



SWISSLOG HEALTHCARE

TransLogic Pneumatic Tube System Upgrade/ Modernization Proposal

Prepared for:

Arrowhead Regional Medical Center

Customer Number: 3169

Colton, CA 92324

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3/8/2022

Proposal#: R002671E-1

System Description:

PTS630 Nexus 7.2.2.3

47 Stations

30 TU's

5 Blowers

THIS PROPOSAL MAY CONTAIN PROPRIETARY SWISSLOG HEALTHCARE INFORMATION, INCLUDING PATENTED DESIGNS, COPYRIGHTED MATERIAL AND TRADE SECRETS. THIS INFORMATION IS INTENDED SOLELY FOR THE CUSTOMER'S USE IN NEGOTIATING WITH SWISSLOG HEALTHCARE AND EVALUATING THIS PROJECT.

Proposal - Definition & Purpose

This proposal (hereinafter referred to as “Proposal” as defined in the Swisslog Healthcare Master Purchase and Services Agreement) provides details on the Recommended Solution(s) including product and pricing details. It also highlights key considerations such as our project execution processes, and roles and responsibilities.

This Proposal is a legally binding document and signatures by both parties are required for Swisslog Healthcare to begin the scope of work described herein.

Partnering with Swisslog Healthcare

Headquartered in Buchs, Switzerland and Denver, CO, Swisslog Healthcare has been delivering best-in-class automation solutions and services for more than 100 years. Swisslog Healthcare is a global organization with 1,250 team members in more than 20 countries and clients in more than 50 countries.

As an organization, Swisslog Healthcare strives to lead change for better care. At the core of this vision is a focus on improving workflows and reducing the time clinicians spend performing repetitive tasks – thus enabling more time available to care for patients and residents. The solutions and services provided by Swisslog Healthcare extend across the continuum of care, including transport, medication and supply chain management for long-term care facilities, consolidated service centers, hospitals, and health systems.

A Solution Group Statement

Swisslog Healthcare offers a vast transport automation solutions and services portfolio to best meet the needs of your hospital. This includes high-speed on-demand delivery, medium payload personal delivery, and high-speed large-capacity transport. Additionally, we offer complimentary hardware & software solutions, service, and support, as well as professional consulting services to deliver additional value to each transport transaction. Our innovative systems automate the movement of all kinds of materials including medications, blood products, laundry, waste, hospital food and sterile goods from Point A to Point B –with added layers of safety. Hospitals using Swisslog Healthcare’s transport automation can expect to:

- Standardize processes
- Optimize pharmacy, lab, and nursing workflows
- Reduce damage to facilities
- Redeploy skilled clinicians away from non-value-added tasks
- Deliver better patient experiences
- Improve the overall quality of service delivered by the hospital

Changing the Way You Work through System Modernization

In a 2017 survey of hospital facilities departments,¹ Swisslog Healthcare customers highlighted the following benefits of upgrading their pneumatic tube systems:

- Improved system uptime
- Fewer alarms
- Less time spent maintaining the system
- Reduced calls from users
- Improved clinical staff satisfaction
- Reduced spend for spare parts

Proposal Pricing Options & Invoicing Terms

Table 1. Pneumatic Tube System Modernization Solutions

Qty	Product	Price
47	Standard Recessed Station Rebuilds <u>Each station to receive:</u> <ul style="list-style-type: none"> - Replace station panel with new Nexus touchscreen panel - Replace old style welded station motorplate with new, RFID-enabled extruded motorplate - Full-bin sensor replacement - New RFID-enabled dispatcher - Conversion to Ethernet communication 	\$ 287,164.00
1	System Ethernet Conversion – Transfer Units and Blowers <ul style="list-style-type: none"> - Replace (5) Blower PCBs and convert to Ethernet communication - Replace (29) Transfer Unit PCBs and convert to Ethernet communication - Includes time to connect (1) Transfer Unit already e-net ready 	\$ 38,320.00
	Subtotal	\$325,484.00
	Discount if accepted by 3/31/2022	\$(26,038.72)
	Purchase Price for Detailed Solution(s) and Implementation	\$299,445.28

Table 2. Additional Station Upgrade Options

Qty	Product	Price Per Station	Total
	Station Security Door for Nexus Panels	\$ 2,950.00	
	Station Sound Dampening “Whisper” Kits	\$ 750.00	
	Purchase Price for Selected Option(s)		

Warranty

- Standard one (1) -year warranty on parts and labor

Installation Schedule & Training

- Installation to be coordinated with Customer’s Representative upon acceptance of the proposal
- Estimated downtime will be determined during the Customer kick-off meeting
- Estimated project duration will be determined during the Customer kick-off meeting
- Schedule for user training (8 Hours) will be determined with the Customer during the kick-off meeting.



