



County of Monterey

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

Board Report

File #: A 21-043, Version: 1

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-14062) with Modular Devices, Inc. for the continued lease of a mobile angiography/interventional radiology lab (IR) unit and a mobile magnetic resonance imaging (MRI) unit at NMC, with no change to the term of the agreement, and adding \$477,000 for a revised total agreement amount not to exceed \$4,262,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-14062) with Modular Devices, Inc. for the continued lease of a mobile angiography/interventional radiology lab (IR) unit and a mobile magnetic resonance imaging (MRI) unit at NMC, with no change to the term of the agreement, and adding \$477,000 for a revised total agreement amount not to exceed \$4,262,000.

SUMMARY/DISCUSSION:

NMC entered into a lease agreement with Modular Devices back in 2013 to provide a Mobile Computerized Tomography (CT) laboratory, a mobile Angiography/Interventional Radiology (IR) Laboratory services and a Magnetic Resonance Imaging (MRI) mobile unit to enhance the imaging capabilities in the Diagnostic Imaging Department while the Imaging Department was undergoing a significant modernization project.

NMC began construction in the main Radiology department in October 2018. The department must remain operational during the construction project. Natividad needs the mobile trailers to be able to offer full radiology services during the construction process. Unfortunately, the construction project has taken longer than anticipated due to COVID-19, and the hospital needs to add money to the lease agreements for the mobile units (MRI and IR) through the end of June 2021.

The cost of the agreement is broken down into the following equipment leases: the monthly lease for the Mobile Angiography is \$31,500 or \$378,000 annually; and the monthly least for the Mobile MRI is \$48,000 or \$576,000 annually.

OTHER AGENCY INVOLVEMENT:

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

FINANCING:

The cost for this amendment No. 2 is \$477,000, which is included in the Fiscal Year 2020-21 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement will support the County strategic initiative for Health and Human Services by offering advanced radiology procedures (MRI and IR) to the residents of Monterey County while the Radiology Department is undergoing construction. These mobile trailers will ensure that services are not interrupted during the construction project.

☐ Economic Development
☐ Administration
☒ Health and Human Services
☐ Infrastructure
☐ Public Safety

Prepared by: Andrea Rosenberg, Assistant Administrator, 783-2562
Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Modular Devices Inc. Amendment No. 2
Modular Devices Inc. Amendment No. 1
Modular Devices Inc. Agreement

Attachments on file with the Clerk of the Board