



## Monterey County Board of Supervisors

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

### Board Order

**Agreement No.: A-12966, Amendment No. 1**

Upon motion of Supervisor Adams, seconded by Supervisor Salinas and carried by those members present, the Board of Supervisors hereby:

Authorized the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No.1 to the agreement (A-12966) with Salinas Valley Memorial Hospital (SVMH) for laboratory testing services, extending the agreement an additional thirty-six (36) month period (November 1, 2018 through October 31, 2021) for a revised full agreement term of July 1, 2015 through October 31, 2021, and adding \$500,000 for a revised total agreement amount not to exceed \$932,000.

PASSED AND ADOPTED on this 11th day of September 2018, by the following vote, to wit:

AYES: Supervisors Alejo, Salinas, Phillips and Adams

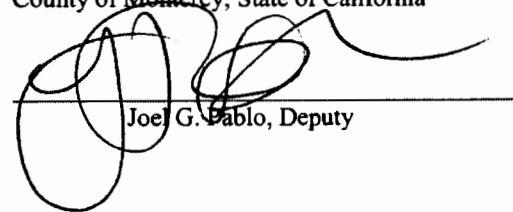
NOES: None

ABSENT: Supervisor Parker

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 81 for the meeting September 11, 2018.

Dated: September 13, 2018  
File ID: A-18-385

Valerie Ralph, Clerk of the Board of Supervisors  
County of Monterey, State of California



Joel G. Pablo, Deputy

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File #:	A 18-385	Name:	Salinas Valley Memorial Hospital Amendment No.1
Type:	BoS Agreement	Status:	Consent Agenda
File created:	8/21/2018	In control:	Board of Supervisors
On agenda:	9/11/2018	Final action:	

**Title:** Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No.1 to the agreement (A-12966) with Salinas Valley Memorial Hospital (SVMH) for laboratory testing services, extending the agreement an additional thirty-six (36) month period (November 1, 2018 through October 31, 2021) for a revised full agreement term of July 1, 2015 through October 31, 2021, and adding \$500,000 for a revised total agreement amount not to exceed \$932,000.

**Attachments:** 1. [Board Report](#), 2. [Salinas Valley Memorial Hospital Amendment No. 1.pdf](#), 3. [Salinas Valley Memorial Hospital Agreement.pdf](#), 4. [19. Completed Board Order](#)

- History (0)
- Board Report

**Title**

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No.1 to the agreement (A-12966) with Salinas Valley Memorial Hospital (SVMH) for laboratory testing services, extending the agreement an additional thirty-six (36) month period (November 1, 2018 through October 31, 2021) for a revised full agreement term of July 1, 2015 through October 31, 2021, and adding \$500,000 for a revised total agreement amount not to exceed \$932,000.

**Report**

**RECOMMENDATION:**

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

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No.1 to the agreement (A-12966) with Salinas Valley Memorial Hospital (SVMH) for laboratory testing services, extending the agreement an additional thirty-six (36) month period (November 1, 2018 through October 31, 2021) for a revised full agreement term of July 1, 2015 through October 31, 2021, and adding \$500,000 for a revised total agreement amount not to exceed \$932,000.

**SUMMARY/DISCUSSION:**

Salinas Valley Memorial Hospital has provided reference laboratory testing services for NMC since 2011. Physicians at Natividad Medical Center or clinics that send laboratory work to NMC may order tests that the NMC Laboratory cannot perform on-site. Therefore, these specific tests must be sent to a reference laboratory. Salinas Valley Memorial Hospital provides a reference laboratory testing facility that is located geographically close to Natividad Medical Center. There are times when testing is required to be completed within a prompt and exact time frame which mandates using another facility that is as geographically as close as possible. Salinas Valley Memorial Hospital is the closest facility which can provide these services promptly. This agreement is necessary for these situations in order to serve physician and patient needs.

Salinas Valley Memorial Hospital also provides histology processing, a special type of laboratory testing for Natividad Medical Center which is a modality in laboratory that Natividad Medical Center is currently unable to provide. Histology services for anatomical pathology are required for all tissues samples prior to a pathologist completing the final

examination on the tissue. Histology requires certified employees and special testing equipment that Natividad currently cannot provide.

