



October 19, 2023

TO: Legal Counsel

News Media

Salinas Californian
El Sol
Monterey County Herald
Monterey County Weekly
KION-TV
KSBW-TV/ABC Central Coast
KSMS/Entravision-TV

The next regular meeting of the **FINANCE COMMITTEE - COMMITTEE OF THE WHOLE** of the **SALINAS VALLEY HEALTH¹** will be held **MONDAY, OCTOBER 23, 2023, AT 12:00 P.M., DOWNING RESOURCCE CENTER ROOM A, B, & C, SALINAS VALLEY HEALTH MEDICAL CENTER, 450 E. ROMIE LANE, SALINAS, CALIFORNIA** or via **TELECONFERENCE** (*visit [SalinasValleyHealth.com/virtualboardmeeting](https://www.SalinasValleyHealth.com/virtualboardmeeting) for Access Information*).

A handwritten signature in black ink, appearing to read "Pete Delgado", written in a cursive style.

Pete Delgado
President/Chief Executive Officer

Committee Members: Joel Hernandez Laguna, Chair; Juan Cabrera, Vice Chair; Pete Delgado, President/CEO; Augustine Lopez, Chief Financial Officer; Clement Miller, Chief Operating Officer; Tarun Bajaj, M.D. Medical Staff Member; Sanjeev Tandon, Community Member; Harry Wardwell, Community Member

**FINANCE COMMITTEE
COMMITTEE OF THE WHOLE
SALINAS VALLEY HEALTH¹**

**MONDAY, OCTOBER 23, 2023, 12:00 P.M.
DOWNING RESOURCE CENTER, ROOMS A, B & C**

**Salinas Valley Health Medical Center
450 E. Romie Lane, Salinas, California
or via Teleconference**

(Visit [SalinasValleyHealth.com/virtualboardmeeting](https://www.SalinasValleyHealth.com/virtualboardmeeting) for Access Information)

AGENDA

1. Call to Order / Roll Call
2. Consider Recommendation for Board Approval of the Optum360 Lynx Software Service Agreement renewal (LOPEZ/KATZENBERGER)
 - Staff Report
 - Committee Questions to Staff
 - Public Comment
 - Committee Discussion/Deliberation
 - Motion/Second
 - Action by Committee/Roll Call Vote
3. Consider Recommendation for Board Approval of Project Budget for the Salinas Valley Health Clinic Refresh and Expansion at 212 San Jose Street, Suites 301 and 302 (Cardiothoracic/Vascular Surgery) (RADNER/RAY)
 - Staff Report
 - Committee Questions to Staff
 - Public Comment
 - Committee Discussion/Deliberation
 - Motion/Second
 - Action by Committee/Roll Call Vote
4. Consider Recommendation for Board Approval of Awarding Contract for Design and Engineering Services in conjunction with the Catheterization Laboratory 3 and Interventional Radiology Equipment Replacement Projects (MILLER)
 - Staff Report
 - Committee Questions to Staff
 - Public Comment
 - Committee Discussion/Deliberation
 - Motion/Second
 - Action by Committee/Roll Call Vote

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

5. Consider Recommendation for Board Approval of a management service and supply agreement with Aramark for Food and Nutrition Services including Starbucks (MILLER)
 - Staff Report
 - Committee Questions to Staff
 - Public Comment
 - Committee Discussion/Deliberation
 - Motion/Second
 - Action by Committee/Roll Call Vote
6. Public Input
This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on issues or concerns within the jurisdiction of this District Board, which are not otherwise covered under an item on this agenda.
7. Closed Session
8. Reconvene Open Session / Report on Closed Session
9. Financial and Statistical Review (LOPEZ)
10. FY2024 Capital Spending Update (LOPEZ/NORMAN/SULLIVAN)
11. Adjournment

The next Finance Committee Meeting is scheduled for **Monday, November 13, 2023 at 12:00 p.m.**

This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.

The Committee packet is available at the Committee Meeting, at www.SalinasValleyHealth.com, and in the Human Resources Department of the District. All items appearing on the agenda are subject to action by the Committee.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Clerk during regular business hours at 831-759-3050. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

**FINANCE COMMITTEE MEETING
OF THE BOARD OF DIRECTORS – COMMITTEE OF THE WHOLE
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

AGENDA FOR CLOSED SESSION

Pursuant to California Government Code Section 54954.2 and 54954.5, the board agenda may describe closed session agenda items as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items are described in substantial compliance with Section 54954.5 of the Government Code.

CLOSED SESSION AGENDA ITEMS

REPORT INVOLVING TRADE SECRET

(Government Code §37606 & Health and Safety Code § 32106)

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility): Trade secrets, strategic planning/proposed new programs and services

Estimated date of public disclosure: (Specify month and year): Unknown

ADJOURN TO OPEN SESSION

CALL TO ORDER
ROLL CALL

(Chair to call the meeting to order)

Board Paper: Review and Approval by Board

Agenda Item: Consider Recommendation for Board Approval of Optum™ LYNX Charge Capture Software Justification and Contract Award

Executive Sponsor: Augustine Lopez, CFO
Philip Katzenberger, Director of Health Information Management

Date: October 17, 2023

Executive Summary

Optum™ LYNX Outpatient Charge Capture software licenses is a comprehensive charge capture solution with proprietary algorithms to capture resource utilization and patient care complexity for consistent charging across outpatient operations. Since 2014, Salinas Valley Health has used the LYNX Emergency department charging and Observation applications to help ensure compliance and achieve consistency in the emergency department.

Optum™ LYNX algorithm uses a unique combination of chief complaints plus other notable clinical resources utilized during the encounter to calculate a facility level of care is accurate. Comprehensive validation engine and configurable workflows support SVH's facility's operations and accurate claim submission and reimbursement.

For observation services, Optum™ LYNX software helps achieve compliant and consistent charging for observation services. The application calculates appropriate observation charges and reconciles exclusion or carve-out times. Helps accommodate the charging parameters that are affected by the patient's origination, acuity and payer.

Referenced FHMA Insights, Optum™ LYNX Outpatient Charge Capture ranks above average compared to their competition in capability functionality, of scalability, integration, customization, administration, and maintenance sustainable maintenance.

We do not recommend replacing the existing solution. There is risk of operational disruption during the learning curve while adapting to a new system and workflow methodology. We would expect operational disruptions and inefficiencies should we replace the current solution with another vendor's solution. We can reasonably estimate a hit to staff productivity (20% to 40% reduction) running dual systems and increases in Salinas Valley Health's mid revenue collection days valued at several millions of dollars of unclaimed/unprocessed cases.

