



County of Monterey

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

Board Report

File #: A 17-364, **Version:** 1

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute Amendment No. 1 to the agreement with San Jose Boiler Works, Inc. for preventative maintenance and repair services for steam, domestic water and heating boilers, extending the agreement an additional three (3) year period (October 1, 2017 through September 30, 2020) for a revised full agreement term of July 1, 2015 through September 30, 2020, and adding \$420,000 for a revised total agreement amount not to exceed \$486,428.75.
- 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%) (\$6,640) 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. 1 to the agreement with San Jose Boiler Works, Inc. for preventative maintenance and repair services for steam, domestic water and heating boilers, extending the agreement an additional three (3) year period (October 1, 2017 through September 30, 2020) for a revised full agreement term of July 1, 2015 through September 30, 2020, and adding \$420,000 for a revised total agreement amount not to exceed \$486,428.75.
- 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%) (\$6,640) of the original cost of the agreement per each amendment.

SUMMARY/DISCUSSION:

Natividad Medical Center desires to continue its relationship with San Jose Boiler Works, Inc. as its vendor to perform scheduled maintenance and make as needed repairs for its boilers. The hospital uses boilers for heating water for supply air (heat) and heating domestic hot water for handwashing, showering, and washing dishes. Just like you perform scheduled maintenance on your vehicle in order to keep it running optimally, the hospital must also perform scheduled maintenance on the boiler systems to preserve its life expectancy. The American Society of Healthcare Engineers (ASHE) has developed maintenance schedules for all engineering equipment within a hospital setting. The Joint Commission has adopted ASHE's standards and requires hospitals to be compliant with such standards.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this amendment No. 1 as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 1 has also been reviewed and approved by NMC's Finance Committee on July 27, 2017 and by its Board of Trustees on August 4, 2017.

FINANCING:

The cost for this amendment No. 1 is \$420,000 of which \$105,000 is included in the Fiscal Year 2017-18 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement allows for needed improvements to the hospital's physical infrastructure. These improvements ensure that NMC maintains itself as a first rate medical facility which, in turn, enables NMC staff to provide quality medical care that leads to an improved quality of life for its patients and their families.

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

Prepared by: Jeffrey Cleek, Director of Engineering and Safety, 783-2614

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

Attachments:

- San Jose Boiler Works Inc. Amendment 1
- San Jose Boiler Works Inc. Agreement
- San Jose Boiler Works Inc. Spend Sheet

Attachments on file with the Clerk of the Board