



# Monterey County

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## Board Report

Legistar File Number: A 16-360

December 06, 2016

**Introduced:** 10/31/2016

**Current Status:** Consent Agenda

**Version:** 1

**Matter Type:** BoS Agreement

- a. Ratify execution by the former Director of Materials and Purchasing at Natividad Medical Center (NMC) of the Rental Agreement and Support Agreement (rental agreement) with Carefusion Solutions, LLC dated September 13, 2010, for the leasing of pharmaceutical supply automation inventory management dispensing machines at NMC for a five (5) year period through September 12, 2015 and thereafter reverting to a month to month basis.
- b. Authorize the Deputy Purchasing Agent for NMC or his delegate to execute an Amendment to the September 13, 2010 rental agreement with Carefusion Solutions, LLC, including an Amendment to the Customer Order form associated with the rental agreement, for the buy-out of the last data server on-site at NMC associated with the agreement, for a total cost of \$675.00.

### **RECOMMENDATION:**

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

- a. Ratify execution by the former Director of Materials and Purchasing at Natividad Medical Center (NMC) of the Rental Agreement and Support Agreement (rental agreement) with Carefusion Solutions, LLC dated September 13, 2010, for the leasing of pharmaceutical supply automation inventory management dispensing machines at NMC for a five (5) year period through September 12, 2015 and thereafter reverting to a month to month basis.
- b. Authorize the Deputy Purchasing Agent for NMC or his delegate to execute an Amendment to the September 13, 2010 rental agreement with Carefusion Solutions, LLC, including an Amendment to the Customer Order form associated with the rental agreement, for the buy-out of the last data server on-site at NMC associated with the agreement, for a total cost of \$675.00.

### **SUMMARY/DISCUSSION:**

NMC entered into a rental and support agreement for pharmacy Pyxis products at NMC for the purpose of dispensing pharmaceuticals while also maintaining inventory control data of pharmaceuticals dispensed. This agreement was effective September 13, 2010 and was executed shortly after by the former NMC Materials and Purchasing Director. The agreement had a five (5) year term and included a monthly rental cost of \$2671 for 60 months which totals \$160,260 for the full five year period. Thereafter NMC continued to rent the equipment on a month to month basis until recently as NMC entered into a new agreement with Carefusion for new pharmacy Pyxis products which the Board of Supervisors approved on November 3, 2015. This new agreement included updated replacement equipment plus implementation services. At this time all of the new Pyxis products associated with the

November 3, 2015 agreement have been fully implemented and all of the older Pyxis products have been removed from NMC with one exception; the data server that stores all of the historic inventory data. Per pharmacy regulations, NMC is required to keep this data on file for three (3) years, therefore, NMC would like to purchase the server which contains the data and keep the data intact to remain compliant with regulations. This amendment and its associated Order Form amendment are required by Carefusion to formally acknowledge the purchase of the server with the data stored on it.

Because the original 2010 agreement was never approved by the Board of Supervisors, NMC is requesting that the Board ratify the execution of that agreement at this time as well. The reason it was not previously approved by the Board of Supervisors is because, at that time, the county informed NMC that Board approval wouldn't be required for an equipment rental agreement.

All equipment leased under the 2010 rental agreement has been disassembled and returned to Carefusion except for the one data server which NMC would like to purchase via this amendment.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved the Amendment and the Order Form Amendment as to legal form only. The Auditor-Controller has reviewed and approved as to payment provisions. The Amendment and the Order Form Amendment have also been reviewed and approved by NMC's Finance Committee on October 27, 2016 and by its Board of Trustees on November 4, 2016.

**FINANCING:**

The cost for this Amendment is \$675.00, all of which is included in the Fiscal Year 2016-17 Adopted Budget. There is no impact to the General Fund.

Prepared by: Jason Warren, Pharmacy Director, 772-7720

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

Attachments:

Amendment to Carefusion September 13, 2010 Rental Agreement plus Amendment to Carefusion Customer Order

Carefusion Original Rental Agreement and Support Agreement signed and dated September 13, 2010

Attachments on file with the Clerk of the Board