Each application integrates with Meditech via interface customization. These customizations were created nine (9) years ago at a sunk cost of \$250,000 requiring multiple disciplinary staff to aid in the custom project build, a ten (10) months duration. To recreate a similar custom build, the estimated cost is \$295,000, plus consultation services. There is no proven operational advantage to switching vendors.

Unique to market, Optum^{MT} has reviews in healthcare provider value-based performance management analytics. As a tool that aids in delivering insights into claims, encounters and how achieving systems can lead to seamless, cost-effective, and high-quality care.

The Lynx product functions well with periodic upgrades and new product development. We recommend the Optum^{MT} five-year contract renewal as proposed.

Key Contract Terms	Optum TM LYNX Outpatient Charge Capture
1. Proposed contract signing date	December 28, 2023
2. Term of agreement	December 28, 2023 – December 27, 2028
3. Renewal terms	Auto one-year renewal
4. Termination provision(s)	During 5 year term a 60 day written notice with cause only to termination. Post 5 years written notice 60 day termination without cause.
5. Payment Terms	Net 45
6. Average Annual cost(s)	\$305,754
7. Cost over life of agreement **	\$1,528,770
8. Budgeted (yes or no)	Yes
9. Contract	1001.1459C

** Cost over Life of Agreement

Description	Baseline - Paid 12 Months Ending Sept 23	Year1 (12/28/23 - 12/27/24)	Year 2 (12/28/24 - 12/27/25)	Year 3 (12/28/25 - 12/27/26)	Year 4 (12/28/26 - 12/27/27)	Year 5 (12/28/27 - 12/27/28)
Expense Rate		0%	0%	3.50%	3.50%	3.50%
Per Visit Fee		\$4.05	\$4.05	\$4.19	\$4.34	\$4.49
ED Charging Estimated Annual Total (based on 69,078 visits)		\$279,766	\$279,766	\$289,437	\$299,799	\$310,160
Observation Estimated Annual Total (based on 3,307 visits)		\$13,393	\$13,393	\$13,856	\$14,352	\$14,848
Annual Expense Cost	\$279,688	\$293,159	\$293,159	\$303,293	\$314,151	\$325,008
Total Cost of 5 Year Contract:						\$1,528,770

Recommendation

Consider recommendation for Board approval of Optum^{MT} Lynx software contract renewal as sole source justification and contract award in the estimated amount of \$1,528,770, over the five-year term.

Attachments

- Sole Source Justification Form
- Contract Renewal Amendment
- Master Software and Services Agreement

Justification for Sole Source Form

To: Proposal Evaluation Panel

From: Philip Katzenberger

Type of Purchase: (check one)

- Materials/Supplies
- Data Processing/Telecommunication Goods > \$25,000
- Medical/Surgical – Supplies/Equipment > \$25,000
- Purchased Services

Cost Estimate (\$):	\$1,528,770.00 (5year contract)
Vendor Name:	Optum™ LYNX
Item Title:	Optum360 LYNX Charge Capture Software Renewal: 2023 - 2028

Statement of Need: My department's recommendation for sole source is based upon an objective review of the product/service required and appears to be in the best interest of the SVMHS. I know of no conflict of interest on my part or personal involvement in any way with this request. No gratuities, favors or compromising action have taken place. Neither has my personal familiarity with particular brands, types of equipment, materials or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

Describe how this selection results in the best value to SVMHS. See typical examples below.

- Licensed or patented product or service. No other vendor provides this. Warranty or defect correction service obligations of the consultant. **Describe why it is mandatory to use this licensed or patented product or service:**
- Existing SVMHS equipment, inventory, custom-built information system, custom built data inventory system, or similar products or programs. **Describe. If product is off-the-shelf, list efforts to find other vendors (i.e. web site search, contacting the manufacturer to see if other dealers are available to service this region, etc.).**

Salinas Valley Health (SVH) has several services lines which each of these service lines required interface customization. These customizations were created nine (9) years ago at a sunk cost of \$250,000 requiring multiple disciplinary staff to aid in the custom project build, a ten (10) months duration. To recreate a similar custom build, the estimated cost is \$295,000, plus consultation services. There is no proven operational advantage to switching vendors.

KLAS Insights compares Optum™ to other vendors in the market, Optum™ LYNX Charge Capture scores higher when compared to their competition in functionality, scalability, integration, customization, administration, and sustainable maintenance.

Unique to market, LYNX Software has reviews in healthcare provider value-based performance management analytics. As a tool that aids in delivering insights into claims, encounters and how achieving systemness can lead to seamless, cost-effective, and high-quality charge capture.

We do not recommend replacing the existing solution. There is risk of operational disruption during the learning curve while adapting to a new system and workflow methodology. We would expect operational disruptions and inefficiencies should we replace the current solution with another vendor's solution. We can reasonably estimate a hit to staff productivity (20% to 40% reduction) running dual systems and increases in Salinas Valley Health's mid revenue collection days valued at several millions of dollars of unclaimed/unprocessed cases.

Justification for Sole Source Form

The Optum™ LYNX product functions well with periodic upgrades and new product development. We recommend the Optum™ LYNX Software obtain a five (5)-year contract renewal as proposed.

- Uniqueness of the service. **Describe.**
- SVMHS has established a standard for this manufacturer, supplier or provider and there is only one vendor. **Attach documentation from manufacturer to confirm that only one dealer provides the product.**
- Factory-authorized warranty service available from only this single dealer. Sole availability at the location required. **Describe.**
- Used item with bargain price (describe what a new item would cost). **Describe.**
- Other -The above reasons are the most common and established causes for an eligible sole source. If you have a different reason, **Describe:**

By signing below, I am attesting to the accuracy and completeness of this form.

Submitter Signature: _____ Date: _____

**AMENDMENT NO. 2
TO THE
LYNX APPLICATIONS PRODUCT SCHEDULE**

This “Amendment No. 2”, effective December 28, 2023 (“Second Amendment Effective Date”) amends the LYNX Applications Product Schedule having an Effective Date of December 28, 2014 (as amended, the “Schedule”), by and between Optum360, LLC (“Optum”) and Salinas Valley Memorial Healthcare System operating as Salinas Valley Health (“Customer). The Schedule is incorporated into and made a part of the Master Services and License Agreement, having an Agreement Date of December 28, 2014, between the parties.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, as of the Second Amendment Effective Date, the parties agree to amend the Schedule as follows:

1. Existing Agreement. Except as set forth in this Amendment No. 2, all terms and conditions of the Schedule and Agreement remain in full force and effect. In the event of any conflict between the terms of this Amendment No. 2, the Schedule, and/or the Agreement, this Amendment No. 2 shall control.

