



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: September 17, 2013
Board Meeting Date: November 5, 2013
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 Jtec HCM, Inc., Healthcare Construction Management, Inc.

RECOMMENDATION:

Adopt a Resolution authorizing an amendment to the agreement with Jtec HCM, Inc., Healthcare Construction Management reducing the term by six months to December 31, 2013, to reflect the opening of Fair Oaks Health Center, and increasing the amount by \$40,000 to an amount not to exceed \$267,000.

BACKGROUND:

On July 26, 2011, your Board approved by Resolution 071554 an agreement with Jtec Healthcare Construction Management, Inc., doing business as Jtec HCM, Inc. (Jtec), to serve as the County's owner representative for the design and construction of the Fair Oaks Health Center in an amount not to exceed \$227,000. Resolution 071554 also authorized the Chief of the Health System or designee to execute contract amendments modifying the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modifying the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions. On September 6, 2012, the San Mateo Medical Center's (SMMC) Chief Executive Officer signed an amendment to the agreement to extend the term through June 30, 2014, to keep these services in place until completion of construction of the facility.

DISCUSSION:

Jtec has been involved throughout the planning and design of the facility. JTec's Furniture, Fixtures and Equipment (FF&E) Coordination and Transition planning services were detailed and broken out in the proposal's scope of work as optional additional services. In the original agreement, FF&E Coordination and Transition planning were not selected by the County for inclusion when Jtec was awarded the

contract, because the magnitude of the effort required was not yet evident. As the project nears completion it is now necessary to expand the scope of work to include additional research and design relative to furniture, fixture and equipment (FF&E). Jtec will also assist with the procurement and installation of the FF&E and medical equipment. The term of the agreement is being amended to December 31, 2013, to accurately reflect the completion of the new clinic.

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

This amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by continuing to support a new state of the art medical facility that meets the needs of the County and its patients, providing access to safe, efficient, high quality medical care. It is anticipated that as a result of Jtec's coordination efforts 95% of the furniture and equipment purchased for the new Fair Oaks Health Center will be delivered, received, and installed on schedule and in accordance with the move-in / occupancy plan.

PERFORMANCE MEASURE:

Measure	FY 2012-13 Actual	FY 2013-14 Projected
Furniture and equipment purchased for the new Fair Oaks Health Center will be delivered, received, and installed on schedule and in accordance with the move-in / occupancy plan	N/A*	95%

*New Measure

FISCAL IMPACT:

The term of the agreement is July 1, 2011 through December 31, 2013. This amendment increases the amount of the agreement by \$40,000 to an amount not to exceed \$267,000. Funds in amount of \$227,000 were provided by a construction grant from the Sequoia Health Care District and funds in the amount of \$40,000 are included in the SMMC FY 2013-14 Adopted 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.