

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

April 8, 2025

FROM

ANDREW GOLDFRACH, ARMC Chief Executive Officer, Arrowhead Regional Medical Center

SUBJECT

Asset Management Agreement with Renovo Solutions LLC for Maintenance Services

RECOMMENDATION(S)

Approve Asset Management **Agreement No. 25-227** with Renovo Solutions LLC, including non-standard terms, for asset management services, routine scheduled maintenance, and repair of medical imaging equipment, in the amount of \$1,230,701, for a three-year period, effective May 1, 2025 through April 30, 2028.

(Presenter: Andrew Goldfrach, ARMC Chief Executive Officer, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

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

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The cost of \$1,230,701 is funded by State Medi-Cal, Federal Medicare, private insurances, 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. Adequate appropriation and revenue have been included in the Arrowhead Regional Medical Center (ARMC) 2024-25 budget and will included in future recommended budgets.

BACKGROUND INFORMATION

Approval of this Asset Management Agreement (Agreement) with Renovo Solutions LLC (Renovo) will provide ARMC with the maintenance service, repairs, and parts for 30 pieces of medical imaging equipment to ensure the continued functionality of the equipment. The ARMC Medical Imaging Department has radiographic equipment from various manufacturers. In the past, ARMC utilized multiple vendors on different service contracts with varying requirements and constraints for parts and labor. Renovo is able to provide asset management services, which include comprehensive maintenance and repairs, including labor and parts, for all units at an annual cost rather than time and materials which would be significantly more expensive. Renovo's trained service technicians have access to a parts warehouse, which enables them to work on all of the make and models of medical imaging equipment included in the service agreement.

The Agreement was negotiated by the parties and include the following non-standard contract terms:

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1. There is no termination for convenience without penalty.
 - The County standard contract gives the County the right to terminate the contract, for any reason, with a 30-day written notice of termination without any obligation other than to pay amounts for services rendered and expenses reasonably incurred prior to the effective date of termination.
 - Potential Impact: The County does not have the right to terminate the Agreement for convenience. However, the County can remove a piece of equipment from service under the Agreement with at least 45 days notice so long as the equipment is being permanently removed from clinical use.
2. Renovo limits its indemnity obligations to claims that arise due to the negligence, misconduct, or other fault of Renovo, its agents, representatives, subcontractors, or employees.
 - The County standard contract general indemnity provision requires the contractor to indemnify, defend, and hold County harmless from third party claims arising out of the acts, errors or omissions of any person.
 - Potential Impact: Renovo's indemnity obligation is more limited compared to the standard County general indemnity obligation. In the event a claim arises that falls outside the scope of Renovo's limited indemnity obligation, the County could be financially responsible for the defense of the claim and any resulting judgment/settlement.
3. There is no stated venue in the Agreement.
 - County Policy 11-05 requires venue for disputes in Superior Court of California, County of San Bernardino, San Bernardino District.
 - Potential Impact: Renovo is located in Orange County, California. Having no express venue in the Agreement means that Orange County venue could be applied to disputes arising under this Agreement, which may result in additional expenses that exceed the amount of the Agreement.

ARMC recommends the approval of the Agreement with Renovo, including the non-standard terms, as the Agreement will enable ARMC to maintain and repair radiographic equipment utilized to treat patients in San Bernardino County.

PROCUREMENT

The Board of Supervisors approved Vizient as the primary Group Purchasing Organization (GPO) on December 7, 2021 (Item No. 46), for five years, based on the Request for Proposals (RFP) No. AGENCY21-PURC-4090. Vizient negotiates competitive agreements by leveraging the collective buying power of its client base to secure lower pricing than individual entities could achieve alone. Awards are based on RFPs evaluated using the American Bar Model Procurement Code, which is in compliance with County Procurement Policy. Vizient allows ARMC access to an extensive catalog of competitive, pre-negotiated agreements for various medical supplies and services.

The Purchasing Department supports this procurement based on Vizient Contract No. CE7604. Renovo provides clinical equipment maintenance.

REVIEW BY OTHERS

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This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5465) on March 10, 2025; Risk Management (Gregory Ustaszewski, 386-9008) on March 13, 2025; Purchasing (Veronica Pedace, Buyer III, 387-2464) on March 10, 2025; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on March 14, 2025; Finance (Jenny Yang, Administrative Analyst, 387-4884) on March 20, 2025; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on March 20, 2025.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: April 8, 2025



cc: ARMC - Goldfrach w/agree
Contractor - c/o ARMC w/agree
File - w/agree
MBA 04/10/2025