2. Software. Section I.D of the Schedule, Software, is deleted and replaced with the following:

“D. “Software” means the following Software applications including all updates, enhancements, and versions thereto:

- Optum LYNX ED Charging Application Facility
- Optum Lynx Observation Charging Application”

3. Term and Termination. Section VI of the Schedule, Term and Termination, is deleted and replaced as set forth below. For the avoidance of doubt, Sections VI.A and VI.B are not amended by this Amendment No.2 and remain unchanged in the Schedule.

“VI. Term and Termination. This Schedule is effective as of the Effective Date, and continues through December 27, 2028, unless earlier terminated pursuant to the Agreement. This Schedule will automatically renew for additional, successive one (1) year periods at a rate of five percent (5%) per year of the prior year’s fees, unless either party gives the other party written notice of termination at least sixty (60) days prior to the end of the initial term or any successive one (1) year term.”

4. Exhibit A – Pricing. Exhibit A of the Schedule, Pricing, is deleted in and replaced with a new Exhibit A, which is attached hereto as Attachment 1 and incorporated into the Schedule by reference.

IN WITNESS WHEREOF, the parties have accepted and agreed to this Amendment No. 2.

OPTUM360, LLC

SALINAS VALLEY MEMORIAL HEALTHCARE
SYSTEM OPERATING AS SALINAS VALLEY
HEALTH

Signature: _____

Signature: _____

Print Name: _____

Print Name: Pete Delgado

Print Title: _____

Print Title: President/CEO

Date: _____

Date: _____

Agreement No.: 266242.2
Version: 6

Attachment 1

EXHIBIT A – PRICING

Service	Fees*
Fees for Access to the Hosted System	
Optum Lynx ED Charging Application Facility Estimated Annual Processed Visits: 82,000	\$4.05 per visit, billed monthly
Lynx Observation Charging Application Estimated Annual Processed Visits: 4,000	\$4.05 per visit, billed monthly

* The three and one half percent (3.5%) annual increase set forth in Section V.B.2 of this Schedule, Increases, shall not apply until December 28, 2025. Customer shall pay Optum for a minimum of 64,000 Optum Lynx ED Charging Application Facility processed visits and 3,200 Optum Lynx Observation Charging Application processed visits, annually (the “Minimum Annual Software Fees”) in accordance with Section V.A.2 of this Schedule.

The following table exhibits Customer’s estimated annual cost based on Customer’s actual claims volume for the period of August 1, 2022, through July 31, 2023. This table is provided for planning and budgeting purposes only. Customer will pay Optum for the actual volume of visits processed subject to the annual minimum described above.

Description	Year1 <small>(12/28/23-12/27/24)</small>	Year 2 <small>(12/28/24-12/27/25)</small>	Year 3 <small>(12/28/25-12/27/26)</small>	Year 4 <small>(12/28/26-12/27/27)</small>	Year 5 <small>(12/28/27-12/27/28)</small>
Per Visit Fee	\$4.05	\$4.05	\$4.19	\$4.34	\$4.49
ED Charging Estimated Annual Total <small>(based on 69,078 visits)</small>	\$279,766	\$279,766	\$289,437	\$299,799	\$310,160
Observation Estimated Annual Total <small>(based on 3,307 visits)</small>	\$13,393	13,393	\$13,856	\$14,352	\$14,848

LYNX APPLICATIONS
Product Schedule

Optum360, LLC (“Optum”) and Salinas Valley Memorial Healthcare System (“Customer”), have entered into this Product Schedule (“Schedule”) with an effective date of December 28, 2014 (“Effective Date”). This Schedule is incorporated into and made part of the Master Services and License Agreement dated December 28, 2014 (the “Agreement”). The parties agree as follows.

I. Definitions. The following definitions shall apply to this Schedule:

A. “Database” shall mean the database created from Customer Data input into the Hosted System, which Optum maintains as part of the Hosted System

B. “Hosted System” shall mean the Software (as defined below), , services, Database, hardware, third party owned software, networks, program fixes, program releases, operating system software, database software, and other third-party software, as deemed necessary by Optum for proper execution of the Software at Optum’s location (as set forth in the Documentation).

C. “Services” shall mean, for the purposes of this Schedule, Optum’s provision to Customer of access to the Hosted System, related Support Services, and other professional Services provided to Customer pursuant to this Schedule and any additional Exhibits, as applicable.

D. “Software” shall mean the following Software applications accessible through the Hosted System, including all updates, enhancements, and versions thereto:

- LYNX E/Point Facility
- LYNX Observation Charging Application

II. Services Subscription.

A. Site(s). Customer may use the Hosted System to process cases for the following site(s) only:

- Salinas Valley Memorial Healthcare System, 450 E Romie Lane, Salinas, CA 93901

B. Optum Services. Optum shall provide to Customer access to and use of the Hosted System via the Internet through the client application component of the Software, which is downloaded onto Customer’s workstations when individual users (“Users”) first access the Hosted System, and the other Services solely for Customer’s internal usage; and solely to enable Users to access, view, edit or print the Customer Data in the Hosted System for Customer’s internal business purposes. The Hosted System includes a sublicense to use the CPT codes embedded in the Software. Customer may access and use the Hosted System only from locations within the United States.

1. Implementation. The parties acknowledge and agree that the Software referenced in Section I of this Schedule was fully implemented by Optum pursuant to the Application Service Provider Agreement dated December 27, 2011 and the related Addendum signed on June 12, 2012.

2. Authorized Use. Customer shall implement reasonable controls to ensure that the Hosted System is only accessed and used by the then-currently authorized Users. Customer shall promptly notify Optum of any unauthorized access to or use of the Hosted System that becomes known to Customer. Optum shall have the right to immediately discontinue a User’s access to and use of the Hosted System if such User breaches the terms of this Exhibit or otherwise impedes or disrupts any third party’s use of the Hosted System. Where reasonably possible, Optum shall deliver notice to Customer of the termination of a User’s access to and use of the Hosted System.

3. Customer Managers. Within ten (10) days of the Effective Date, Optum and Customer shall each designate a supervisory representative (“Customer Manager”) who shall be responsible for

the conduct and performance of its respective employees, the access to the Hosted System, the preparation and delivery of all required materials, reports, facilities or work for the addition of other Authorized Location(s) operated or owned by Customer where the Hosted System may be used under this Schedule, and other day-to-day communications. Either party may replace its Customer Manager upon reasonable prior written notice to the party.

