



COUNTY OF MONTEREY - BOARD OF SUPERVISORS

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File #:	A 14-198	Name:	Modular Devices Amendment #1
Type:	BoS Agreement	Status:	Consent Agenda
File created:	7/15/2014	In control:	Board of Supervisors
On agenda:	8/26/2014	Final action:	
Title:	Approve and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 1 to the Agreement (A-12530 / MYA983) with Modular Devices Inc. for Exchange of Equipment and Installation Services at NMC, adding \$295,500 for a revised total Agreement amount not to exceed \$2,452,500 in the aggregate.		
Sponsors:	Sid Cato		
Attachments:	1. Modular Devices Agreement , 2. Modular Devices Inc Spend Sheet , 3. Modular Devices Amendment #1 , 4. Completed Board Order		

[History \(0\)](#)
[Board Report](#)

Title

Approve and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 1 to the Agreement (A-12530 / MYA983) with Modular Devices Inc. for Exchange of Equipment and Installation Services at NMC, adding \$295,500 for a revised total Agreement amount not to exceed \$2,452,500 in the aggregate.

Report

RECOMMENDATION:

It is recommended the Board of Supervisors approve and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 1 to the Agreement (A-12530 / MYA983) with Modular Devices Inc. for Exchange of Equipment and Installation Services at NMC, adding \$295,500 for a revised total Agreement amount not to exceed \$2,452,500 in the aggregate.

SUMMARY/DISCUSSION:

NMC entered into a lease agreement with Modular Devices to provide a Mobile Computerized Tomography (CT) laboratory and a mobile Angiography/Interventional Radiology (IR) Laboratory services for the term August 1, 2013 through July 31, 2016. The Board of Supervisors approved the lease on July 30, 2013. The request submitted for approval is to upgrade the CT equipment.

The Modular Device Mobile Computed Tomography (CT) laboratory with a GE 16 slice CT scanner will be replaced with a new mobile unit featuring a GE 64 slice CT scanner. The new scanner captures images of a beating heart in five heartbeats, an organ in a second, and if necessary, whole body trauma in 10 seconds. Volume coverage is diagnostic power -- including the ability to routinely perform CT-angiography, in addition to rapid test for stroke and chest pain. The new scanner can scan as fast as 0.35 seconds per rotation. The higher speed scanning translates to clearer, sharper images with fewer problems caused by patient movement or motion of a beating heart. The scanner has automated a dose-reduction feature which means less exposure to radiation. Patients will benefit from faster exams and less time needed for breath-holds, which can mean less stress for the patient.

The new CT Laboratory will be exchanged with the existing CT Laboratory once a signed board order is received. There is a onetime fee of \$7,500 for transportation. This fee is included in the total dollar amount of \$295,500. There is an incremental increase to the monthly fee at the rate of \$12,000 per month.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment No. 1 as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Amendment No. 1 as to fiscal provisions. This Amendment No. 1 has also been reviewed and approved by Natividad Medical Center's Finance Committee (June 26, 2014) and Board of Trustees (July, 2014).

FINANCING:

The cost for this Amendment No. 1 is \$295,500 over two years. \$147,750 is included in the Fiscal Year 2014/2015 Adopted Budget. Amounts for remaining years of the Amendment No. 1 will be included in those budgets as appropriate. There is no impact to the General Fund.

Prepared by: Heidi Riggenbach, Interim Radiology Manager, 772-7660

Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Original Agreement, Amendment No. 1, Spend Sheet

Attachments on file with the Clerk to the Boards Office



Monterey County

Board Order

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

Agreement No.: A-12530

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

Approved and directed the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 1 to the Agreement (A-12530 / MYA983) with Modular Devices Inc. for Exchange of Equipment and Installation Services at NMC, adding \$295,500 for a revised total Agreement amount not to exceed \$2,452,500 in the aggregate.

PASSED AND ADOPTED on this 26th day of August 2014, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, 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 77 for the meeting on August 26, 2014.

Dated: August 26, 2014
File Number: A 14-098

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

**AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN Modular Devices Inc. AND
THE NATIVIDAD MEDICAL CENTER
FOR
Exchange of Equipment and Services**

This Amendment No. 1 to Professional Services Agreement ("Agreement"), dated August 1, 2013 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Modular Devices Inc. (Contractor), with respect to the following:

RECITALS

WHEREAS, the County and Contractor wish to amend the Agreement to exchange equipment and add additional services requested by County; and

WHEREAS, the County and Contractor wish to amend the Agreement to increase the amount of the Agreement by \$295,500 because of the amount payable for the equipment exchange and services rendered.

AGREEMENT

NOW, THEREFORE, the parties agree to amend the Agreement as follows:

1. Amendment-No. 1 to Proposal "A"; Equipment Lease Agreement attached to this Amendment, is hereby incorporated into Proposal "A". All references in the Agreement to Proposal "A" shall be construed to refer to Amendment- No 1 to Proposal "A"; Equipment Lease Agreement.
2. Section 1. "PAYMENTS BY NMC" shall be amended by removing, "*The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$2,157,000.*" and replacing it with "*The total amount payable by County to CONTRACTOR under Agreement No. (A-12530 / MYA983) shall not exceed the total sum of \$2,452,500 for the full term of the Agreement*".
3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment and shall continue in full force and effect as set forth in the Agreement.
4. A copy of this Amendment shall be attached to the original Agreement (No.A-12530 / MYA983).
5. The effective date of this Amendment is August 1, 2014.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

Natividad Medical Center

By: _____

Sid Cato, NMC Contracts Manager

Date: _____

By: _____

Harry Weis, NMC Chief Executive Officer

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: _____

Anne Brereton, Deputy County Counsel

Date: _____

APPROVED AS TO FISCAL PROVISIONS

By: _____

Gary Giboney
Monterey County Auditor/Controller's Office

Date: _____

Contractor

MODULAR DEVICES INC.

