



County of Monterey

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

Board Report

File #: A 14-225, **Version:** 1

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 1 to the Agreement (MYA837) with Southland Industries for Annual Chiller Services and Repairs Services at NMC, extending the Agreement from March 1, 2013 to June 30, 2015 and adding \$40,000 for a revised total Agreement amount not to exceed \$140,000.

RECOMMENDATION:

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 1 to the Agreement (MYA837) with Southland Industries for Annual Chiller Services and Repairs Services at NMC, extending the Agreement from March 1, 2013 to June 30, 2015 and adding \$40,000 for a revised total Agreement amount not to exceed \$140,000.

SUMMARY/DISCUSSION:

Southland Industries specializes in preventive maintenance and repair service on Heating, Ventilation and Air Conditioning (HVAC) systems. Southland Industries possesses expertise on the more complex HVAC components such as boilers, chillers, cooling towers, building controls, and variable frequency drives (VFD's) as well as medical air compressors and medical vacuum pumps. These systems and components are vital to patient care at NMC and are regulated and audited by the Joint Commission for the Accreditation of Healthcare and the state of California through Title 22 and 24. The HVAC systems are also vital to supporting equipment and processes in the Laboratory, Radiology, and the Pharmacy.

On March 1, 2013 NMC entered into an agreement with Southland Industries. The term of the agreement is currently from March 1, 2013 until June 30, 2014. NMC and Southland Industries wish to extend the term of the agreement for an additional year through to June 30, 2015 so as to allow for continued services as needed. The current amount of the agreement is for \$100,000. During Fiscal Year (FY) 13/14 NMC utilized Southland Industries' services in the amount of approximately \$70,000. Because NMC forecasts that its service needs will be similar or the same during FY 14/15 both parties wish to add an additional \$40,000 to the agreement for a revised total agreement amount not to exceed \$140,000.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Renewal and Amendment No. 1 as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Renewal and Amendment No. 1 as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad Medical Center's Finance Committee 5.29.14 and Board of Trustees 6.6.2014.

FINANCING:

The cost for this Renewal and Amendment No. 1 is \$40,000 for a revised total Agreement amount not to exceed \$140,000. With the added \$40,000 the balance remaining to spend on the agreement is \$69,643 which is included in the

Fiscal Year 2014/2015 Recommended Budget. There is no impact to the General Fund.

Prepared by: Andrea Rosenberg Asst. Administrator of Operations and Support Services 783-2562

Approved by: Dr. Kelly O'Keefe, Interim Chief Executive Officer, 783-2553

Attachments: Renewal and Amendment No. 1, Original Agreement, and Spend Sheet.

Attachments on file with the Clerk of the Boards Office.