4. Acknowledgment. Customer hereby acknowledges that there is no established government or legal mechanism by which any system for current procedural terminology (“CPT”) coding can be reviewed or approved and that the software for CPT coding under this Schedule has not been so reviewed or approved. Customer further acknowledges that Optum has developed its software in good faith on the basis of its database of experience with many operators of ED facilities over a number of years and on the advice of independent experts in the field of emergency medicine. Optum does not warrant that the Hosted System and Customer Data will operate error free, or in an uninterrupted fashion, or that any defects or errors in the hosted system will be corrected. Optum disclaims any express or implied warranty that the software are error-free or will always result in CPT coding by customer that will be approved or accepted by governmental authorities.

C. Server Hosting. Optum shall host the Hosted System in accordance with the Service Level Agreement (SLA) attached to this Schedule as Exhibit B.

1. Hardware/Software: Optum will be responsible for providing the necessary hardware and software that is needed for the Hosted System. Customer is responsible for providing the necessary hardware and software that is needed on the workstations at the Authorized Locations.

2. Connection Maintenance: Optum will establish and maintain the hosted end of the VPN connection between Optum and Customer for transportation of interface data.

3. Database Backups and Archival: Optum will be responsible for the daily back-up of the Hosted System in accordance with the Optum Back-up Policy.

4. Content Maintenance: Optum will be responsible for the maintenance of the clinical, CPT and ICD-9 content within the Software.

D. Coding Exclusivity. Customer agrees that for the duration of this Schedule, Customer shall use the Hosted System to process all Emergency Department visits and that Customer will not license, purchase or otherwise procure any alternative solution from any third party.

E. Training. Optum will provide up to four (4) hours of training via WebEx to Customer staff annually, upon Customer’s written request, if needed due to any system or regulatory changes. If Customer requests additional training beyond the four (4) hours of WebEx training provided annually, Optum will provide such training at Optum’s then-current fees.

III. Customer Obligations.

A. Hardware, Formatting of Data, and Access.

1. System Administrator. Customer is responsible for identifying a Software System Administrator to manage user and site specific configurations.

2. Customer Project Leader: Customer must designate a project leader. This Customer project leader must be authorized by Customer to ensure that Customer hardware, software, and other system components required for operation of the Hosted System are maintained in proper working order.
3. Formatting and Delivery of Useable Data. Customer shall provide Optum with Useable Data, meeting the specifications for the Hosted System.
4. Access to Premises. For access to and operation of the Hosted System or performance of the Services, as appropriate, Customer shall provide Optum with reasonable access to and use of its premises and facilities as requested. Optum personnel shall comply with Customer's reasonable security or other comparable rules and policies while working on Customer's premises or in its facilities.
5. Hardware and Connections. Customer shall maintain the appropriate browser and other software and hardware for accessing the Hosted System, as specified in Exhibit C.
6. Customer Responsibilities. Customer acknowledges that computer systems, telecommunications systems and the Hosted System, or the components thereof, may be subject to errors or interruption. Customer shall be solely responsible for protection and backup of its computer and telecommunications systems and for the storage, retrieval or transmission of any data used, processed or compiled by the Hosted System, including the Customer Data. Client will also have the obligations outlined in the Hardware and Third Party Software Specifications.

B. Customer Requirements for Accessing the Hosted System.

1. Workstations. Customer is responsible for providing and maintaining the workstations needed for accessing the Hosted System, and for making any necessary repairs, replacements, and upgrades required to support the current version of the Hosted System. Customer is responsible for the compatibility between the Hosted System and any computer equipment, software applications, and information systems of Customer.
2. Telecommunications. Customer must install and maintain a VPN connection. Customer shall pay for all VPN installation, maintenance, and use of equipment and associated charges.
3. Work Space. Customer shall provide Optum staff working on-site performing any work related to operation of the Hosted System with the following:
 - A business-like working environment including, but not limited to, office space, desks, furnishings, and telephones with access to outside lines for business calls relating to Optum's performance
 - Access to Customer's network(s) and Internet
 - Access to the hardware that will be remotely accessing the Hosted System
4. Information and Access. Customer shall provide Optum with sufficient support time and test time on Customer's computer system to duplicate any reported problem with the Hosted System, certify that the problem is related to the Hosted System, and certify that the problem has been corrected. At Optum's request, Customer must provide all information pertaining to Customer's computer system(s). Customer is obligated to advise Optum of any conditions that Customer is aware will affect the Hosted System or Optum's ability to provide the Services.
5. Training. Customer shall designate a training coordinator if the Optum online web based training module is utilized. This training coordinator will ensure that all Users of the Software will complete and pass the online training module before the Users access the Hosted System in a production environment.

IV. Customer Support. Optum will provide the support Services set forth below (which are included in the definition of “Services” under the Agreement). Optum may, from time to time, modify or enhance the support Services, as long as Optum does not materially degrade the support Services. Upon request and if mutually agreed, Optum will provide to Customer additional professional services, at the rates described below, pursuant to a separate, written scope of services.

A. Software Updates, Enhancements and Versions. Maintenance Services include the provisions of updates, enhancements and new versions to the Hosted System.

1. Optum will correct any errors within the Hosted System, including and without limitation, defect repair, programming corrections, and remedial programming, and provide such services and repairs required to maintain the Hosted System so that it operates properly and in accordance with the Documentation.

2. In the event of a failure of the Hosted System to perform as set forth in the Documentation, Optum will respond as set forth in the Service Level Agreement attached as Attachment B.

3. The Hosted System will provide ICD-10 coding capabilities as mandated by the Department of Health and Human Services.

4. Optum is not required to do the following as part of the provision of maintenance: (a) provide maintenance Services for other than the most current versions of the Software, (b) customize new product updates to satisfy Customer’s particular requests; or (c) provide maintenance Services or correct any Errors in the Software caused by modifications made by Customer or modifications made by Optum at the request of Customer, or improper use by Customer.

B. Hosted System Technical Support. Optum will provide technical support for Users of the Hosted System twenty-four (24) hours per day, seven (7) days per week, with toll-free telephone access. Core hours are from 7 a.m. to 4 p.m. PST on all Optum business days. All other hours and days will be supported through Optum on call service. The purpose of technical support is to answer User questions, not to perform modifications or customizations, all of which may be provided by Optum on a time and materials basis.

C. Interfaces. Any modifications to the interfaces after the Hosted System goes live will result in charges for additional professional services.

D. Costs. Customer will reimburse Optum for travel and lodging costs associated with maintenance Services support issues and interface support issues that require travel to Customer’s site.