Proposal Acceptance and Payment Terms

Upon Customer signature and submission to Swisslog Healthcare, Customer agrees that this Proposal shall be incorporated and subject to the terms and conditions of the Master Purchase and Services Agreement as executed between the parties and effective on December 15,2018. The Proposal shall supersede, any PO terms and conditions and supersedes and replaces the Services and Support Agreement executed between the parties and effective as of December 15, 2018.

Translogic Corporation dba Swisslog
Healthcare

Arrowhead Regional Medical Center

Facility

Board Signature Required

Authorized Signature

Authorized Signature

Print Name

Print Name

Title

Title

Date

Date

Purchase order

Swisslog Healthcare

11325 Main Street
Broomfield, CO 80020
USA

Terms:

1. Customer agrees to pay the total proposal amount in full, plus applicable taxes.
2. Invoices will be billed as work progresses.
3. Payment terms are Net 30 days upon receipt of invoice.
4. Discounts are applied for volume, GPO, or PMA Contracts. Only one discount customer option will be selected.
5. This Proposal is valid until March 31, 2022.
6. If hospital or facility qualifies as Tax Exempt, a current copy of the certificate must be included with the Purchase Order. Please include Proposal # R002671E-1 on the Purchase Order
7. To ensure a timely transition to implementation Customer agrees to submit a PO no later than ten (10) days from date of execution of this Agreement. Swisslog Healthcare will not process Customer's order until such PO is received and failure to do so may delay the project. Customer must include Tax on PO if applicable to avoid delays in processing.
8. **Please Return Signed Copy and Purchase Order to:** jordan.senior@swisslog-healthcare.com

Appendix A: Exclusions, Clarification, Assumptions and Qualifications

- Nexus™ System Control Center (if included)
 - Replacement PC including configuration to Swisslog Healthcare's current specification
- Nexus™ System Software (if included) is electronically downloaded and activated onsite by a Swisslog Healthcare Technician as part of the Software Maintenance Agreement (SMA)
- SMA Proposal pricing is based on the number of stations at the time of the Proposal, if such number of stations changes pricing is subject to change. If Customer chooses not to renew Software Maintenance and later elects to renew such support, Customer shall be required to pay the then prevailing re-activation fee and also pay for any software Updates or Upgrades, including any other appropriate charges, which shall entitle Customer to receive the then most current Update or Upgrade to the Software.
- Proposal is based on normal working hours which are generally between the hours of 7:00 AM and 5:00 PM Monday through Friday and excluding holidays.
 - If labor is required after hours, on weekends or during holidays, a premium will be incurred by Customer over and above the labor allocation included in this proposal. The difference between straight time and premium time will result in an incremental charge to the buyer
- A total of up to (84) customer-supplied Ethernet/data drops are required to support system control center, stations, transfer units, and blowers.
 - The system's communication will be obtained over the Customer's network and meet Swisslog Healthcare's requirements. Swisslog Healthcare will assist in protocol requirements. Cable to be provided with male end plug for direct connection into the Swisslog Healthcare port.
- RFID-enabled equipment is included in this proposal. To commission the equipment, additional time and purchase of RFID carriers is required.
- WhoTube® Card Access System (if included) will require the Customer to provide interfaces to HR/Security for badge information and user parameters. Customer will provide daily database download/exchange. (option)
 - ID badges require validation by Swisslog Healthcare for confirmation of compatibility and function prior to accepting this scope. (option)

Implementation Roles and Responsibilities

There are several roles and responsibilities that will be identified during the implementation process that will be crucial for the overall success of the project. The tables below list both General and IT-related responsibilities and the expectation of Customer during the implementation process where applicable.

General Roles & Responsibilities	Swisslog	Customer
Supply and install new complete TransLogic® hardware package	X	
Supply and install new, complete TransLogic® Software package (latest versions of MS-Server 2019, Nexus™ Software)	N/A	
Receive and unload materials		X
Store materials until installation		X
Tune, test and start-up	X	
Train maintenance personnel on site on Nexus™ Software	X	
Provide one-year warranty for Nexus™ Software, parts and labor	X	
Transport any necessary items during upgrade		X
Install, terminate, and label IT/Ethernet data drops at each equipment location and connect into the Customer's network		X

Appendix B- Description of Modernization Upgrades

The PTS (pneumatic tube system) software and system controls may be out of date. To prevent the risk of extended system downtime, we recommend upgrading to the latest version of Nexus™ Software and station control panels. Additional pneumatic tube system upgrades described below may be included in this proposal.

Nexus™ Software Upgrade:

Nexus System Control Software for the TransLogic PTS is an enterprise-level logistics management solution and the platform for Swisslog Healthcare's future PTS development. Nexus™ utilized a continuous, high-speed internet connection for licensing and support and can run on a standalone workstation or onsite server. This proposal can be amended to provide pricing for both options, if desired. The Nexus™ Software license includes advanced system management and transaction processing, including messaging functionality for alarm and transaction notifications and the business tools to improve operational efficiency and decision support. All current TransLogic® PTS equipment is fully supported through the latest version of Nexus™ Software.

