

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

January 27, 2026

**FROM**

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

**SUBJECT**

Agreement with Medtronic Sofamor Danek USA, Inc. for the Purchase of Spinal Fixation Implants

**RECOMMENDATION(S)**

1. Approve **Agreement No. 26-56** with Medtronic Sofamor Danek USA, Inc., including non-standard terms, for the purchase of spinal fixation implants, in the amount not to exceed \$4,000,000, for the period of February 3, 2026 through February 2, 2031.
2. Authorize the Purchasing Agent to execute amendments to the Agreement to add, replace or delete products based on product availability, value analysis approved products or cost competitiveness, to meet the needs of Arrowhead Regional Medical Center.
3. Direct the Purchasing Agent to transmit all executed amendments to add, replace, or delete products to the Clerk of the Board of Supervisors within 30 days of execution.

(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 Costs). The cost of \$4,000,000 is funded by State Medi-Cal, Federal Medicare, private insurance, and other departmental revenues. 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) 2025-26 budget and will be included in future recommended budgets.

**BACKGROUND INFORMATION**

Approval of the Agreement with Medtronic Sofamor Danek USA, Inc. (Medtronic) will allow ARMC to purchase spinal fixation implants which provide stability and restore anatomic alignment in the treatment of fractures, degenerative disease, infection, tumors, and correct congenital deformities such as those seen with scoliosis. ARMC's physicians and clinical staff are currently trained in the use of the Medtronic products that will be provided through this recommended Agreement. These products have a proven successful track record of positive outcomes for ARMC's patients in surgical procedures as they have been used since 2022. A change to the current platform of Medtronic products would disrupt ARMC's ability to conduct spine surgical services and cause procedure delays, postponements or cancellations.

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It is recommended that the Board of Supervisors authorize the Purchasing Agent to sign amendments to the Agreement to add, replace or delete products based on product availability, value analysis approved products or cost competitiveness, to meet the needs of ARMC. Amendments will not exceed the total Agreement amount of \$4,000,000.

The Agreement is based on Medtronic's standard commercial purchase agreement, negotiated by the parties, which include terms that deviate from the standard County contract as follows:

1. Payment terms are Net 45 days.
  - County standard payment terms are Net 60 days with no interest or late payment penalties.
  - Potential Impact: County standard processing time is 60 days or more. Failing to pay Net 45 days may result in a material breach of the agreement, which could allow Medtronic to terminate the agreement and seek other legal remedies.
2. The County may terminate the agreement for convenience with 90 days prior written notice.
  - The County's standard contract allows the County to terminate the contract for convenience with 30 days written notice.
  - Potential Impact: The County must be mindful of the extended notice period in the event it seeks to terminate the agreement for convenience.
3. Medtronic's general indemnity obligations are limited to claims that are caused by a malfunction or defect in its products.
  - 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: Medtronic'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 Medtronic's limited indemnity obligation, the County could be financially responsible for the defense of the claim and any resulting judgment/settlement.
4. Venue will be in the State of California.
  - County Policy 11-05 requires venue for disputes in Superior Court of California, County of San Bernardino, San Bernardino District.
  - Potential Impact: Having a venue in another county in California may result in the County incurring additional expenses in the event of a dispute that might not have been incurred if venue was in the county.

ARMC recommends approval of this Agreement, including the non-standard terms, as the purchase of the spinal implant fixation products is essential to provide ARMC with products for these specialty surgeries. The availability of these products to ARMC's patients provides for the safety and health needs of county residents.

**PROCUREMENT**

County Purchasing approves this non-competitive procurement based on equipment/system compatibility. Transitioning to an alternate manufacturer would require acquisition of instrument sets and inventory, rebuilding of preference cards and supply pathways, extensive retraining for

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surgeons, operating room staff, and Sterile Processing Department, and revised processing workflows — introducing increased variability, longer room turnover, and higher likelihood of intraoperative delays or errors associated with unfamiliar equipment. ARMC faces operational risk and disruption to services, including procedure delays, postponements or cancellations of these surgical procedures. The Statement of Economic Interest, Form 700, filed by physicians involved in this procurement has been reviewed by the ARMC Compliance Department, and no conflicts of interest were noted for those physicians whose Forms have been filed. One filing will be completed prior to the effective date of this contract.

**REVIEW BY OTHERS**

This item has been reviewed by (Charles Phan, Supervising Deputy County Counsel, 387-5455) on December 29, 2025; Purchasing (Jason Cloninger, Lead Buyer III, 387-0321) on December 30, 2025; Risk Management (Stephanie Pacheco, Staff Analyst II, 386-9039) on January 6, 2026; ARMC Finance (Chen Wu, Budget and Finance Officer, 580-3165) on January 2, 2026; and County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on January 6, 2026.

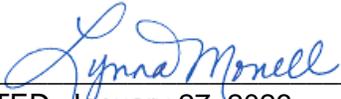
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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

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

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: January 27, 2026



cc:    ARMC - Goldfrach w/agree  
      Contractor - c/o ARMC w/agree  
      File - w/agree  
MBA    01/29/2026