



# Monterey County

**Item No.**

## Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

**Legistar File Number: A 20-354**

**September 15, 2020**

**Introduced:** 8/26/2020

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Agreement

- a. Ratify the execution by the Director of Health, of two (2) Equipment and Software Service Agreements (“Agreements”) with Esaote North America, signed in connection with the purchase of extended services warranty for two (2) ultrasound machines in Monterey County Health Department, Clinic Services Bureau’s Laurel Family Practice clinic with retroactive effective dates of June 24, 2020 to June 23, 2025 and total cost of \$18,750 for ultrasound machine serial number #619; and effective date of June 22, 2020 to June 21, 2025 and total cost of \$18,750 for ultrasound machine serial number #620, for a total aggregate cost of \$37,500 for both Agreements; and
- b. Approve the recommendation of Director of Health to accept all non-standard provisions in Agreement, including indemnification; and
- c. Authorize the Director of Health or Assistant Director of Health or their designees to sign up to three (3) future amendments to the Agreements where the amendments do not significantly change the scope of work.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Ratify the execution by the Director of Health, of two (2) Equipment and Software Service Agreements (“Agreements”) with Esaote North America, signed in connection with the purchase of extended services warranty for two (2) ultrasound machines in Monterey County Health Department, Clinic Services Bureau’s Laurel Family Practice clinic with retroactive effective dates of June 24, 2020 to June 23, 2025 and total cost of \$18,750 for ultrasound machine serial number #619; and effective date of June 22, 2020 to June 21, 2025 and total cost of \$18,750 for ultrasound machine serial number #620, for a total aggregate cost of \$37,500 for both Agreements; and
- b. Approve the recommendation of Director of Health to accept all non-standard provisions in Agreement, including indemnification; and
- c. Authorize the Director of Health or Assistant Director of Health or their designees to sign up to three (3) future amendments to the Agreements where the amendments do not significantly change the scope of work.

### SUMMARY/DISCUSSION:

The Health Department Clinic Services Bureau (Clinic Services) operates ten community clinic sites designated as Federally Qualified Health Centers (FQHCs) which provide preventive, primary, and specialty medical care services.

Esaote North America is one of the world’s largest leading producers of medical diagnostic systems. Clinic Services first purchased two Esaote MyLabGamma model ultrasound machines in 2015 for patient diagnostic testing, including women’s obstetric ultrasound imaging, in the Laurel Family Practice

clinic. The purchase was initially made using Central California Alliance for Health equipment grant as a fixed asset purchase under Clinic Services' product distributor account McKesson, which included an extended services warranty. Now that the original purchase warranty has expired, a separate agreement to continue extended warranty services for the existing machines is required directly with Esaote.

Agreements have identical Terms and Conditions with the difference of unique machine serial numbers per agreement. Ratification of the execution of the Agreements will allow extended warranty coverage to continue for the ultrasound machine's parts repairs, loaners and replacements for the ultrasound machines, technical support, remote diagnostics and software updates. To avoid a gap in covered services, Clinic Services requested execution of the Agreements by the Director of Health for the retroactive dates after successfully negotiating terms to include county insurance, mutual indemnification, and payment terms.

This work supports the Monterey County Health Department 2018-2022 Strategic Plan Initiatives: 2. Enhance community health and safety through prevention. It also supports one or more of the ten essential public health services, specifically: 2. Diagnose and investigate health problems and health hazards in the community.

#### OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed as to form.

#### FINANCING:

The annual cost of the agreements to purchase extended service warranty for two ultrasound machines is \$3,750 per unit and \$7,500 for two agreements. The Agreement will be funded by direct service revenues, such as payments from Medi-Cal and Medicare. Sufficient funds are available in the FY 2020-2021 Adopted Budget for Clinic Services Bureau, Health Department (4000-HEA007). There is no financial impact to the General Fund resulting from approval of this Placement Agreement.

#### BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

##### ☐Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

##### ☐Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

##### ☒Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

##### ☐Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for

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County residents and supports economic development results.

☐Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Prisca Segovia, Management Analyst II, 755-4939

Approved by:

DocuSigned by:



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Date: 9/1/2020 | 12:01 PM PDT

Elsa Jimenez, Director of Health, 755-4526

Attachment:

Equipment and Software Service Agreements are on file with Clerk of the Board