



County of Monterey

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

Board Report

File #: A 13-194, **Version:** 1

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 2 to the Agreement with Nixon Peabody LLP for Legal Services at NMC, extending the term of the Agreement through June 30, 2014 in an amount not to exceed \$300,000 (no increase from the previously approved amount) in the aggregate.

RECOMMENDATION:

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 2 to the Agreement with Nixon Peabody LLP for Legal Services at NMC, extending the term of the Agreement through June 30, 2014 in an amount not to exceed \$300,000 (no increase from the previously approved amount) in the aggregate.

SUMMARY/DISCUSSION:

Nixon Peabody LLP is a Global 100 law firm that has represented the County with respect to public finance matters. On October 10, 2011, the County entered into an agreement for up to \$100,000 to provide legal assistance and advice on various financing matters, including issues regarding changes in hospital structure and governance with respect to Natividad Medical Center. The County continued to require the Nixon firm's counsel with respect to the performance of due diligence regarding a potential affiliation with Salinas Valley Memorial Healthcare System affiliation and financing issues related to the structure and governance of Natividad Medical Center and, accordingly, the Board of Supervisors extended its agreement to increase the scope of services and to increase the maximum liability by \$200,000 for a total contract amount of \$300,000 and to extend the term to June 30, 2013. In light of continued need for Nixon's advice and consultation concerning the impact of health care reform in connection with NMC's financing, NMC seeks to amend the agreement with Nixon for an additional year to June 30, 2014 with no increase to the current maximum liability of \$300,000.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Renewal and Amendment No. 2 as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Amendment No.2 as to fiscal provisions. The Renewal and Amendment No. 2 has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

FINANCING:

There is no cost for this Renewal and Amendment No. 2. There is no impact to the General Fund. As a result of Amendment No. 1, the Board of Supervisors approved a \$200,000 increase for Fiscal Year 2012-2013 in the maximum liability for the Agreement (for a total Agreement amount not to exceed \$300,000 in the aggregate). As a result of this Renewal and Amendment No. 2, no additional dollars will be added. \$100,000 is included in the Fiscal Year 2013/2014 Adopted Budget. Remaining funds from the previous year's purchase

orders will be rolled over for Fiscal Year 2013/2014. There is no impact to the General Fund.

Prepared by: Daniel Leon, Chief Financial Officer, 783-2561

Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Renewal and Amendment No. 2, Original Agreement and Amendment No. 1, Spend Sheet
Attachments on file with the Clerk to the Board's Office