



County of Monterey

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

Board Report

File #: A 23-299, **Version:** 1

Adopt a Resolution which modifies the delegation of purchasing authority for Natividad Medical Center to increase the Chief Executive Officer authority to sign service agreements where the aggregate cost does not exceed \$200,000, consistent with Monterey County Ordinance No. 5394.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Adopt a Resolution which modifies the delegation of purchasing authority for Natividad Medical Center to increase the Chief Executive Officer authority to sign service agreements where the aggregate cost does not exceed \$200,000, consistent with Monterey County Ordinance No. 5394.

SUMMARY/DISCUSSION:

California Government Code Sections 25500-25509 authorized the Board of Supervisors to employ a Purchasing Agent and such assistants as are necessary to properly fulfill the duties of the position. Effective in 2019, California Government Code Section 25502.5 amendment permits counties having a population of 200,000 or more for the County's Board of Supervisors; a) to authorize the purchasing agent to engage independent contractors to perform services for the County or County Officers, with or without furnishing materials, when the annual aggregate cost does not exceed two hundred thousand dollars (\$200,000); and; b) to establish rules and regulations to effectuate the purpose of this section.

On May 15, 2007, the Board of Supervisors approved to amend Paragraph F of Section 2.32.030 of the Monterey County Code to increase the signature authority of the Purchasing Agent to engage independent contractors to perform services for the County and the offices thereof, with or without the furnishing of material, where the aggregate cost does not exceed one hundred thousand dollars (\$100,000.00). In October of 2007 the Board of Supervisors also approved a Memorandum of Understanding between the Monterey County Administrative Officer and the Chief Executive Officer of Natividad Medical Center Regarding the Delegation of Purchasing Activities and Responsibilities, in which the County Administrative Officer delegated purchasing functions to Natividad Medical Center Chief Executive Officer for the hospital specifically. The signing threshold within that Delegation of Authority MOU was consistent with the County's at the time at up to one hundred thousand dollars (\$100,000) per service agreement.

On December 13, 2022, the Board of Supervisors approved Monterey County Ordinance No. 5394 which increased the aggregate amount of signature authority for the Purchasing Agent on service agreements where the aggregate cost does not exceed two hundred thousand dollars (\$200,000).

The County Administrative Officer and Natividad are recommending the Board Adopt a Resolution that will increase the signing authority for Natividad Medical Center Chief Executive Officer on its service agreements where the aggregate cost does not exceed two hundred thousand dollars (\$200,000), consistent with Monterey County Ordinance No. 5394.

OTHER AGENCY INVOLVEMENT:

The County Administrative Officer concurs with this recommendation. The Office of County Counsel has reviewed and approved this recommendation. This recommendation has been approved by Natividad's Finance Committee and Board of Trustees on June 9, 2023.

FINANCING:

This recommendation has no financial impact not otherwise incurred by Natividad Medical Center.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This recommendation increases Natividad Medical Center ability to provide for greater efficiency and effectiveness in responding to the hospital's unique purchasing needs while remaining compliant with applicable federal, state and local laws.

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

Prepared by: Kristen Aldrich, Hospital Purchasing and Materials Support Director, 783-2627

Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:

Resolution to modify delegation of purchasing functions

Memorandum of Understanding between the County Administrative Officer and the Chief Executive Officer of Natividad Medical Center Regarding Delegation of Purchasing

Board Order approving Monterey County Ordinance No. 5394

Attachments on file with the Clerk of the Board