



# Monterey County

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## Board Report

Legistar File Number: 18-489

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Current Status: Agenda Ready

Matter Type: General Agenda Item

- a. Authorize Natividad Medical Center to increase the total project cost approved by the Board of Supervisors for \$1,350,000 for the Nurse Call project by \$1,651,000, to a revised total project cost of \$3,001,000.; and
- b. Authorize utilizing Job Order Contracting to execute a Notice to Proceed for Nurse Call project.
- c. Authorize the Auditor-Controller to amend the FY 2017-18 NMC adopted budget, by transferring \$1,651,000 from Fund 451, Appropriation Unit NMC001, to NMC's Capital Strategic Reserve, Fund 404, Appropriation Unit NMC002.

### **RECOMMENDATION:**

It is recommended that the Board of Supervisors

- a. Authorize Natividad Medical Center to increase the total project cost approved by the Board of Supervisors for \$1,350,000 for the Nurse Call project by \$1,651,000, to a revised total project cost of \$3,001,000.; and
- b. Authorize utilizing Job Order Contracting to execute a Notice to Proceed for Nurse Call project.
- c. Authorize the Auditor-Controller to amend the FY 2017-18 NMC adopted budget, by transferring \$1,651,000 from Fund 451, Appropriation Unit NMC001, to NMC's Capital Strategic Reserve, Fund 404, Appropriation Unit NMC002.

### **SUMMARY/DISCUSSION:**

The original Fisher Berkley Nurse Call system was put into service in 1998 at NMC and it is still in use at NMC today. This 20-year-old system is at its end of life. Although all departments within the hospital have the same system, they are unable to interface with one another and do not have the technology to communicate with pagers or phones, the way a new system would. Further, the old system did not allow a patient to communicate directly with the nurse, rather it would call the unit clerk and they would find a nurse to communicate with the patient. Additionally, the hardware is falling apart and parts have been discontinued. This puts patients at risk, for example if a call-button fails to function and staff cannot respond. A new Nurse Call system is needed, one which is fully integrated with the hospital Cisco wireless phones, as well as alerts at the nursing stations.

The new Nurse Call system is a modernized addressable system that can interface with computer and other communication devices for fast, direct patient-to-staff and staff-to-staff communication. The nurse call system improves communication flow to increase accuracy and decrease response time, errors and wasted effort. The new system will optimize tasks and provide patient status directly to appropriate staff, all of which lead to better quality of care and increased patient safety.

The nurse call project originated as a smaller IT project at NMC in approximately 2008. NMC initiated efforts to establish a contract for a Nurse Call system by selecting from multiple reputable

Nurse Call vendors under contract per the Healthcare Group Purchasing Organization (GPO). The contracted vendors were invited to present options to the nursing stakeholders, and after analysis of functionality, as well as costs comparison, NMC selected Comtel as the Nurse Call vendor. The initial small project plan was a replacement in-kind, rather than a work of public improvement, as it merely replaced existing hardware, equipment, and cabling. On that initial project scope, it was thought that cabling work could be completed through existing conduit and that no walls would be moved and no new construction would be required. For this reason, the initial analysis of the project was that it was not subject to the requirements of the Public Contract Code. However, the original project was minor in scope and would replace the existing system maintaining patient safety and quality of care.

There have been changes at NMC primarily due to the addition of the trauma program which have impacted the scope of the original project. For example, we have reconfigured areas of the hospital to add beds on the Acute Rehabilitation Unit and the Intermediate Care Unit; services that are needed for the success of the trauma program. In addition to the added beds we also needed to add complementary staff terminal stations, which alert the staff member to respond to the patient's room or location, in the Imaging Department, Emergency Department, Operating Room, and patient rooms. These staff terminal stations will require modifications to the walls, and therefore, the project will now no longer solely be a replacement in kind using existing conduit. NMC would not be able to award a turnkey contract to Comtel because of the expanded scope. This resulted in an increase to the cost of the project of \$651,000.

Because of the expanded functionality of the Nurse Call system, the project is now subjected to the rules and regulations of the Public Contract Code, including prevailing wage requirements and public bid requirements. NMC plans to utilize Job Order Contracting (JOC) for the new Nurse Call system, including cabling work, which adds a 5% cost onto the overall budget for project management services, which is built into all JOC projects. This resulted in adding \$500,000 to the project.

NMC would like to add a contingency amount to \$500,000, as the contingency amount is variable to the construction cost (i.e. as construction cost increases so does contingency cost because contingency is a percentage of construction cost) for unforeseen conditions. This is typically necessary on a project of this nature since there may be unforeseen construction costs due to unanticipated issues within the walls or structure: contingency Therefore, the revised project cost is \$3,001,000.

Summary of changes:

1. Original approved by Board of Supervisors on March 1, 2016: \$1,350,000
2. Increase due to change in scope of project: \$651,000
3. Increase due to project being subject to Public Contract Code and bidding and prevailing wage requirements and the increase of cost: \$500,000
4. **Total revised project cost: \$2,501,000**
5. Reserve for contingency: \$500,000
6. **Total cost including contingency: \$3,001,000**

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this project as to legal form and risk provisions.

The Auditor-Controller has reviewed and approved this project as to fiscal provisions. This report

was supported by the Finance Committee on September 28, 2017, Board of Trustees on October 6, 2017, Capital Improvement Committee on February 12, 2018, and Budget Committee on March 8, 2018.

**FINANCING:**

The original approved amount for this project of \$1,350,000 (Budget ID #B16-2016-066) is included in the NMC's Capital Strategic Reserve. This increase will be transferred from NMC Enterprise Fund 451, NMC001-451-9600-8142 to NMC Capital Strategic Fund 404, NMC002-404-9600-8142.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

The new nurse call system will provide improved workflow and response to patient assistance, safety and security.

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

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