



# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Report

Legistar File Number: A 15-316

September 15, 2015

**Introduced:** 9/1/2015

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Agreement

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Customer Order No. 1000072635 and accompanying Master Agreement for Pyxis® Products Only, Implementation Timeline, and Schedules (collectively, "the Agreement") with CareFusion Solutions, LLC for the leasing of supply automation inventory management dispensing machines at NMC for the period September 15, 2015 through February 2, 2021 for a total contract amount not to exceed \$769,500, and containing non-standard risk terms regarding limitations on liability, limitation on warranty, and indemnification; and
- b. Authorize the Deputy Purchasing Agent for NMC to execute up to three future amendments to this Agreement where the total amendments do not exceed ten percent (10%) of the original contract amount (\$76,950) and do not significantly change the scope of work.

### **RECOMMENDATION:**

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

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Customer Order No. 1000072635 and accompanying Master Agreement for Pyxis® Products Only, Implementation Timeline, and Schedules (collectively, "the Agreement") with CareFusion Solutions, LLC for the leasing of supply automation inventory management dispensing machines at NMC for the period September 15, 2015 through February 2, 2021 for a total contract amount not to exceed \$769,500, and containing non-standard risk terms regarding limitations on liability, limitation on warranty, and indemnification; and  
Authorize the Deputy Purchasing Agent for NMC to execute up to three future amendments to this Agreement where the total amendments do not exceed ten percent (10%) of the original contract amount (\$76,950) and do not significantly change the scope of work

### **SUMMARY/DISCUSSION:**

Customer Order No. 1000072635 consists of a Rental Customer Order, a Support Customer Order, and Addendum. Customer Order No. 1000072635, Master Agreement for Pyxis® Products Only, Implementation Timeline, and several Schedules, together constitute the proposed agreement of the parties. Pursuant to the proposed agreement, CareFusion Solutions would lease and maintain automated supply dispensing machines which enable NMC to ensure that medical supplies are available at all times for patients need. Typical medical supplies

available in the machines are: surgical gauzes, catheters, thermometers, syringes, and other commonly used medical supplies. The dispensing machines also ensure the capturing and recording of revenues for supplies used by the patients and assist in managing the inventory of supplies. The machines are located throughout patient floors and physicians clinics.

The proposed Agreement, which underwent extensive negotiations, contains non-standard risk terms regarding limitations on liability, limitations on warranty, and indemnification.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed this Agreement as to legal form and risk provisions and has approved the Agreement as to legal form. The Auditor-Controller has reviewed and approved it as to payment provisions. The Agreement has also been reviewed and approved by NMC's Finance Committee on 4/23/15 and by its Board of Trustees on 5/1/15.

**FINANCING:**

The cost for this Agreement is \$769,500 for five years. \$153,900 will be 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: Roy Creamier, Director Materials Management, 783-2621  
Approved by: Gray Gary, DO, Interim Chief Executive Officer, 783-2504

Attachments:

- CareFusion Master Agreement (Pyxis Product Only)
- CareFusion Schedules
- CareFusion Implementation TimeLine
- CareFusion Customer Order
- CareFusion Addendum to Customer Order
- Business Associate Agreement Schedule

Attachments on file with the Clerk of the Board

---

Gary Gray DO, Interim Chief Executive Officer

5/4/15  
Date