

COUNTY OF SAN MATEO Inter-Departmental Correspondence Health System



Date: July 11, 2014 Board Meeting Date: August 5, 2014 Special Notice / Hearing: None Vote Required: Majority

- To: Honorable Board of Supervisors
- From: Jean S. Fraser, Chief, Health System Susan Ehrlich, MD, MPP, Chief Executive Officer, San Mateo Medical Center
- Subject: Amendment to the agreement with Mark Scott Construction, Inc.

# **RECOMMENDATION:**

Adopt a Resolution authorizing an amendment to the agreement with Mark Scott Construction, Inc. to provide construction services, extending the term through October 31, 2014, and increasing the amount by \$55,000 to an amount not to exceed \$155,000.

# BACKGROUND:

On March 6, 2014, the Chief Executive Officer of San Mateo Medical Center (SMMC) approved an agreement with Mark Scott Construction, Inc. (MS Construction) to provide construction services to relocate SMMC's Cashier's Office to the lobby near SMMC's main entrance. Previously, the Cashier's Office was located on SMMC's third floor, and patients entering through SMMC's main entrance found it hard to locate. MS Construction previously worked for the County and was the general contractor for SMMC' morgue renovation and mammography projects. Based on performance and familiarity with the hospital site, MS Construction was selected for the Cashier's Office relocation.

# DISCUSSION:

MS Construction started the Cashier's Office relocation project in March 2013, based on architectural drawings approved by the Office of Statewide Health Planning Department (OSHPD). However, during construction, OSHPD's Inspector of Record and Area Compliance Officer objected to the existing field conditions and requested changes to the drawings to meet current building code requirements. Revised drawings for the project were submitted to and ultimately approved by OSHPD. However, the additional work required by OSHPD has imposed increased costs for the project, necessitating this amendment.

In addition to providing construction services for the Cashier's Office relocation, this amendment would expand the services of the agreement to include installation of two sterilization machines in the Sterile Processing Department to replace two outdated machines.

The amendment and Resolution have been reviewed and approved by County Counsel as to form. The contractor meets insurance certification requirements.

SMMC also requests that your Board authorize the Chief of the Health System or designee to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate) and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions

The contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

Approval of this amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by ensuring SMMC will continue to provide easy and safe access to patients and visitors. It is anticipated that the relocation will improve patient access to the Cashier's Office by 80%.

## **PERFORMANCE MEASURE:**

| FY 2013-14 Actual | FY 2014-15 Projected |
|-------------------|----------------------|
| N/A*              | 80%                  |
|                   |                      |
|                   |                      |

\*New Measure

# FISCAL IMPACT:

The term of the agreement is March 31, 2014, through October 31, 2014, in an amount not to exceed \$155,000. Funds in the amount of \$55,000 are included in the SMMC FY 2014-15 Recommended Budget.

Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation