

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

April 6, 2021

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Purchase of Unbudgeted Fixed Asset for the Women's Health Clinic

RECOMMENDATION(S)

1. Approve the purchase of unbudgeted fixed asset in an amount of \$32,224, for the purchase of the Aquarius LT Urodynamic machine from Laborie Medical Technologies Corp., for use in Arrowhead Regional Medical Center's Women's Health Clinic.
2. Approve the **Agreement No. 21-263** for the purchase of the Aquarius LT Urodynamic machine for \$32,224 and for two-years of maintenance following the one-year free service warranty in the amount of \$2,500.
3. Direct the Auditor-Controller/Treasurer/Tax Collector to post the \$32,224 adjustment to the 2020-21 budget, as identified in the Financial Impact Section, for the purchase of an unbudgeted fixed asset and service agreement (Four votes required).
(Presenter: William L. Gilbert, Director, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

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

Improve County Government Operations.

FINANCIAL IMPACT

Approval of the recommendation will not result in the use of Discretionary General Funding (Net County Cost) as the total amount of \$34,724 is funded by State MediCal, 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.

Arrowhead Regional Medical Center (ARMC) is requesting a budget adjustment in the amount of \$32,224 to cover expenditures for the purchase of the Aquarius LT Urodynamic machine. This item authorizes the Auditor-Controller/Treasurer/Tax Collector to post the following adjustments to the 2020-21 budget:

Cost Center	GL Account	Description	Action	Amount
9110004200	54404040	Equipment	Increase	\$32,224
9110004200	40408865	State Revenue Managed Care Revenue Program	Increase	\$32,224

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BACKGROUND INFORMATION

The Aquarius LT Urodynamic machine will allow ARMC healthcare providers perform urodynamic tests. Urodynamics is the investigation of the function of the lower urinary tract, using physical measurements such as bladder pressure and flow rate as well as clinical assessment. Urodynamic studies provide extremely valuable diagnostic data for numerous bladder dysfunctions.

Approval of this item will allow ARMC to acquire the urodynamic machine for use in the Women's Health Clinic to offer new diagnostic urogynecology services to ARMC's patients, thereby providing for the safety, health and social service needs for our County residents. Urodynamic testing is a necessary part of the laboratory work-up of for patients suffering from voiding dysfunctions.

The agreement with Laborie Medical Technologies Corp. (Laborie) for the acquisition of the machine and service plan is based on Laborie's standard commercial agreement with terms negotiated by the parties, including the following non-standard County terms:

Payment

The payment terms are Net 30 days.

- The County's standard contract payment terms are Net 60 days.
- **Potential Impact:** County standard processing time for payment is 60 days or more. The agreements require County to pay within 30 days of the date of invoice. However, there is no provision relating to interest charges or a late payment penalty.

Limitations of Liability

Except for claims based on indemnification, Laborie caps its liability to the County at the greater of \$3 million or ten times the amounts paid by County to Laborie for the products or services that give rise to a claim.

- The County's standard contract does not limit a vendor's liability.
- **Potential Impact:** Laborie caps its liability to the County at the higher of \$3 million or ten times the amounts paid by County to Laborie for the product/services that give rise to the claim. Claims could exceed the liability cap and the contract amount leaving the County financially liable for the excess.

PROCUREMENT

The agreement with Laborie is non-competitive due to the functional specifications of the system. ARMC OB/GYN physicians are trained using this technology and utilizing different equipment would necessitate OB/GYN physician retraining. ARMC recommends this procurement to provide for the health and social services needs of County residents.

County Purchasing approves of this procurement based on functional specifications it provides to support OB/GYN physicians.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5289) on March 5, 2021; Auditor-Controller/Treasurer/Tax Collector (Erica Gomez, General Accounting Manager, 382-3196) on March 9, 2021; Purchasing Department (Ariel Gill, Buyer II, 777-0722) on March 9, 2021; ARMC Finance (Chen Wu, Budget and Finance Officer, 580-3165) on March 9, 2021; Finance (Yael Verduzco, Administrative Analyst, 387-5285) on March 22, 2021; and County Finance and Administration (Matthew Erickson, County Chief Finance Officer, 387-5423) on March 22, 2021.

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

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Col. Paul Cook (Ret.)

Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: April 6, 2021



cc: ARMC- Gilbert w/agree
Contractor- C/O ARMC w/agree
File- w/agree

LA 04/8/2021