



**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH SYSTEM MEDICAL CENTER GOVERNING BOARD COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM 15.1 (ID # 9349)**

**MEETING DATE:**  
Tuesday, April 2, 2019

**FROM :** RUHS-MEDICAL CENTER:

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Approval of the Fourth Amendment to the Professional Service Agreement for Comprehensive Food and Nutrition Management Services with Morrison Management Specialist, Inc., All Districts [Total Cost \$2,442,486; up to \$244,249 in additional compensation – 100% Hospital Enterprise Fund].

**RECOMMENDED MOTION:** That the Governing Board:

1. Approve the Fourth Amendment to the Professional Service Agreement for Comprehensive Food and Nutrition Management Services between the County of Riverside and Morrison Management Specialist, Inc. extending the term for thirty (30) weeks, commencing May 6, 2019 through November 30, 2019, for a maximum amount not to exceed \$2,442,486, and authorize the Chairman of the Board to sign the amendment on behalf of the County.
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459 and based on the availability of funding and as approved by County Counsel, to sign amendments that do not change the substantive terms of the agreement and to sign amendments to the compensation provisions that do not exceed the sum total of ten percent (10%) annually.

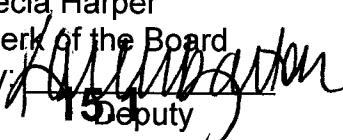
**ACTION:**Policy

  
 Jennifer Cruikshank, Chief Executive Officer – Health System 3/20/2019

**MINUTES OF THE GOVERNING BOARD**

On motion of Supervisor Spiegel, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is received and filed as recommended.

**Ayes:** Jeffries, Spiegel, Washington, Perez and Hewitt  
**Nays:** None  
**Absent:** None  
**Date:** April 2, 2019  
**Page:** 1 of 4  
**RUHS-Medical Center, Purchasing**

Kecia Harper  
 Clerk of the Board  
 By:   
 Deputy

**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH  
SYSTEM MEDICAL CENTER GOVERNING BOARD OF DIRECTORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

| <b>FINANCIAL DATA</b>                                       | <b>Current Fiscal Year:</b> | <b>Next Fiscal Year:</b> | <b>Total Cost:</b>                  | <b>Ongoing Cost</b> |
|---|-----------------------------|--------------------------|-------------------------------------|---------------------|
| <b>COST</b>   | \$ 407,081                  | \$ 2,035,405             | \$ 2,442,486                        | \$ 0                |
| <b>NET COUNTY COST</b>                                      | \$ 0                        | \$ 0                     | \$ 0                                | \$ 0                |
| <b>SOURCE OF FUNDS: 100% Hospital Enterprise fund 40050</b> |                             |                          | <b>Budget Adjustment: No</b>        |                     |
|   |                             |                          | <b>For Fiscal Year: 18/19-19/20</b> |                     |

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

Morrison Management Specialist, Inc. established a strategic vendor partnership with Riverside University Health System–Medical Center (RUHS-MC) and provided support in the oversight of food and nutrition processes and regulatory requirements to ensure compliance was met in a cost-effective manner. Additionally, Morrison handled all recipes, menus, nutritional analysis database, food and equipment inventory, procurement and cost containment. The Professional Services Agreement with Morrison terminates May 5, 2019 and RUHS-MC needs to prepare in the implementation of a new automated food and nutrition system.

On October 30, 2018, Agenda Item #17.5, the Board of Supervisors approved The CBORD Group, Inc. Agreement. The CBORD Group will provide software, support, and hardware maintenance services. This would allow RUHS-MC to obtain a fully automated and integrated software system that delivers state-of-the-art clinical food and nutrition management while also providing patient experience.

As RUHS-MC transitions from one contractor to another, RUHS-MC will need to extend Morrison’s contract for an additional thirty (30) weeks in order to:

- 1) Ensure completion of tray line construction project and implementation of cook-serve meal service for patients;
- 2) Ensure the CBORD Group, Inc. project is fully implemented; and
- 3) Provide time to recruit and hire management personnel to replace Morrison staff as part of the transition plan to self-operate.

Under the current contract, Morrison will continue its responsibility to maintain the equipment and assist with the implementation process that needs to occur in order to convert the cold tray line to a hot tray line. Additionally, in order to sustain operations for the Food and Nutrition Services department, the Medical Center with the assistance of County Human Resources (HR) is working to hire management staff for the food and nutrition department. Such positions include a Director of Hospital Food and Nutrition Services, Executive Chef, Retail and Catering Manager, and a Patient Services Manager.

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**Impact on Citizens and Businesses**

This service impacts the patients throughout Riverside County receiving care from RUHS and the patients' visitors such as family and friends. Dining services positively impact the mission of the Medical Center to educate and promote nutritional balance and healthy lifestyles.

