



Board Report

File #: A 21-585, **Version:** 1

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement with Renovo Solutions LLC (A-14229) per Request for Proposals (RFP) 9600-70 for preventative maintenance plus repairs on biomedical equipment, increasing the total agreement amount by an additional \$921,000 for a revised total agreement amount not to exceed \$3,273,284 with no change to the agreement term of March 1, 2019 through February 28, 2022.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement with Renovo Solutions LLC (A-14229) per Request for Proposals (RFP) 9600-70 for preventative maintenance plus repairs on biomedical equipment, increasing the total agreement amount by an additional \$921,000 for a revised total agreement amount not to exceed \$3,273,284 with no change to the agreement term of March 1, 2019 through February 28, 2022.

SUMMARY/DISCUSSION:

In 2018 Natividad issued a Request for Proposals (RFP) #9600-70 for preventative maintenance plus repairs on biomedical equipment at the hospital. Four bids were received and after a detailed analysis and selection process Renovo Solutions was awarded the agreement which the Board of Supervisors approved on February 12, 2019.

The Board approved Amendment No. 1 to this Agreement in June of 2020 at which time diagnostic imaging equipment was added to the service contract with Renovo for maintenance and repair in addition to the biomedical equipment.

Renovo bills its service fees in two different manners. Covered items on the inventory list are billed a monthly flat fee to include preventive maintenance and most repair work. For items not covered on the inventory list (such as new equipment and products past their warranty period) they are charged time and materials for preventive maintenance and repair work. During the COVID-19 pandemic, the needs of the hospital were dynamic and fluid in regards to the type of equipment needed to combat the pandemic. Additionally, departments were requesting more equipment in order to keep up with the demand of a higher census and higher acuity level of the patients our hospital was treating. There have been more than 650 pieces of new equipment added to Natividad's inventory during the pandemic. Regulatory bodies, such as The Joint Commission, require that the hospital place all medical equipment into an inventory database and manage the equipment according to patient risk. As a result, Natividad has incurred higher than anticipated time and materials expenses with its existing Renovo agreement to cover parts, service, and preventive maintenance of the new pieces of equipment.

Therefore at this time Natividad is requesting an additional \$921,000 to last through expiration in February 2022 as projected. Natividad is currently working with Renovo to explore alternate pricing structures which

would minimize the time and materials portion of this Agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this amendment No. 2 as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 2 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on November 12, 2021.

FINANCING:

The cost for this amendment is \$921,000, all of which is included in the Fiscal Year 2021-22 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This request ensures that NMC's biomedical equipment is properly maintained for compliance and safety purposes which contributes to the improved health and wellness for patients.

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

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Approved by: Dr. Charles Harris, Interim Chief Executive Officer, 783-2553

Attachments:

Renovo Solutions LLC Amendment No. 2

Renovo Solutions LLC Amendment No. 1

Renovo Solutions Agreement (awarded per RFP 9600-70)

Attachments on file with the Clerk of the Board