Contractor's Business Name*** (see instructions)

Signature of Chair, President, or Vice-President

WILLIAM R. MINK, PRESIDENT
Name and Title

Date: _____

By: _____

(Signature of Secretary, Asst. Secretary, CFO,
Treasurer or Asst. Treasurer)

GREG S. MINK, C.D.O.
Name and Title

Date: _____

***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 and individual capacity, the individual shall set forth the name of the

Amendment -No 1 to Proposal "A"; Equipment Lease Agreement
**FIRST AMENDMENT TO THE MOBILE CT LAB AGREEMENT BETWEEN MODULAR
DEVICES INC. AND THE COUNTY OF MONTEREY**

This First Amendment to the Agreement ("Amendment") between **Modular Devices Inc.** and **the County of Monterey** is dated effective as of the date fully executed by both parties, and is entered into by and between **Modular Devices Inc. ("Lessor")** and **the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Lessee")**. Lessor and Lessee entered into the original Agreement dated effective July 3, 2013.

Lessor and Lessee now desire to amend the terms of the Agreement as more particularly set forth below:

1. Section 1 entitled "LEASE" is hereby revised to read in its entirety:

LEASE - Lessor agrees to lease to Lessee, and Lessee agrees to hire from Lessor, one (1) Mobile 64-Slice CT Laboratory, in an 8-foot by 48-foot shell, hereinafter called "Equipment" which is also more particularly described in EXHIBIT "A" attached hereto and by reference made a part hereof. Site preparation and installation requirements are the responsibility of Lessee, and shall include but not be limited to those items listed in a SITE REQUIREMENTS, which is more particularly described in EXHIBIT "B", page attached hereto and made a part of this Agreement.

Exhibits "A" and "B" are attached and are updated to include details on the Mobile 64-Slice CT Lab.

2. Section 2 entitled "TERM" contains the following revisions:

TERM – the term of this Lease shall continue to be for three (3) years ("Original Term").

The estimated Equipment delivery date for the Mobile 64-Slice CT Lab will be on or about a date TBD – contingent upon approval.

Upon the execution of this Amendment, Lessee shall have paid to Lessor the prepaid transportation charges of \$7,500.00 along with delivery of the Amendment, which has been executed by Lessee.

3. Section 3 entitled "RENT" is hereby revised to read in its entirety:

Amendment -No 1 to Proposal "A"; Equipment Lease Agreement
**FIRST AMENDMENT TO THE MOBILE CT LAB AGREEMENT BETWEEN MODULAR
DEVICES INC. AND THE COUNTY OF MONTEREY**

RENT - Rental for the Equipment will be paid in monthly rental payments of \$40,000.00. This rental rate will begin upon delivery ("Commencement Date") of the Mobile 64-Slice CT Lab.

4. Section 4 "TRANSPORTATION EXPENSE" is hereby revised to read in its entirety:

TRANSPORT EXPENSE - Lessee shall be responsible for prepaying transportation charges in the amount of \$7,500.00 to transport the Equipment to Lessee.

5. This Amendment embodies the entire agreement between Modular Devices Inc. and the County of Monterey with respect to the Amendment to the Agreement. In the event of any conflict or inconsistency between the provisions of the Agreement and this Amendment, the provisions of this Amendment shall control and govern.
6. Except as specifically modified and amended herein, all of the terms, provisions, requirements and specifications contained in the Agreement remain in full force and effect. Except as otherwise expressly provided herein, the parties do not intend to, and the execution of this Amendment shall not, in any manner impair the Agreement, the purpose of this Amendment being simply to amend and ratify the Agreement, as hereby amended and ratified, and to confirm and carry forward the Agreement, as hereby amended, in full force and effect.
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Amendment -No 1 to Proposal "A"; Equipment Lease Agreement
**FIRST AMENDMENT TO THE MOBILE CT LAB AGREEMENT BETWEEN MODULAR
DEVICES INC. AND THE COUNTY OF MONTEREY**

IN WITNESS WHEREOF, the parties hereto have duly executed this First Amendment to Agreement as of the dates set forth below. For all purposes hereof, the date of the Agreement shall be the date of the Lessor's acceptance as set forth below.

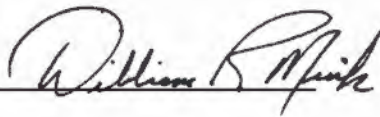
ACCEPTED BY:

LESSOR:
MODULAR DEVICES, INC.

6678 Guion Road
Indianapolis, Indiana 46268

LESSEE:
**The County of Monterey, a political
subdivision of the State of California, on
behalf of Natividad Medical Center**
1441 Constitution Blvd.
Salinas, CA, 93906

BY: _____



Printed
NAME: William R. Mink

TITLE: President

DATE: 6-19-2014

BY: _____



Printed
NAME: Henry Weiss

TITLE: CEO

DATE: 5/8/14