Software Maintenance Agreement (SMA)

An SMA allows a facility to maintain its pneumatic tube system software through a subscription. The SMA provides access to the latest software platform and version. The SMA includes:

- License for the latest version of Nexus Software, including service packs and new version releases and updates for documented bug fixes for as long as the subscription is current.
- Priority access to premium live 24/7/365 tech support through the Customer Care Center (CCC).
- Alert Messaging (Transaction and Alarm event driven email to a single address) for monitoring and notification of PTS maintenance needs, system interruptions and user-related events.
- Access to advanced Enterprise Services options. This requires an additional subscription/agreement.
- Subscription must be current to ensure uninterrupted service.

Exclusions (Not Covered by Software Maintenance Agreement)

- Hardware and/or other materials required for software update(s)
- Development of additional interfaces or functionality, requested by Customer
- Software updates for Customer without a current subscription
- Technician time/labor for software updates that require a site visit

Note: Under the Software Maintenance Agreement, travel and labor expenses are not included for Nexus Software updates unless Customer also has an active Preventive Maintenance Agreement (PMA), in which case updates can be performed at the same time as the scheduled PM visits. Otherwise travel and labor will be billed separately.

Nexus™ Touchscreen Panel Upgrades

Unlike traditional control panels, which require manual drill-down for accessing functions, Nexus™ Control Panels give users a familiar "tablet-type" touchscreen. This 10.4" diagonal color touchscreen features pre-programmed speed dials or favorites for a more efficient and productive user interface. Important messages, such as arrival of a secure carrier, are displayed in vibrant colors and large type

for easy user identification even from a distance. Nexus™ Control Panels are faster and easier to use than traditional pneumatic tube system control panels, while enabling easier access to special functions.

Remote System Monitoring through the Nexus™ Software platform

With this feature, your pneumatic tube system is continuously monitored from our Customer Care Center 24/7/365 with a trained technical support technician who will respond remotely to system alarms. This feature is included at no cost with all current Preventive Maintenance Agreements (PMAs) provided an active SMA is in place to keep software current. More information on this and other advanced features and options is available upon request.

Ethernet Conversion

For years, hospitals have relied on traditional serial communication lines to support their pneumatic tube systems (PTS) operation. As systems have evolved to improve reliability and usability, so too has the backbone of the PTS communication network. Slow, problematic serial lines have been replaced with managed Ethernet as the technology of choice.

Many of Swisslog Healthcare's advanced options (WhoTube®, Alert Messaging; and Remote System Monitoring, for example) leverage the speed and throughput of modern Ethernet communication protocols. To facilitate this conversion, all products quoted in this proposal are Ethernet-ready, including the printed circuit boards (PCBs) for your blowers and transfer units and the Nexus™ Control Panels.

Please review the Network Communications and Deployment Guide, which details the required IP data drops for all equipment. These data drops are Customer-supplied (using Customer-preferred network scheme) within five feet of the Pneumatic Tube System.

RFID Automated Tracking and Delivery System

Utilizing radio frequency identification (RFID) technology within a pneumatic tube system (PTS) permits automatic carrier tracking, monitoring and inventory management. RFID technology gives users station verification that patient-critical pneumatic tube transactions have arrived at the right station at the right time. Detailed benefits include:

- Carrier Segregation – Systems can now segregate department-specific carriers by color. For example, red carriers may only be permitted go to Lab, while “clean” blue carriers might only go to and from the Pharmacy and clear carriers could go anywhere within the system except Lab. Numerous segregation combinations can be implemented.
- Carrier Inventory – Automatically adjust carrier inventory levels in real-time across the system if carriers are manually moved between stations.
- Security – When paired with our WhoTube® ID badge system, you can track which staff members send and receive every secured transaction. This ensures the system is used properly and easily moves into our advanced content tracking feature.
- Monitors and verifies end-to-end carrier transport
- Requires no extra processing steps
- Provides capability to assign carrier a “home” location
- Allows “closed-loop”, auto-recovery if system operation is disrupted



WhoTube® Card Access System

The WhoTube™ Card Access System provides additional security for pneumatic tube system station transactions using employee badges or identification cards for credentialing.

To receive a secure transaction, a valid access card must be swiped to release the carrier. WhoTube® also works to unlock station access doors. When your employee swipes their card, the associated data is compared to your authorized user database before granting tube system access. The user ID is then recorded as part of the transaction record. The WhoTube card access system can receive updates from your facility security database to ensure authorizations are current.

- Records sender or receiver information with each transaction
- Allows sending capability for approved users only
- Receives updates from the facility security system to keep authorizations current
- Supports proximity card technologies for automated credentialing
- Installs on current and legacy TransLogic Systems
- Controls Station Access Doors to allow automated user verification



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¹ TechValidate. Survey of 59 hospitals. TV ID 852-D2C-C46. Unpublished raw data. April 2017.

Swisslog conducts ongoing product improvements, therefore technology designs may change without notice or obligation.

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