



## Board Report

---

**File #:** A 20-431, **Version:** 1

---

- a. Ratify execution by the Chief Executive Officer (“CEO”) of Natividad Medical Center (“NMC”) of an emergency agreement dated March 1, 2020 with Johnson Electronics Systems Inc. to authorize emergency work installing proximity badge readers at back and side entrances into Natividad and to also perform cabling work in newly designated patient overflow areas to accommodate patient monitors due to Covid-19, for a total amount not to exceed \$65,000; agreement contains no insurance and indemnification provisions.
- b. Ratify execution by the CEO of NMC an emergency agreement dated April 15, 2020 with Core Surveillance to authorize emergency work installing security camera equipment into certain emergency department rooms recently converted for possible Covid-19 patients seen in the emergency department, in an amount not to exceed \$40,397.
- c. Ratify the CEO of NMC’s approval of non-standard terms and conditions dated June 16, 2020 associated with the purchase of Qiagen QIAstat respiratory lab testing equipment from Qiagen Inc., Quote Number 200616US01196609AM; maintenance and repair services terms and conditions contain non-standard indemnification, insurance, and liability clauses.
- d. Ratify execution by the CEO of NMC a Laboratory Services Agreement for COVID 19 Testing with Bio-reference Laboratories Inc. for COVID-19 testing services at NMC for an amount not to exceed \$100,000 with an agreement term April 23, 2020 through April 22, 2021, agreement includes non-standard indemnification, insurance, limitations on liability, and limitations on damages provisions within the agreement.

### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

- a. Ratify execution by the Chief Executive Officer (“CEO”) of Natividad Medical Center (“NMC”) of an emergency agreement dated March 1, 2020 with Johnson Electronics Systems Inc. to authorize emergency work installing proximity badge readers at back and side entrances into Natividad and to also perform cabling work in newly designated patient overflow areas to accommodate patient monitors due to Covid-19, for a total amount not to exceed \$65,000; agreement contains no insurance and indemnification provisions.
- b. Ratify execution by the CEO of NMC an emergency agreement dated April 15, 2020 with Core Surveillance to authorize emergency work installing security camera equipment into certain emergency department rooms recently converted for possible Covid-19 patients seen in the emergency department, in an amount not to exceed \$40,397.
- c. Ratify the CEO of NMC’s approval of non-standard terms and conditions dated June 16, 2020 associated with the purchase of Qiagen QIAstat respiratory lab testing equipment from Qiagen Inc., Quote Number 200616US01196609AM; maintenance and repair services terms and conditions contain non-standard indemnification, insurance, and liability clauses.
- d. Ratify execution by the CEO of NMC a Laboratory Services Agreement for COVID 19 Testing with Bio-reference Laboratories Inc. for COVID-19 testing services at NMC for an amount not to exceed \$100,000 with an agreement term April 23, 2020 through April 22, 2021, agreement includes non-standard indemnification, insurance, limitations on liability, and limitations on damages provisions within the agreement.

### **SUMMARY/DISCUSSION:**

At the onset of the Covid-19 pandemic Natividad was faced with many new challenges such as to how to best protect its staff and the non-Covid patients while seeing and treating potential Covid patients. Many solutions were implemented thoughtfully but rapidly as necessary and one such solution included screening everyone who wanting to enter the hospital. In order to be able to do this, a clinical staff person was stationed at the main entrances into the hospital to ask folks coming in certain screening questions. Everyone was given a face mask and then sent to the appropriate locations depending on their responses. Natividad could not pull enough clinical people off the units to man all of the entrances into the hospital so only the three most used entrances were manned. Several back and side doors into the hospital that typically remain open for employees were identified as risks because a visitor or new patient

could use those entrances to gain access easily without being screened, so it was determined those entrances should be locked continuously. To allow employees to continue to enter and exit through these doors would require proximity badge readers. Most of the hospital entrance doors already had prox badge readers but some did not. Natividad contacted Johnson Electronics Systems Inc., a local electrical company, to come and install prox badge readers where necessary in order to secure the building as quickly as possible.