V. Fees and Payment Terms.

A. Service Fees.

1. Customer will pay Optum the fees set forth on Exhibit A. The Fees will be billed monthly based on processed visits for the preceding month. Processed visits shall be defined as new patient encounters created in the Software.

2. Customer shall pay Optum for not be less than 80% of the expected annual ASP Fees, based the estimated annual number processed visits set forth in Exhibit A (the “Minimum Annual Software Fees”), subject to Section V.B.2 below. If Customer does not process enough visits for each 12 month period, calculated annually on the anniversary of the date of the first software invoice, Optum will invoice Customer for the difference between the actual invoices and the Minimum Annual Software Fees.

3. Should Customer wish to contract with Optum to provide additional Services, Optum requests an advance notice of thirty (30) days, and the parties shall mutually agree on a change order or additional Schedule.

B. Payment Terms.

1. Invoices. Optum, or its affiliate, shall submit an invoice to Customer on a monthly basis each month for the Fees due for the Hosted System or Services provided by Optum during the previous month. Customer shall pay all amounts due under this Schedule within thirty (30) days of the date of such invoice. Customer shall have twenty-one calendar days to review and return a monthly invoice if it is inaccurate, including a description of any such inaccuracies in the monthly invoice. In such event, Optum will correct the monthly invoice and re-submit it to Customer or, alternatively, contact Customer to discuss any discrepancies in a timely manner.

2. Increases. All fees stated in this Schedule are subject to annual escalation at a rate not to exceed five percent (5%) per year, effective each year on the anniversary of the Effective Date.

3. Travel Expenses. Optum will bill Customer at cost on itemized invoices for all travel and living expenses incurred by Optum in providing the Services.

C. Suspension of Services. In addition to any other remedy available at law or in equity, upon ten (10) days written notice thereof, Optum may suspend its Services or access to and use of the Hosted System by Customer if Customer is delinquent by more than two (2) monthly payments of fees and has failed to cure such delinquency within ten (10) days after written notice thereof.

VI. Term and Termination. This Schedule is effective as of the Effective Date of this Schedule, and continues for two (2) years thereafter, unless earlier terminated pursuant to this Schedule or pursuant to the Agreement. This Schedule shall automatically renew for additional, successive one (1) year periods, at the then current fees, unless either party gives the other party written notice of termination at least sixty (60) days prior to the end of the initial term or any successive one (1) year term.

A. Cooperation at Termination. Upon any termination of this Schedule, Optum shall reasonably cooperate with Customer in the transition to a new system, subject to Optum's then current standard time and material charges for such assistance. For avoidance of doubt, notwithstanding the foregoing, Optum shall not be obligated to disclose to any successor service provider any copy of the Software or other components of the Hosted System or any other Confidential Information.

B. Effect of Expiration or Termination. Customer shall immediately cease use of the Hosted System and verify in writing to Optum that it has destroyed, permanently erased or returned to Optum any portion of the Hosted System in its possession or control and all of Optum's other Confidential Information. Within fifteen (15) calendar days after the effective date of expiration or termination, Optum shall make available to Customer the Customer Data by exporting the SQL database to approved back-up media, with reasonable notice to Customer, shall erase all copies of Customer Data in the Database, and return to Customer all of Customer's other Confidential Information in Optum's possession or control. All licenses to access and use the Hosted System shall immediately terminate including, without limitation, all licenses under the User License Agreements. Optum shall remove the Customer access to the Hosted System production environment within seven (7) days. The Database shall remain on archive tapes for a period of six (6) years consistent with HIPAA regulations.

VII. Termination of ASP Agreement. Upon the Schedule Effective Date, the Agreement and this Schedule shall supersede and replace the Application Service Provider Agreement dated December 27, 2011 and the Addendum signed June 12, 2012 between LYNX Medical Systems, Inc. and Customer (together, the "Prior Agreements") and those Prior Agreements shall terminate.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Product Schedule as of the Effective Date set forth above.

OPTUM360, LLC

BY: Allen Plunk
Allen Plunk (Jan 30, 2015)

PRINT NAME: Allen Plunk

TITLE: SVP

Rev. 04/1/13
UPS: IGX90899
SF:
OID:
Version 1

SALINAS VALLEY MEMORIAL HEALTHCARE
SYSTEM

BY: Augustine Lopez

PRINT NAME: Augustine Lopez

TITLE: CFU

EXHIBIT A – Pricing

Service	Fee
Fees for access to the Hosted System	
<p>Lynx E/Point Facility</p> <ul style="list-style-type: none"> ▪ LYNX Software Application License ▪ LYNX Software Application Updates ▪ LYNX Clinical Database Updates ▪ Technical Support <p>Estimated annual census: 51,000</p>	<p>\$4.05 per visit, billed monthly</p>
<p>Lynx Observation Charging Application</p> <ul style="list-style-type: none"> ▪ LYNX Software Application License ▪ LYNX Software Application Updates ▪ LYNX Clinical Database Updates ▪ Technical Support <p>Estimated annual census: 2,203</p>	<p>\$4.05 per visit, billed monthly</p>

EXHIBIT B
SERVICE LEVEL AGREEMENT

Customer acknowledges that Optum uses a third party to host the Hosted System, and that from time to time the terms of this Service Level Agreement may be modified. Optum shall give Customer notice of any such changes as soon as commercially reasonable after Optum is made aware of such changes. The Hosted System is accessed by Users using the internet. Optum assumes no responsibility for a User's ability to access the internet.

