



Monterey County

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Board Report

Legistar File Number: A 15-057

April 07, 2015

Introduced: 3/17/2015

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Amendment No. 2 to the Agreement (A-12051) with Mission Linen for Linen Cleaning Services at NMC, extending the Agreement an additional one (1) year period for a revised term of July 1, 2011 through June 30, 2016, and adding \$502,000 for a revised total Agreement amount not to exceed \$1,927,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Amendment No. 2 to the Agreement (A-12051) with Mission Linen for Linen Cleaning Services at NMC, extending the Agreement an additional one (1) year period for a revised term of July 1, 2011 through June 30, 2016, and adding \$502,000 for a revised total Agreement amount not to exceed \$1,927,000.

DISCUSSION:

In April 2011 NMC went out for Request for Proposal (RFP # 9600-16) for Linen Processing Services. The NMC selection/scoring committee selected Mission Linen Supply as its vendor of choice. On July 26, 2011 the Board of Supervisors approved the agreement between NMC and Mission Linen Supply. The initial term of the agreement went from July 1, 2011 until June 30, 2014 with the option for two (2) additional one (1) year extensions. NMC already extended the agreement via Amendment No. 1 which was approved by the Board of Supervisors on 7/1/2014. NMC now wishes to exercise the option to extend for the final year for a revised term of July 1, 2011 through June 30, 2016.

Mission Linen provides laundry and linen services including scrubs, mat and rug rentals. They deliver clean linen and pick up soiled linen for Customer Owned Goods (COG) six (6) days a week. The vendor provides a Hospital Account Manager assigned to NMC to ensure that product and service levels are met on a continuous basis. They provide, at no cost to NMC, bulk carts to be used in the delivery of clean linen and for soiled linen pick up. Bulk carts are not used for clean linen unless they are cleaned according to The Joint Commission standards after every use. Mission Linen Supply is able to meet this regulatory requirement.

NMC has effectively negotiated a reduced rate, stated in Exhibit C-2, for the following services:

- Clean linen per pound fee
- Scrub top rental fee

Scrub pant rental fee
Scrub warm up jacket rental fee
All other fees stated in the original Attachment C remain valid, such as the Uniform Rental Fee.

The increase in annual cost for this agreement is due to the increased volume not an increase in price or scope. NMC has seen an increase in scrub use in surgery (Surgery volume has increased by more than 8% since last Fiscal Year), scrub use in Interventional Radiology (a new service line in Fiscal Year 2015), and in increase in linen usage in Medical/Surgical, Intensive Care, and Acute Rehabilitation units as the patient census has increased since last Fiscal Year.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment No. 2 as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The Amendment No. 2 has also been reviewed and approved by NMC's Finance Committee on 3/5/15 and by its Board of Trustees on 3/6/15.

FINANCING:

The cost for this Amendment No. 2 is \$502,000 and shall be included in NMC's Fiscal Year 2015-16 Recommended Budget. There is no impact to the General Fund.

Prepared by: Andrea Rosenberg, Hospital Assistant Administrator, 783-2562

Approved by: Gary R. Gray, DO, Interim CEO, 783-2504

Attachments:

Amendment No. 1 to Mission Linen Agreement
Original Agreement
Spend Sheet

Attachments on file with the Clerk of the Board



Gary Gray DO, Interim Chief Executive Officer



Date