of \$602,878. Amendment No. 4 also included additional equipment and a updated Business Associates Agreement.

As Karl Storz Endoscopy-America is the manufacturer of the equipment and sole proprietor they are the only contractor able to provide these services.

These maintenance and repair services are important for continued patient care in surgery. Surgery has moved well past the basic instruments and laryngoscopes to a highly technologic service dependent on sophisticated equipment which requires special attention. This Amendment No. 5 is needed to add the newly purchased scopes to the equipment list attached to the Agreement so that it will be covered for maintenance and repair. The scopes currently listed in the Agreement as stated through Amendment No. 4 are intended to be functional for the next two years at least.

NMC is also requesting that the Board of Supervisors authorize NMC to execute future amendments to the Agreement so it may adjust the equipment list attached to the Agreement whenever a new scope or set of scopes is purchased. New scopes are purchased as needed or when demand is high. Based on the historic annual purchase of scopes at NMC, NMC estimates adding new scopes to the equipment list should not cause the Agreement to increase by more than \$100,000 annually.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The Agreement has also been reviewed and approved by NMC's Finance Committee on October 22, 2015 and by its Board of Trustees on November 6, 2015.

**FINANCING:**

The cost for this Amendment No. 5 is \$37,917.53 of which no amount included in the Fiscal Year 2015-16 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: Sue Rodgers, Interim Surgical Services Director, 772-7789

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

**Attachments:**

Amendment No. 5 to Karl Storz Agreement  
Amendment No. 4 to Karl Storz Agreement  
Renewal & Amendment No. 3 to Karl Storz Agreement  
Amendment No. 2 to Karl Storz Agreement  
Amendment No. 1 to Karl Storz Agreement  
Original Agreement with Karl Storz

Spend Sheet for Karl Storz Agreement

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Attachments on file with the Clerk of the Board



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Gary R. Gray, Chief Executive Officer

12/7/15

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Date