



# County of Monterey

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

## Board Report

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**File #:** A 17-032, **Version:** 1

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- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Amendment No. 2 to the agreement with Pacific Medical, Inc. for durable medical equipment (DME) with orthotics and prosthetics fitting services, extending the agreement an additional three (3) year period (May 1, 2017 through April 30, 2020) for a revised full agreement term of May 1, 2015 through April 30, 2020, and adding \$225,000 for a revised total agreement amount not to exceed \$325,000.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$10,000) of the original cost of the agreement per each amendment.

### **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. 2 to the agreement with Pacific Medical, Inc. for durable medical equipment (DME) with orthotics and prosthetics fitting services, extending the agreement an additional three (3) year period (May 1, 2017 through April 30, 2020) for a revised full agreement term of May 1, 2015 through April 30, 2020, and adding \$225,000 for a revised total agreement amount not to exceed \$325,000.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$10,000) of the original cost of the agreement per each amendment.

### **SUMMARY/DISCUSSION:**

NMC routinely requires durable medical equipment (“DME”) and orthotics and prosthetics (O&P) with fitting services for its patients. In order to maintain consistent quality and improve cost effectiveness, NMC established an agreement with Pacific Medical in 2015 so it could simplify its processes for obtaining and dispensing DME products & services through one single vendor. Pacific Medical maintains facilities near the NMC campus in Salinas and is able to provide products & services to NMC’s patients regularly and promptly. Pacific Medical provides services to NMC on-call 24 hours a day for 7 days a week due to trauma center patient needs.

Pacific Medical manufactures much of its own equipment as well and is able to provide heavily discounted pricing for NMC and its patients:

### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this amendment No. 2 as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 2 has also been reviewed and approved by NMC’s Finance Committee on January 26, 2017 and by its Board of Trustees on February 3, 2017.

### **FINANCING:**

The cost for this amendment No.2 is \$225,000 of which \$60,000 is included in the Fiscal Year 2016-17 Adopted Budget. Amounts for remaining years of the agreement will be in those budgets as appropriate. There is no impact to the General Fund.

Prepared by: Roy Creamier, Director of Materials Management, 783-2621

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Amendment No. 2 to Agreement with Pacific Medical, Inc.

Amendment No. 1 to Agreement with Pacific Medical, Inc.

Original Agreement with Pacific Medical, Inc.

Spend Sheet

Attachments on file with the Clerk of the Board