System Availability	The Hosted System will be available for User access (uptime) 99% of the time 24x7x365, subject to the terms of this Service Level Agreement measured monthly. This does not include any local client system or communications failure. Uptime excludes (i) scheduled maintenance (times available upon request); (ii) emergency maintenance requested by Customer or other Optum customers that must by its nature only be conducted outside the scheduled maintenance window; provided that Optum shall notify Customer as soon as practicable of the need for such emergency maintenance before the Hosted System is taken offline; (iii) downtime caused by any unauthorized use of the Hosted System by Customer or Users; and (iv) circumstances beyond Optum's reasonable control. Optum is not responsible for issues that might occur with global internet.
Response Time	All User entries shall display in not less than 3 seconds and all transactions and screen transitions shall execute in not more than 5 seconds. (Test over 30 minutes) This includes TCP/IP Interface socket connections but excludes batch interfaces.
Latency	Average time required for round-trip packet transfers over the Optum hosted communications backbone will not exceed 500 milliseconds during a calendar month. Optum cannot be responsible for Customer LAN or WAN issues nor the internet.
Packet Loss	Average percentage of IP packet loss will be less than 1% in a given calendar month over the Optum hosted communications backbone. Optum cannot be responsible for Customer LAN or WAN issues nor the internet.
System Maintenance	Routine Server maintenance will be performed on Sundays between the hours 2 AM and 3 AM Eastern Time. Scheduled emergency maintenance will be performed between the hours of 2 AM and 6 AM Eastern Time. Minimum of two hours notification for Emergency Maintenance.
Disaster Recovery	For disaster recovery purposes, Optum shall maintain backup servers. If Optum declares a disaster situation, the Customer Data and use of the Hosted System will be restored within 72 hours at the Optum backup site. A test of this disaster recovery service will be performed once per calendar year.
Optum Support Service Levels	Phone – Optum Support Line: 1 hour initial response for Critical and High severities. 1 business day response for Medium and Low severities. Other (email, web): 1 business day response for all severities. (Critical and High severities should always be submitted via the Optum Support line.)
Critical. System is down; major functionality	Critical Response. Optum to respond within 1 hour. Optum to

is not working, material data loss or data corruption; end users unable to perform essential functions. There is no workaround for the issue(s)	communicate with Customer once every 4 hours or other mutually agreed upon time until resolved.
High. System intermittently unable to perform essential functions. Individual Users are unable to access the system for typical functions. There may be a workaround for the issue(s).	High Response. Optum to respond within 1 hour. Optum to communicate with Customer once every 8 business hours (1 business day) or other mutually agreed upon time until resolved.
Medium. Small number of Users intermittently unable to perform non-essential functions; Application functions and continues to be used (e.g. intermittently receive error message or general application/network slowness). There is a workaround for the issue(s).	Medium Response. Optum to respond within 1 day. Optum to communicate with Customer once every 24 business hours (3 business days) or other mutually agreed upon time until resolved.
Low. Does not impact the delivery of system functionality, does not impact the validity of data in the application (e.g. spelling error, misalignment of data on screen). Application clarification and enhancement requests. Any other general questions.	Low Response. Optum to respond within 1 day. Optum to communicate with Customer once every 72 business hours (9 business days) or other mutually agreed upon time until resolved.

Remedies. Customer's sole and exclusive remedy and Optum's entire liability for any breach of this Service Level Agreement shall be as follows: failure of any two of the Service Level's within a 30 day period will result in a 5% discount in ASP Fees for the next monthly billing cycle. A failure of the Service Levels related to Latency or Packet-loss must be reported to LYNX within seven (7) days of occurrence to be confirmed by a measurement of the Hosted System backbone

SLA Claims Process. Optum will provide an incident report within fourteen (14) days of a service event. Customer, at its discretion, may request a discount, if applicable, in the following month by sending a written request by email to Optum's accounting department. Discounts can only be claimed for the prior calendar month.

EXHIBIT C
HARDWARE SPECIFICATIONS

Prerequisites

The Optum™ LYNX Outpatient Charge Capture applications are fully Web-based and require a compatible operating system and browser combination. Prerequisites include:

- Internet connectivity (640 Kbps synchronous speed or greater)
- One of the following operating systems:
 - Microsoft® Windows® XP SP2 or SP3
 - Windows Vista®
 - Windows Server® 2003, 2008, or 2008 R2
 - Windows 7
- Internet Explorer® (IE) 8 or 9 with the following settings:
 - **Pop-Up Blocker** turned off
 - https://*.OptumInsightmed.com added to **Trusted Sites**
 - (Recommended) **Trusted Sites** security level set to **Low** to be able to view reports
- Microsoft Silverlight® 4
- 25 MB of disk space for the storage of temporary files
- A monitor with screen resolution set to 1280x960 or higher.

The software checks for the presence of the appropriate version of Silverlight and, if not found, provides the user with a link to download and install the application. Alternatively, prior to connecting to the 7.2 Web site, Silverlight can be downloaded and installed from the following link: <http://www.microsoft.com/getsilverlight/Get-Started/Install/Default.aspx>

Note: To install Silverlight, the user must have administrative rights on the workstation.

Compatibility

The following table shows Silverlight-compatible operating system and browser combinations:

Operating System	Internet Explorer 9.0	Internet Explorer 8.0
Windows 7, Windows Server 2008 R2	✓	✓
Windows Server 2003, Windows XP SP2 and SP3, Windows Vista, Windows Server 2008	✓	✓

Printing

The Reporting Module generates reports in XLS file format. To view or print XLS files, use an application capable of displaying tabular data, such as Microsoft Excel®.

Board Paper: Finance Committee

Agenda Item: Consider Recommendation for Board Approval of Project Budget for the Salinas Valley Health Clinic Refresh and Expansion at 212 San Jose Street, Suites 301 and 302 (Cardiothoracic/Vascular Surgery)

Executive Sponsor: Gary Ray, SVMC Chief Administrative Officer

Date: October 11, 2023

Executive Summary

Salinas Valley Health is pursuing tenant improvements to two suites within an existing medical office building located at 212 San Jose Street, Salinas. The planned renovations include architectural finish replacements (flooring, paint, minor wall re-working, cabinetry/counters), low voltage cabling, office furniture, technology, and office equipment necessary to facilitate the re-configuration of the space to increase exam room census capability and provide adequate office space for expanding Medical and Administrative support staff. Facilities Management is approaching the Board to request approval of capital funding to complete renovations and procure furnishings, furniture and equipment. The total requested budget allocation for the project is \$500,000.

Background/Situation/Rationale

The remodel of third floor was considered and authorized as part of our strategic capital budget for fiscal year 2024. Specific project cost approval is sought now that project parameters are defined.

Timeline/Review Process to Date:

October 2023:	Define scope and request funding
November 2023:	Contracting/Procurement & existing tenant relocation
December 2023 – March 2024:	Phased Construction Activity

Meeting our Mission, Vision, Goals

Strategic Plan Alignment:

Suite 302 is being vacated by Salinas Valley Health Pre-Surgery Assessment Team. Presently, Salinas Valley Health Clinic's Cardio/Vascular Surgery Clinic occupies suite 301. Relocating doctors and administrative staff out of suite 301, into the nearby suite 302, allows creation of exam rooms in former doctor offices and more efficient support staff areas. The 'tenant improvement build-out' is relatively minimal and will be accomplished by direct-to-owner contracts with a handful of specialty subcontractors on a 'Multi-Prime' project delivery basis, with work scheduled and overseen by facilities management, acting as the owner's representative. Technology upgrades to an existing Salinas Valley Health-managed data system are also expected to be accomplished with this project.

