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

July 9, 2024

FROM JOSHUA DUGAS, Director, Department of Public Health

SUBJECT

Contract with Patterson Dental Supply, Incorporated for the Relocation of Dental Equipment

RECOMMENDATION(S)

Approve **Contract No. 24-631** (Service Quote No. 310024154) with Patterson Dental Supply, Incorporated, including non-standard terms, for the provision of relocating existing dental furniture, equipment, and cabinetry, in the amount-not-to-exceed \$3,807, for the period of July 9, 2024 through September 30, 2024.

(Presenter: Joshua Dugas, Director, 387-9146)

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 and Stakeholders.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The cost will not exceed \$3,807 for the relocation and installation of existing dental equipment and is funded with 1991 Realignment funds. Adequate appropriation and revenue have been included in the Department of Public Health's (DPH) 2024-25 budget.

BACKGROUND INFORMATION

On August 24, 2023, the County Administrative Office approved the Capital Improvement Program (CIP) Project No. 24-061 for the DPH San Bernardino Health Center (SBHC) to vacate its current site at 606 E. Mill Street in San Bernardino and lease the clinic space located at 590 North D Street in San Bernardino. SBHC's current site has a built-in dental suite consisting of three operatories, a mechanical room, and a sterilization room/lab with specialized equipment for comprehensive dental service delivery. The majority of SBHC's dental equipment are fixed assets and are connected to the building's plumbing and electrical systems. Due to the specialized nature of the dental equipment and its complexity, a credentialed vendor is required to disconnect, transport, and reconnect existing dental furniture, equipment, and cabinetry at its new location.

Patterson Dental Supply, Incorporated (Patterson Dental) requires a contract, which contains a waiver and release of liability to relocate the existing dental suite. Due to the age of the equipment and the type of material used to build the cabinetry, there is a risk of damage occurring during the relocation. In the event of accidental or unavoidable damage due to the age of the equipment, replacement would be costly as the vendor who previously supplied the

original equipment is no longer in business. Therefore, Patterson Dental requires a release of liability.

The contract is Patterson Dental's standard commercial contract, which includes terms that differ from the standard County contract and omits certain County standard contract terms. The non-standard terms include the following:

- 1. The contract is silent on governing law.
 - The County standard contract requires California governing law.
 - <u>Potential Impact</u>: Having no specified governing law in the contract results in uncertainty over which state's laws will govern the interpretation of the contract, and leads to ambiguity in interpretation of the contract terms. Any questions, issues or claims arising under this contract could require the County to hire outside counsel competent to advise on the applicable state law, which may result in fees that exceed the total contract amount.
- 2. The contract does not require Patterson Dental to indemnify the County, as required by County Policies 11-05 and 11-07, including for intellectual property infringement claims.
 - The County standard contract 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.
 - <u>Potential Impact</u>: Patterson Dental is not required to defend, indemnify or hold the County harmless from any claims, including indemnification for claims arising from Patterson Dental's negligent or intentional acts and intellectual property infringement. If the County is sued for any claim, the County may be solely liable for the costs of defense and damages, which could exceed the total contract amount.
- 3. The liability to the County is equal to the fees paid for the term of the contract.
 - The County standard contract does not include a limitation of liability.
 - <u>Potential Impact</u>: Patterson Dental caps its liability to the County for all claims arising under the contract, or arising from Patterson Dental gross negligence or willful misconduct. Claims could exceed the liability cap and the contract amount leaving the County financially liable for the excess. In addition, the County's liability under the contract is not similarly limited.
- 4. Patterson Dental provides the service "AS IS" and disclaims all warranties of any kind.
 - The standard contract requires its vendors and service providers to fully warrant the products and services they provide to the County.
 - <u>Potential Impact</u>: There is no warranty requirement in the contract with Patterson Dental. The County's use of the services and/or products is solely at its own risk.
- 5. The contract does not require Patterson Dental to meet the County's insurance standards as required pursuant to County Policy 11-07.
 - County Policy requires contractors to carry appropriate insurance at limits and under conditions determined by the County's Risk Management Department and set forth in the County standard contract.

• <u>Potential Impact</u>: The contract does not include County standard insurance requirements. This means that the County has no assurance that Patterson Dental will be financially responsible for claims that may arise.

DPH recommends approving the contract, including the non-standard terms, with Patterson Dental to coordinate the relocation of the dental equipment to 590 North D Street in San Bernardino. Though there is a risk of possible damage, relocating the equipment is the most cost effective and efficient solution and will allow DPH to continue to serve dental patients at SBHC.

PROCUREMENT

DPH contacted three vendors, Denco Supply Company, Henry Schein, Incorporated, and Patterson Dental, requesting quotes for disconnecting, transporting, and reconnecting the existing dental suite. The three vendors were determined to have provided responsible and responsive bids.

Proposer Name	Location	Cost
Denco Dental Supply Company	Pittston, Pennsylvania	\$12,801.60
Henry Schein, Incorporated	Melville, New York	\$21,757.50
Patterson Dental Supply, Incorporated	Saint Paul, Minnesota	\$3,806.25

After reviewing the submittals, DPH determined that Patterson Dental best met the needs of the County. The Purchasing Department supports this competitive procurement based on the informal quotes solicited for the disconnecting, transporting, and reconnecting existing dental equipment.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Adam Ebright, Deputy County Counsel, 387-5455) on June 13, 2024; Purchasing (Jessica Barajas, Supervising Buyer, 387-2065) on June 13, 2024; Risk Management (Gregory Ustaszewski, Staff Analyst II, 386-9008) on June 14, 2024; Finance (Carl Lofton, Administrative Analyst, 387-5404) on June 19, 2024; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on June 21, 2024.

Contract with Patterson Dental Supply, Incorporated for the Relocation of Dental Equipment July 9, 2024

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

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- cc: PH Padilla w/ agree Contractor c/o PH w/ agree File w/ agree
- JLL 07/17/2024