



Legislation Details (With Board Report)

File #: A 20-125 **Name:** Amendment No. 1 to Equipment Lease Agreement with Modular Devices Inc.

Type: BoS Agreement **Status:** Passed - Natividad Medical Center

File created: 5/8/2020 **In control:** Board of Supervisors

On agenda: 6/9/2020 **Final action:** 6/9/2020

Title: a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-14062) with Modular Devices, Inc. for the lease of a mobile computerized tomography (CT) unit, a mobile angiography/interventional radiology lab (IR) unit, and a mobile magnetic resonance imaging (MRI) unit at NMC, extending the agreement an additional eleven (11) month period (August 1, 2020 through June 30, 2021) for a revised full agreement term of August 1, 2018 through June 30, 2021, and adding \$917,000 for a revised total agreement amount not to exceed \$3,785,000.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Modular Devices Inc. Amendment No.1, 3. Modular Devices Inc. Agreement, 4. Item No. 15 Completed Board Order

Date	Ver.	Action By	Action	Result
6/9/2020	1	Board of Supervisors		

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RECOMMENDATION:

It is recommended the Board of Supervisors:

a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-14062) with Modular Devices, Inc. for the lease of a mobile computerized tomography (CT) unit, a mobile angiography/interventional radiology lab (IR) unit, and a mobile magnetic resonance imaging (MRI) unit at NMC, extending the agreement an additional eleven (11) month period (August 1, 2020 through June 30, 2021) for a revised full agreement term of August 1, 2018 through June 30, 2021, and adding \$917,000 for a revised total agreement amount not to exceed \$3,785,000.

SUMMARY/DISCUSSION:

NMC entered into a lease agreement with Modular Devices back in 2013 to provide a Mobile Computerized Tomography (CT) laboratory, a mobile Angiography/ interventional Radiology (IR) Laboratory services and a Magnetic Resonance Imaging (MRI) mobile unit to enhance the imaging capabilities in the Diagnostic Imaging Department. The MRI and CT units currently housed internally are more than 10 years old. Each mobile unit offers a better scanner than our current in house scanners.

NMC began construction in the main Radiology department in October 2018. The department must remain operational during the construction project. Natividad needs the mobile trailers to be able to offer full radiology services during the construction process. As each phase of construction is completed and the new equipment is approved for use by a regulatory agency, the mobile units will be phased out.

The cost of the agreement is broken down into the following equipment leases: the monthly lease for the Mobile CT is \$40,000 or \$480,000 annually; the monthly lease for the Mobile Angiography is \$31,500 or \$378,000 annually; and the monthly lease for the Mobile MRI is \$48,000 or \$576,000 annually.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this amendment No. 1 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. This amendment No. 1 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on May 8, 2020.

FINANCING:

The cost for this amendment No. 1 is \$917,000, which is included in the Fiscal Year 2020-21 Recommended Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement will support the County strategic initiative for Health and Human Services by offering advanced radiology procedures (MRI, CT and IR) to the residents of Monterey County while the Radiology Department is undergoing construction. These mobile trailers will ensure that services are not interrupted during the construction project.

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

Prepared by: Daisha Marsh, Diagnostic Imaging Manager, 772-7616
Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Modular Devices Inc. Amendment No. 1
Modular Devices Inc. Agreement

Attachments on file with the Clerk of the Board