Pillar/Goal Alignment:

Service People Quality Finance Growth Community

Fiscal Year Capital Budgeting:

Current capital budget forecast includes:
Fiscal Year 2024 - \$500,000

Recommendation

Consider recommendation for Board of Directors to approve the total estimated project budget for the Salinas Valley Health Clinic Refresh and Expansion at 212 San Jose Street, Suites 301 and 302 (Cardiothoracic/Vascular Surgery) in the budgeted amount of \$500,000.

Attachments

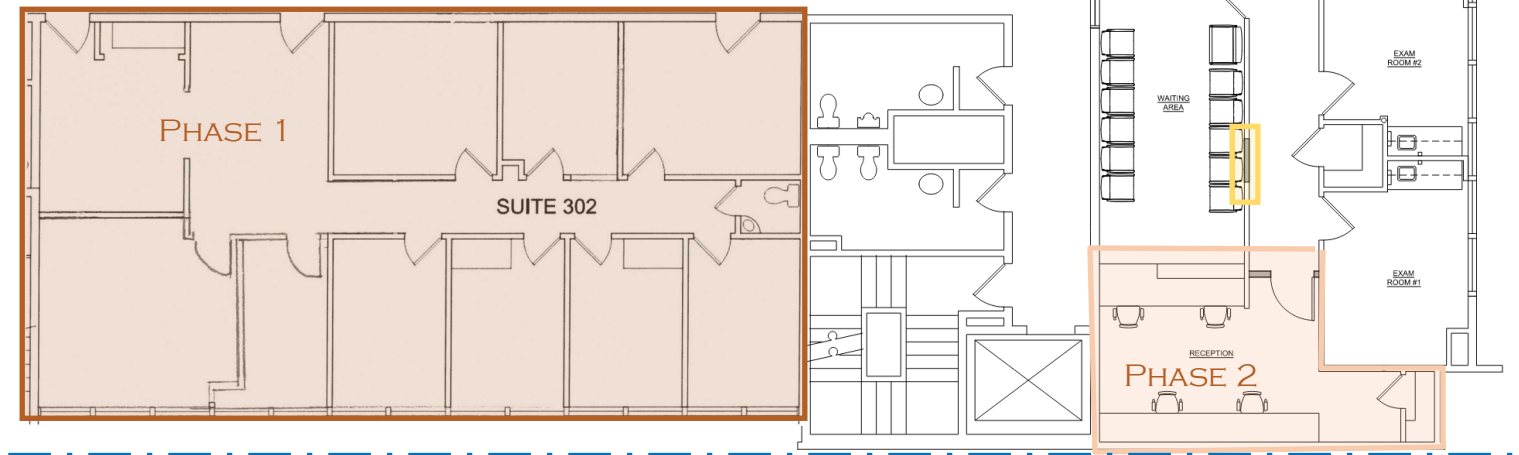
Budget & Phasing Plan October 2023

212 SAN JOSE - 3RD FL - BUDGET & PHASING PLAN - OCTOBER 2023

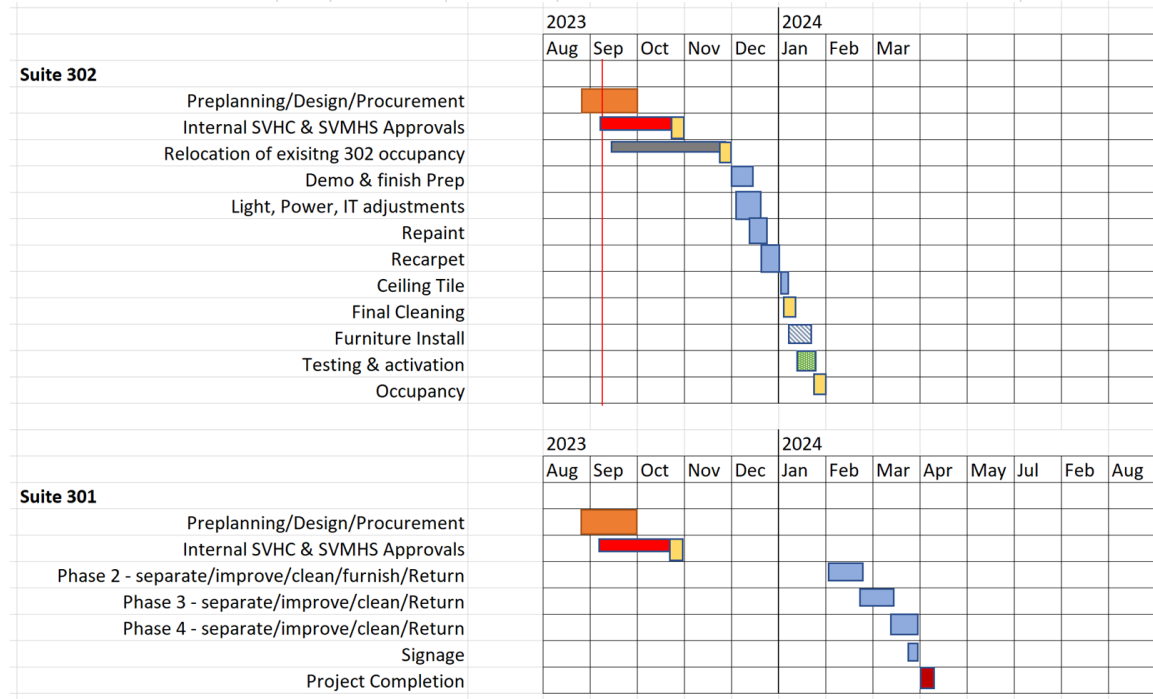
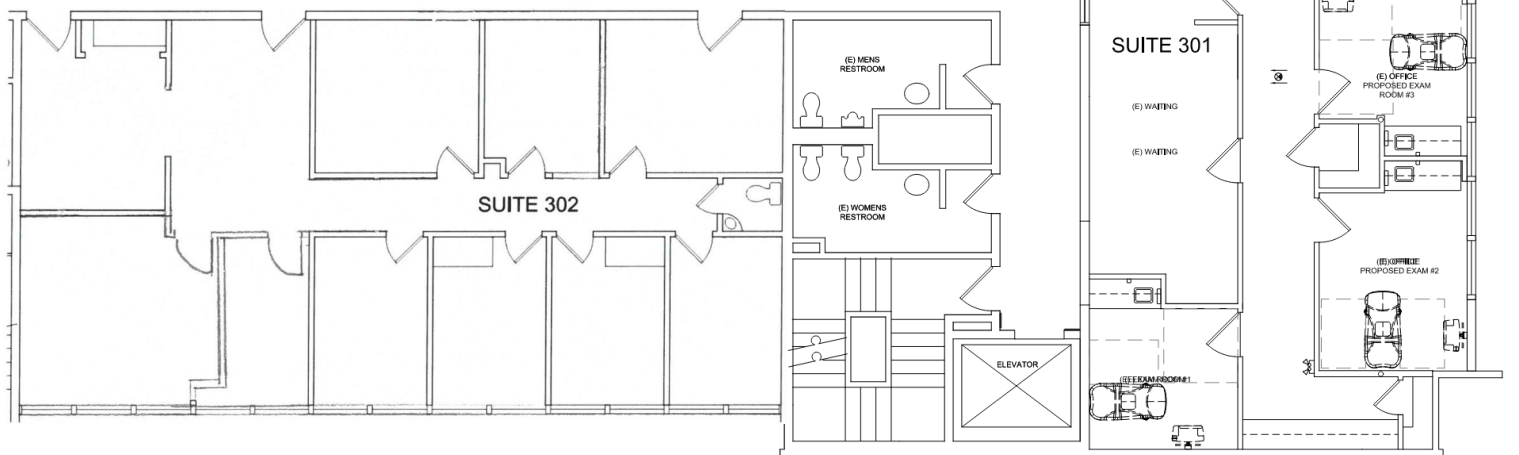
Salinas Valley Health Clinic				
Project: 212 San Jose 3rd Fl Refresh/Modify suites 301 & 302				
Architect: BOGARD CONSTRUCTION, INC. <small>Since 1947</small>				
Preliminary Blue Sky Budget - Multi-Prime Delivery				
CIP: 01.1250.3790 BCI: 230811				
Budget Approval Date: <small>blue sky= internal WAG before securing bids</small>				
Issue:	10/10/2023	Suite 302 Budget	Suite 301 Budget	NOTES
HARD COSTS				
General Conditions/Protection		\$12,000	\$30,000	
Soft Demolition		\$7,500	\$10,000	
Rough Carpentry Misc Work & Pick Up		\$4,500	\$7,500	
Drywall		\$1,500	\$5,000	
Paint		\$7,500	\$10,000	
Doors / Frames / Hardware		\$1,500	\$3,000	allowance to mess with existing
Acoustic Ceiling Work		\$5,600	\$8,500	replace tiles in 302 - keep grid, patch 301
Deep Clean existing Carpet		\$0	\$0	N/A
Floor Covering		\$6,500	\$0	replace 302 carpet, 301 scope a separate approved project
Cabinetry		\$0	\$30,000	no work 302, Cab Shop product at 301 (no Midmark)
Countertops		\$0	\$35,000	no work 302, custom Plam/Corian at 301
Plumbing		\$0	\$14,000	plumb in 3 sinks at 301
Electrical - fixtures FOB jobsite		\$7,500	\$7,500	LED replacements at 302, can re-work at 301
Electrical - Labor & Misc Material		\$8,000	\$15,000	
Electrical - Low voltage I.T. stuff		\$34,000	\$10,000	302: cabling \$15, switch \$13, UPS \$2, WAPs \$4 = \$34,000
FF+E - Furnish and Install BY OWNER		\$35,000	\$60,000	need to verify scope with SVHC
Signage		\$500	\$4,500	need to verify scope with SVHC
		\$131,600	\$250,000	
SOFT COSTS				
Design Documents		\$750	\$12,000	builder set only, not a bid or permit set
Const. Management/Supervision		\$15,000	\$40,000	
HazMat Test & Mitigate		\$0	\$5,000	
Permit Review & Fees		\$0	\$0	presumes no permit issued
		\$147,350	\$307,000	
PROJECT CONTINGENCY	10%	\$14,735	\$30,700	
		\$162,085	\$337,700	
PROJECT TOTAL		\$499,785		



PROPOSED FLOOR PLAN



EXISTING FLOOR PLAN



Board Paper: Finance Committee

Agenda Item: **Consider Recommendation for Board Approval of Awarding Contract for Design and Engineering Services in conjunction with the Catheterization Laboratory 3 and Interventional Radiology Equipment Replacement Projects**

Executive Sponsor: Clement Miller, Chief Operating Officer