Another challenge Natividad faced was how to prepare for large volumes of patients that could potentially fill its ICU, MedSurge units and Isolation units. Overflow areas were established and in order to accommodate all types of patients in these overflow areas certain amenities needed to be in place. The ability to accommodate the Philips patient monitors was one such necessity. Certain overflow areas needed cabling work done in order to accommodate the monitors which are a vital component used when treating patients.

The prox badge installation cost approximately \$10,200, and the cabling work cost approximately \$39,765. Both of these emergency jobs exceed the stated \$4,000 per project cost within the existing county-wide agreement for electrical services which is capped due to the public bid laws pertaining to works of public improvement. Because of this Natividad executed an emergency agreement with Johnson Electronics which included reference to Publics Works requirements such as prevailing wages, and the jobs were both completed swiftly and successfully. Under an emergency proclamation, emergency work deemed critical to protect the health and safety of individuals is allowed by law and by county code. For the sake of transparency Natividad is asking the Board to ratify the emergency agreement associated with these two emergency jobs performed by Johnson Electronics.

Another challenge Natividad faced was how to convert the emergency department which was anticipated to take the brunt of Covid-19. Existing rooms there were converted into negative pressure rooms to facilitate better protection for emergency room workers who would see large volumes of potential Covid-19 patients. Part of this process included building a second layer of containment walls directly outside the converted rooms. The materials used to create this second wall layer prevented visibility directly into the room. In order for staff to safely monitor patients within those rooms, especially mental health patients, it was deemed necessary to install security cameras in those rooms. Core Surveillance, a local vendor who had worked on Natividad's security camera system previously, was called in to execute an emergency agreement which contained the prevailing wage requirements, and asked to perform the work promptly. For the sake of transparency Natividad is asking the Board to ratify this emergency agreement also.

The newly purchased Qiagen respiratory lab testing equipment from Qiagen Inc. enables Natividad to perform respiratory lab tests, covering 21 different respiratory tests, including Covid-19, with a single panel covering 21 different tests. Part of the purchase of the equipment included a services component for maintenance/repair of the equipment, and the quote contained wording associated with this services component which contained non-standard terms and conditions. Although there was no service agreement to execute, issuance of the purchase order indicated Natividad's approval of the service terms and conditions, therefore, Natividad is requesting that the Board Ratify the decision to purchase the lab testing equipment with the non-standard risk provisions on the maintenance portion of the purchase.

Bio-reference Laboratories Inc. (BRL) is a reference laboratory operating in Campbell, CA, which, in April of 2020 had the onsite equipment for high-throughput, high sensitivity COVID testing. Natividad did not have a consistent supply of in-house tests, and the default reference lab, Quest Diagnostics, was overwhelmed with COVID testing at the time, resulting in greater than 10 day TAT (turn-around times). Natividad needed to diversify its testing options, both in-house and with reference labs. BRL was able to offer 24-72 hour TATs to put test results more in line with clinical decision-making, and the other hospitals seemed unaware of BRL's capabilities. BRL offered courier service at no charge, and furnished Natividad with collection kits. Further, the \$100 charge for testing was reasonable, considering the charge for Stanford's reference lab COVID testing was \$340.00. Natividad did not require the consistent services of BRL, but having that option allowed Natividad to pivot quickly from Quest when needed, and offer the best TAT for patients. Natividad continues to retain BRL as a testing option in preparation for respiratory/flu season.

#### **OTHER AGENCY INVOLVEMENT:**

The Office of County Counsel has reviewed these requests as has the Auditor-Controller. These requests have also been reviewed and approved by NMC's Finance Committee on October 9, 2020 and by its Board of Trustees on October 9, 2020.

#### **FINANCING:**

The total cost for the agreements executed is \$205,397, all of which is included in the Fiscal Year 2020-21 Adopted Budget.

#### **BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

At the onset of the pandemic there were several situations which warranted swift action. The decisions made and the agreements which were executed were done so in order to ensure the safety and wellbeing of Natividad's patients, visitors, and staff.

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

Prepared by: Gary R. Gray, DO, Chief Executive Officer, 783-2553  
Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2553

**Attachments:**

Emergency Agreement with Johnson Electronics  
Emergency Agreement with Core Surveillance  
Qiagen Terms and Conditions of Purchase  
Agreement with Bio-reference Laboratories

Attachments on file with the Clerk of the Board