

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

112



FROM: Purchasing and Fleet Services Department

SUBMITTAL DATE:
January 14, 2009

SUBJECT: APPROVAL OF A MULTI-YEAR AGREEMENT WITH PHILIPS MEDICAL SYSTEMS FOR SERVICE, MAINTENANCE, AND REPAIR OF DIAGNOSTIC EQUIPMENT

RECOMMENDED MOTION: That the Board of Supervisors:

1. Pursuant to applicable California Code, approve a multi-year Master Service Agreement with Philips Medical Systems, in the total amount of \$2,321,336.20 for a four (4) year, five (5) month period, and;
2. Authorize the Chairman of the Board to execute agreements on behalf of the County.

BACKGROUND: In an effort to set up the new Diagnostic Imaging Department for the opening of RCRMC, a competitive bid process was initiated in 1996 with the intent of locating a vendor capable of offering and maintaining state of the art equipment specific to certain diagnostic procedures. Philips' proposal was deemed the most responsive/responsible bidder and received the award in 1997.

(Continued on Page 2)

Douglas D. Bagley
 Douglas D. Bagley, Hospital Director

FORM APPROVED COUNTY COUNSEL
 BY: NEAL R. KIPNIS DATE: 1/14/09

ROBERT J. HOWDYSHELL, Director
 Purchasing and Fleet Services Department

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 211,337.14	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$	Budget Adjustment:	No
	Annual Net County Cost:	\$	For Fiscal Year:	FY 08/09

SOURCE OF FUNDS: RCRMC Enterprise Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: Serena Chow
Serena Chow

County Executive Office Signature

Dept Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: # 3.30 on 1/4/05 | District: | Agenda Number:

ATTACHMENTS FILED WITH
THE CLERK OF THE BOARD

3.52

BOARD OF SUPERVISORS

FORM 11: APPROVAL OF A MULTI-YEAR AGREEMENT WITH PHILIPS MEDICAL SYSTEMS FOR SERVICE, MAINTENANCE, AND REPAIR OF DIAGNOSTIC EQUIPMENT

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BACKGROUND (Continued)

From that RFP, Twenty-Two (22) pieces of equipment were purchased from Philips along with extended warranties. The extended warranties and maintenance agreements for this equipment have now expired.

RCRMC is requesting to renew the Master Service Agreement to ensure continued service coverage in the amount of \$2,321,336.20 for a four (4) year, five (5) month period starting February 1, 2009 thru June 30, 2013.

PRICE REASONABLENESS

On behalf of RCRMC, County Purchasing issued Request for Proposal (RFP) #PUARC425, posted it on the County web page, and sent it out to seven (7) potential bidders. Philips was the only bid response received.

A team of Evaluators comprised of a radiologist, a diagnostic technician, a bio-medical technician, RCRMC buyer, and County Purchasing were selected to review the RFP response. The criteria used for the evaluation was the overall cost of service, bidder's experience with servicing the varied types of equipment, guaranteed uptime, response time, and bidder's ability to offer software and hardware upgrades. Philips is offering discounting based on state and local government pricing. After comparison of equipment, services, and prices with similar customers, it was determined that the pricing offered by Philips is fair and reasonable.

FINANCIAL IMPACT

All costs for this Agreement will be provided from RCRMC Enterprise Funds.