



Board Report

File #: A 18-474, Version: 1

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Quotations #1FWKEGS, #1-FWJ9PU, #1-FVNNFJ, #1-FWJTL1, #1-FWH0E9, and #1-FVSZAS totaling \$483,855 for installation and training services associated with the new radiology equipment for the Natividad Radiology Modernization Project.
- b. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Proposal #1-O73OSY for the purchase of the extended 5-year warranties totaling \$2,421,060 (\$605,265 annually for four years) associated with the new radiology equipment for the Natividad Radiology Modernization Project.

RECOMMENDATION:

It is recommended the Board of Supervisors:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Quotations #1FWKEGS, #1-FWJ9PU, #1-FVNNFJ, #1-FWJTL1, #1-FWH0E9, and #1-FVSZAS totaling \$483,855 for installation and training services associated with the new radiology equipment for the Natividad Radiology Modernization Project.
- b. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Proposal #1-O73OSY for the purchase of the extended 5-year warranties totaling \$2,421,060 (\$605,265 annually for four years) associated with the new radiology equipment for the Natividad Radiology Modernization Project.

SUMMARY/DISCUSSION:

Natividad began working on the Radiology Modernization project three years ago. The equipment was added as a capital project and selected with binding quotes in 2016. Due to the complexity of remodeling an imaging department, equipment must be selected before the architects work with the vendors for equipment-specific plans. These plans are submitted to the Office of Statewide Health Planning and Development (OSHPD) for approval awarding the project. Once the plans were approved by the State, the process for awarding the project to a construction company occurred.

On July 10, 2018, the Board of Supervisors awarded the Radiology Modernization project to Otto Construction. Siemens was selected as the vendor for all the new equipment. Included in the Radiology Modernization project is installation of a new 3.0 Magnetic Resonance Imaging (MRI), 2 new Computed Topography (CT) scanners, new nuclear medicine equipment, and new Interventional Radiology equipment with a hemodynamic monitoring system. This contract includes installation, training, and ongoing maintenance for each new piece of equipment.

The construction project is predicted to be a two-year project. The project has 4 phases. In the first phase, construction will be getting small spaces ready for new purposes during the construction. The second phase will remodeling the current vacant space for the new equipment. The second phase includes the installation of the MRI, Nuclear Medicine, and Interventional Radiology equipment. The third phase will be installing one new CT scanner. The fourth phase is installing the second new CT scanner and expanding the ultrasound equipment.

The equipment, including installation and training services, are being purchased under the MedAssets/Vizient Group Purchasing Organization (GPO). The extended warranty for maintenance and repairs is being purchased outside the GPO. Natividad believes it is in its best interest to have the manufacturer provide ongoing maintenance during and after the initial warranty period because delays are often experienced when using a third party. Also, Siemens is certain to have on staff qualified technicians for repairs at any given time.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this request and the Auditor-Controller has reviewed and approved as to payment provisions. This request has also been reviewed and approved by NMC's Finance Committee on November 29, 2018 and by its Board of Trustees on December 3, 2018.

FINANCING:

The cost for this request is \$2,904,915, of which \$1,049,081 has been included in the Fiscal Year 2018-19 Adopted Budget. Amounts for the remaining balance will be included in future years' budgets as appropriate.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement with Siemens meets the County initiatives in the Health and Human Services area by providing safe imaging utilizing new equipment which offers reduced doses of radiation to the patrons of Monterey County. This request also includes the ongoing maintenance component to ensure all safety checks are completed and the equipment is kept safe and functional.

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

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

Attachments:

Siemens Installation & Training Quotation #1FWKEGS
Siemens Installation & Training Quotation #1-FWJ9PU
Siemens Installation & Training Quotation #1-FVNNFJ
Siemens Installation & Training Quotation #1-FWJTL1
Siemens Installation & Training Quotation #1-FVSZAS
Siemens Installation & Training Quotation #1-FWH0E9
Siemens Extended Warranties Proposal #1-O73OSY

Attachments on file with the Clerk of the Board