

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SAN BERNARDINO  
AND RECORD OF ACTION**

August 25, 2020

**FROM**

**WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center**

**SUBJECT**

Authorization for Execution of Lease Agreement and Addenda for the Lease of Trailers and related Accessories with Williams Scotsman, Inc. in Response to the Novel Coronavirus Pandemic

**RECOMMENDATION(S)**

Authorize the Purchasing Agent, subject to review by County Counsel, to execute any new lease agreements and addenda with Williams Scotsman, Inc. for the provision of trailers and related accessories, with no changes to the identified non-standard terms and within the Purchasing Agent's \$200,000 signing authority, for use in response to the novel coronavirus pandemic, for the term of August 25, 2020 through August 25, 2021.

(Presenter: William L. Gilbert, Director, 580-6150)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**Pursue County Goals and Objectives by Working with Other Agencies.**

**FINANCIAL IMPACT**

Approval of the item will not result in the use of Discretionary General Funding (Net County Cost). The additional cost are funded by State Medi-Cal, Federal Medicare, private insurances, Coronavirus Aid, Relief, and Economic Security (CARES) Act, and other departmental revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Sufficient appropriation and revenue is included in the Arrowhead Regional Medical Center (ARMC) 2020-21 recommended budget and will be included in future recommended budgets.

Each lease agreement, including all addenda, will be within the \$200,000 limit of the Purchasing Agent's signing authority.

**BACKGROUND INFORMATION**

This item will ensure ARMC will be able to expediently lease new trailers and accessories with Williams Scotsman, Inc. (Willscot), or amend existing lease agreements with the vendor, for trailers and accessories used for patient screening and containment of COVID-19.

ARMC currently has four trailers with accessories (such as ADA ramps) leased for the ARMC campus, including alternative care sites and the Family Health Clinics (FHCs). At times, urgent requests need to be filled for new trailers or additional accessories for current trailers based on unexpected surges in COVID-19 cases or suspected cases, which cannot reasonably await Board of Supervisors (Board) approval due to the urgent needs of the community in light of the

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COVID-19 pandemic. To date, all lease agreements are less than the Purchasing Agent's monetary authority of up to \$200,000 per fiscal year. However, the lease agreements and addendum with Willscot contain the following non-standard terms or lack the following County standard terms that would normally require Board approval:

Indemnification

The County agrees to release, indemnify, defend and hold harmless Willscot, its agents and employees, from and against any and all losses, claims, fines, attorney's fees, and expenses related to the death, illness, or injury to, or damage to property or persons, arising from the use of the leased equipment, or the County's failure to strictly comply with regulatory guidelines, or to comply with any applicable laws. The County also agrees to defend and indemnify the vendor from any claims, damages, or losses arising out of or related to COVID-19 in connection with any cleaning services provided, regardless of whether the cause is the sole, joint, comparative, or concurrent negligence of the vendor.

- The County's standard contract does not require the County to indemnify the vendor under any circumstances.
- Potential Impact: By agreeing to defend and indemnify Willscot, the County could be contractually waiving the protection of sovereign immunity. Claims that may otherwise be barred against the County, time limited, or expense limited could be brought against the vendor without such limitations and the County would be responsible for defending and reimbursing the vendor for costs, expenses, and damages which could exceed the contract amount.

Insurance

The County agrees to name Willscot as an additional insured on its policies of insurance providing applicable coverage for losses, and requires the County to waive subrogation in favor of the vendor on general liability and workers' compensation policies. The contracts are silent on any insurance obligations of the vendor.

- The County's standard contract does not require the County to name its vendor as an additional insured or to waive subrogation rights. The County's standard contract also requires the vendor to carry appropriate insurance at limits and under conditions determined by the County's Risk Management Department.
- Potential Impact: By adding Willscot as an additional insured, Willscot would be able to go directly to the County's insurance for resolution of a claim, but given that the County is self-insured, this will have no material impact on the transaction. By requiring the County to waive subrogation, the County's insurers, to the extent applicable, would not be able to pursue any claims directly against Willscot. Because lease agreement and addendum do not include all of the County's standard insurance requirements, this means the County has no assurance of an insurance company to support Willscot's financial responsibilities relating to certain claims that may arise, which may result in expenses to the County that exceed the total contract amount.

Assignment

The lease agreement and addendum are silent on Willscot's ability to assign the contracts.

- The County's standard contract prohibits the vendor from assigning the contract without the consent of the County.
- Potential Impact: Willscot may assign the contracts to a third-party without the County's approval or notice. This could allow the contracts to be assigned to a business with which the County is legally prohibited from doing business with due to issues of federal debarment or suspension and conflict of interest.

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By approving this recommendation, the Board will be authorizing the Purchasing Agent, for the period of August 25, 2020 through August 25, 2021, to enter into new lease agreements and addenda, subject to approval by County Counsel, within the Purchasing Agent's monetary authority with the foregoing non-standard contract terms. To the extent any future agreements or addenda with Willscot contain other non-standard contract terms, ARMC will seek Board approval, as required by County policy.

ARMC recommends approval of the recommendation, and acceptance of the nonstandard terms, as this will allow ARMC to expeditiously lease trailers and related accessories for patient screening and containment of COVID-19 by timely responding to very fluid circumstances as they arise for patient care. Approval of this recommendation will help ensure the safety, health and social service needs of County residents.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on August 7, 2020; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on August 11, 2020; Finance (Yael Verduzco, Administrative Analyst, 387-5285) on August 11, 2020; and County Finance and Administration (Matthew Erickson, Chief Financial Officer, 387-5423) on August 11, 2020.

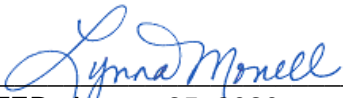
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Record of Action of the Board of Supervisors  
County of San Bernardino

**APPROVED (CONSENT CALENDAR)**

Moved: Josie Gonzales Seconded: Robert A. Lovingood  
Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: August 25, 2020



cc: File - Medical Center  
CCM 09/3/2020