**Additional Fiscal Information**

The table below illustrates items which the Board approved for the specified period of performance.

| Period of Performance | 05/06/2014 – 05/05/2018<br>(multi-year) | 05/06/18 – 05/05/2019<br>(1 year) | 05/06/2019 – 11/30/2019<br>(30 weeks) | TOTAL COST          |
|-----------------------|---|-----------------------------------|---------------------------------------|---------------------|
| Associated Document   | Master Agreement                        | Third Amendment                   | Fourth Amendment                      |                     |
| <b>Total Amount</b>   | \$18,682,956                            | \$4,511,312                       | \$2,442,486                           | <b>\$25,636,754</b> |

**Contract History and Price Reasonableness**

On May 6, 2014, Agenda Item #3-19, the Board approved a multi-year agreement with Morrison Management Specialist, Inc. to provide Comprehensive Food and Nutrition Management Services. On May 12, 2015, Agenda Item #3-28, the Board approved a First Amendment to allow substantive changes to the scope of service. A Second Amendment renewed the Agreement, as approved to form by County Counsel and executed under the Purchasing Agent's authority on August 21, 2017. On June 5, 2018, Agenda Item #3.31, the Board approved a Third Amendment which extended the Agreement for its final year to ensure the Medical Center meets the nutritional needs of patients and remain compliant with the regulations from Centers of Medicare Medical Services (CMS) effective May 6, 2018 through May 5, 2019 for a total amount of \$4,511,312.

This Fourth Amendment allocates \$2,442,486, including all expenses, for the period of May 6, 2019 through November 30, 2019. This Amendment will continue the services and allow for a smooth transition and enable:


- Completion of construction/capital improvements, which include the conversion of the AlaCart Retherm System to a hot tray line;
- Implement work flows and training for staff on cook-serve mode;
- Assist with implementing workflows for new tray line to bedside menu ordering; and
- Allow County HR to continue its recruitment efforts for qualified candidates to fill the various positions within Food and Nutrition Services Department of RUHS-MC.

**ATTACHMENTS:**

SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH  
SYSTEM MEDICAL CENTER GOVERNING BOARD OF DIRECTORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Attachment A:      FOURTH AMENDMENT TO THE PROFESSIONAL SERVICE  
AGREEMENT FOR COMPREHENSIVE FOOD AND NUTRITIONAL  
MANAGEMENT SERVICES BETWEEN THE COUNTY OF  
RIVERSIDE AND MORRISON MANAGEMENT SPECIALIST, INC.

  
Teresa Summers, Director of Purchasing      3/20/2019

  
Gregory V. Priaplos, Director County Counsel      3/20/2019

**FOURTH AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT FOR  
COMPREHENSIVE FOOD AND NUTRITION MANAGEMENT SERVICES  
BETWEEN THE COUNTY OF RIVERSIDE  
AND  
MORRISON MANAGEMENT SPECIALISTS, INC.**

This Fourth Amendment to the Professional Service Agreement for Comprehensive Food and Nutrition Management Services is entered into by and between the **County of Riverside**, a political subdivision of the State of California, on behalf of the Riverside University Health System-Medical Center, formerly known as the Riverside County Regional Medical Center, (herein referred to as the "County" or the "Hospital") and **Morrison Management Specialists, Inc.** ("Morrison"), a Georgia corporation, sometimes collectively referred to as the "Parties" or individually referred to as a "Party."

**WHEREAS**, Hospital and Morrison have entered into that certain Professional Service Agreement for Comprehensive Food and Nutrition Management Services, approved May 6, 2014, Agenda Item Number 3-19 ("Agreement"), with a first amendment approved May 12, 2015, Agenda Item Number 3-28 ("First Amendment"), a second amendment executed August 21, 2017 ("Second Amendment"), and a third amendment approved June 5, 2018, Agenda Item Number 3.31 ("Third Amendment"); and,

**WHEREAS**, the Parties desire to amend the Agreement to extend the Term of the Agreement for thirty (30) weeks;

**NOW THEREFORE**, the Parties agree as follows:


1. **Maximum Compensation.** Article 2 - COMPENSATION, Section 2.1 Billing, is hereby amended to add a subsection (f) as follows:  
  
    “(f) Maximum payments by Hospital to Morrison shall not exceed two million four hundred forty-two thousand four hundred eighty-six dollars (\$2,442,486) for the period between May 6, 2019 through November 30, 2019.”
2. **Term.** Article 3 – TERM AND TERMINATION, Section 3.1 Term, is hereby amended to extend the Term as follows:  
  
    “The Term of this Agreement shall be extended for thirty (30) weeks commencing May 6, 2019 and terminating on November 30, 2019.”
3. **Effective Date.** This Fourth Amendment to the Agreement shall become effective upon signature of both Parties, or May 6, 2019, whichever should come first.
4. **Miscellaneous.** All other terms and conditions of the Agreement are to remain unchanged and in full force and effect.


*[Signature Page Follows]*

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Fourth Amendment.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

Morrison Management Specialist, Inc., a Georgia Corporation

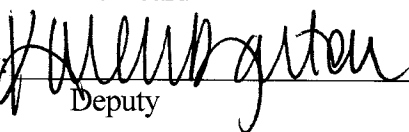
By:   
Kevin Jeffries,  
Chairman, Board of Supervisors

By:   
Ed Clark  
Regional Vice President


Dated: APR 02 2019

Dated: 3-6-19

ATTEST:  
Kecia R. Harper  
Clerk of the Board

By:   
Deputy

APPROVED AS TO FORM:  
Gregory P. Priamos  
County Counsel

By:   
Danielle Maland  
Deputy County Counsel

Dated: 3/13/19