This amendment extends the current agreement by adding an additional three years. The cost of the total Agreement amount is based on a forecast of surgical cases that would require this specialized histology processing going forward combined with an analysis of historic histology specimens.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Amendment No. 1 as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The Amendment No. 1 has also been reviewed and approved by NMC's Finance Committee on 7/26/18 and by the NMC Board of Trustees on 8/3/18.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

This amendment supports the strategic initiative, health and human services for Monterey County by providing specialized testing in histology and referral testing for specific clinical laboratory tests that Natividad is not able perform.

- Economic Development
- Administration
- Health and Human Services
- Infrastructure
- Public Safety

Prepared by: Heidi Dormody , Laboratory Manager, 831-772-7660

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

**Attachments:**

Salinas Valley Memorial Hospital Amendment No. 1  
Salinas Valley Memorial Hospital Agreement

Attachments on file with the Clerk of the Board

**AMENDMENT NO. 1  
TO SERVICES AGREEMENT  
BETWEEN Salinas Valley Memorial Hospital (SVMH). AND  
NATIVIDAD  
FOR  
Laboratory Testing Services**

This Amendment No. 1 to the Services Agreement ("Agreement") which was effective on July 1, 2015 is entered into by and between the County of Monterey, on behalf of Natividad (hereinafter "Natividad"), and Salinas Valley Memorial Hospital (SVMH). (hereinafter "SVMH"); collectively, the County, NMC and SVMH are referred to as the "Parties"), with respect to the following:

**RECITALS**

**WHEREAS**, the Agreement was executed for Laboratory Testing Services with a term July 1, 2015 through October 31, 2018 and a total Agreement amount not to exceed \$432,000; and

**WHEREAS**, NMC and CONTRACTOR currently wish to amend the Agreement to extend it for an additional thirty- six (36) month period through October 31, 2021 to allow for services to continue with a \$500,000 increase for a total Agreement amount of \$932,000.

**AGREEMENT**

**NOW, THEREFORE**, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement and Amendment No. 1 incorporated herein by this reference, except as specifically set forth below.

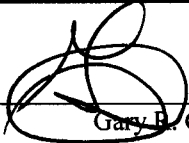
1. Section 2 / Paragraph titled, "PAYMENTS BY NMC" shall be amended to the following:  
*"NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT A as per the Original Agreement. The total amount payable by NMC to SMVH under this Agreement shall not exceed the sum of \$932,000."*
2. The first sentence of Section 3 /Paragraph titled, "TERM OF AGREEMENT" shall be amended to the following:  
*"The term of this Agreement is from July 1, 2015 through October 31, 2021 unless sooner terminated pursuant to the terms of this Agreement."*
3. Except as provided herein, all remaining terms, conditions and provisions of the Original Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Agreement and in Amendment No. 1,
4. A copy of this Amendment No. 1 shall be attached to the Original Agreement.
5. This Amendment No. 1 shall be effective when signed by both parties.

*The remainder of this page was intentionally left blank.*

*~ Signature page to follow ~*

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 1 on the basis set forth in this document and have executed this Amendment No. 1 on the day and year set forth herein.

**NATIVIDAD MEDICAL CENTER**

By:  \_\_\_\_\_  
Gary B. Gray, DO, CEO

Date: 9/14/18

**APPROVED AS TO LEGAL PROVISIONS**

By:  \_\_\_\_\_  
Monterey County Deputy County Counsel

Date: Aug 17, 2018

**APPROVED AS TO FISCAL PROVISIONS**

By:  \_\_\_\_\_  
Monterey County Deputy Auditor/Controller

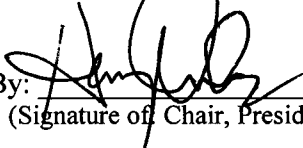
Date: 8-20-18

**CONTRACTOR**

Salinas Valley Memorial Hospital

**CONTRACTOR's Business Name**

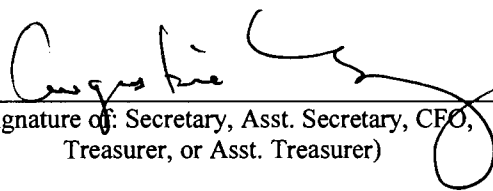
\*\*\*See instructions below\*\*\*

By:  \_\_\_\_\_  
(Signature of Chair, President, or Vice-President)

Henry Ornelas, COO

Name and Title

Date: 7/12/2018

By:  \_\_\_\_\_  
(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Augustine Lopez, CFO

Name and Title

Date: 7/16/2018

**\*\*\*Instructions\*\*\***

If **CONTRACTOR** is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If **CONTRACTOR** is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If **CONTRACTOR** is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).