



County of Monterey

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

Board Report

File #: A 16-139, Version: 1

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Second Amendment to the Professional and Call Coverage Services Agreement (A-12445) with Salinas Valley Radiologists Inc. to provide radiology services at NMC, extending the term by twenty-four months, for the revised term of May 1, 2013 to June 30, 2018 and adding \$1,500,000 for revised not to exceed amount of \$3,167,000; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) amendments to this Agreement where the total amendments do not extend the term by more than twelve (12) months, do not exceed 10% (\$68,700) of the original contract amount, and do not significantly change the scope of work.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute the Second Amendment to the Professional and Call Coverage Services Agreement (A-12445) with Salinas Valley Radiologists Inc. to provide radiology services at NMC, extending the term by twenty-four months, for the revised term of May 1, 2013 to June 30, 2018 and adding \$1,500,000 for revised not to exceed amount of \$3,167,000; and
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) amendments to this Agreement where the total amendments do not extend the term by more than twelve (12) months, do not exceed 10% (\$68,700) of the original contract amount, and do not significantly change the scope of work.

SUMMARY/DISCUSSION:

NMC has an Agreement with Salinas Valley Radiologists, Inc. to provide 24 hours per day, 7 days per week radiology call coverage, diagnostic imaging services, interventional radiology services and a radiology physician to serve as service director of the Radiology Department. The Agreement was amended on October 1, 2014 to include interventional radiology services required for Level II Trauma Centers.

NMC would like to amend the Agreement to extend the term by twenty-four months to continue the services critical to NMC's operation without interruption. NMC has obtained an independent opinion of fair market value supporting the payment terms of this Agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad Medical Center's Finance Committee on April 28, 2016 and Board of Trustees on May 6, 2016.

FINANCING:

The cost of this Amendment is \$1,500,000. The total not to exceed amount of this Agreement is \$3,167,000 for the period May 1, 2013 to June 30, 2018. \$16,583.33 was disbursed Fiscal Year 2012/2013 (one month); \$199,000 was disbursed in Fiscal Year 2013/2014 (before interventional radiology for trauma services); \$612,547 was disbursed in Fiscal Year 2014/2015; \$500,264 was disbursed in Fiscal Year 2015/2016 (YTD);

\$750,000 is included in the Fiscal Year 2016/2017 Recommended Budget; and the remaining \$750,000 will be budgeted in Fiscal Year 2017/2018. There is no impact to the General Fund.

Prepared by: Jeanne-Ann Balza, Management Analyst, 783.2506
Approved by: Gary Gray D.O., Chief Executive Officer, 783.2553

Attachments: First-Second Amendments; Agreement

Attachments on file at the Clerk of the Board