



# San Bernardino County

## Legislation Text

File #: 3224, Agenda Item #: 22

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

November 17, 2020

#### **FROM**

**WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center**

#### **SUBJECT**

Agreement with Avante Health Solutions for Preventative Maintenance of Ultrasound Equipment

#### **RECOMMENDATION(S)**

Approve Agreement with Avante Health Solutions, in the amount of \$329,000, for preventative maintenance of ultrasound equipment, for the contract period of December 5, 2020 through December 4, 2025.

(Presenter: William L. Gilbert, Director, 580-6150)

#### **COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

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

#### **FINANCIAL IMPACT**

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The cost of \$329,000 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) 2020-21 budget and will be included in future recommended budgets.

Services conducted under this agreement will be paid according to the following schedule:

Year	Service	Estimated Annual Cost
Year 1	Preventative Maintenance	\$65,800
Year 2	Preventative Maintenance	\$65,800
Year 3	Preventative Maintenance	\$65,800
Year 4	Preventative Maintenance	\$65,800
Year 5	Preventative Maintenance	\$65,800
	<b>Total</b>	<b>\$329,000</b>

#### **BACKGROUND INFORMATION**

Approval of this Agreement will allow for preventative maintenance service of ultrasound equipment at ARMC. Through the agreement, Avante will provide repair and preventative maintenance services to 11 ultrasound units utilized by the Medical Imaging Department at the hospital. Services will include, but not be limited to, quality assurance certification, safety testing to ensure equipment passes current standards, replacement of probes and peripherals on exchange basis as needed at standard time and material rates, two (2) scheduled preventative maintenance inspections per year as well as technical phone support, 24 hours a day, 7 days a week, including weekends and holidays.

The Agreement is Avante's standard commercial agreement, negotiated by the parties that include the following non-standard County term:

**Indemnification**

Avante is required to indemnify the County only for claims that are caused by a material breach by Avante or Avante's negligence or intentional misconduct.

- The County's standard indemnification clause requires a vendor to indemnify the County for any claims that arise under the Contract regardless of the cause, as long as it was not caused by the sole negligence or willful misconduct of the County.
- Potential Impact: Avante's duty to defend and indemnify the County is more limited in scope compared to the County's standard indemnification requirement. If a claim for liability arises out of Avante's services, but the claim is not caused by Avante's breach of the agreement or its own negligence or willful misconduct, it will have no contractual obligation to defend or indemnify the County, meaning the County would be financially responsible for such expenses, which could exceed the contract amount.

ARMC recommends approval of this agreement to ensure that the hospital remains compliant with the Joint Commission for accreditation. Avante has a local office in the Inland Empire and the qualifications to quickly and properly maintain the ARMC Medical Imaging Ultrasound equipment for the health and safety of County residents.

**PROCUREMENT**

This is a competitive procurement approved by Purchasing based on three bids from vendors. The three vendors that submitted bids to provide preventative maintenance services are:

Vendor	Location
Agiliti Imaging, Inc.	San Diego, CA
Avante Health Solutions	Concord, NC
Philips Healthcare Solutions	San Diego, CA

Avante offered the most fiscally responsible pricing of the three vendors offering two preventative maintenance sessions per year whereas the other vendors only offered one. Avante also has the credentials necessary to properly maintain the hospital's ultrasound equipment.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5465) on September 16, 2020; Purchasing (Ariel Gill, Buyer, 777-0722) on November 2, 2020; ARMC Finance (Chen Wu, Budget and Finance Officer, 580-3165) on September 17, 2020; Finance (Yael Verduzco, Administrative Analyst, 387-5285) on October 29, 2020; and County Finance and Administration (Matthew Erickson, Deputy Executive Officer, 387-5423) on October 31, 2020.