Christianna Kearns, Senior Administrative Director Cardiovascular, Pulmonary & Sleep Medicine
Gina Ramirez, Director of Imaging Services
Earl Strotman, Facilities Management
Dave Sullivan, Facilities Management

Date: October 10, 2023

Executive Summary

The fluoroscopy equipment in catheterization lab 3 (Cath lab 3) and the interventional radiology special procedures room (IR Room) have reached the end of useful life and will soon be no longer serviceable by the vendor (Siemens). Current project planning encompasses full replacement of existing equipment and building components within the procedure area, control rooms, equipment closets and adjacencies. All planned renovations require plan approval and building permits from California's Department of Health Care Access and Information (HCAI). Facilities management circulated a request for proposal from qualified architectural firms to provide comprehensive design and engineering services necessary to complete construction documents and specifications for securing agency approvals and construction services from general contractors.

Background/Situation/Rationale

Current project planning contemplates complete replacement of the entire fluoroscopy systems. Other supporting building components located within the procedure and control rooms (i.e., medical supply cabinetry, storage, surgical lights, monitor booms, etc....) are obsolete and no longer serve the needs of the physicians and staff. The control and procedure rooms require a complete overhaul to comply with current regulations and accommodate the procedures taking place in that space. Current planning contemplates both equipment replacements being permitted concurrently through HCAI. There will be two work authorizations issued to the design team, controlled by the terms and conditions of the professional services agreement. The design team fees and invoices will be tracked separately for the Cath lab and IR Room equipment replacements respectively.

The construction activities planned for Cath lab 3 will require Cath lab 3 procedures relocate to Cath lab 1 and 2 for several months. To facilitate procedures typically performed in Cath lab 3, we need to identify and potentially upgrade specific systems within Cath lab 1 and 2 to accommodate the additional volume of procedures within those labs.

For interventional radiology special procedures room, a temporary trailer will be planned to dock at an exterior location during the renovations to accommodate patients on the medical center campus. The costs for these provisions will be included during the evaluation of major equipment purchases with the Finance Committee and Board of Directors.

During the RFP process, three (3) complete proposals were received by Salinas Valley Health. Each of the proposals were scored utilizing a tiered scoring structure. A core evaluation committee comprised of Salinas Valley Health clinical leadership and facilities management conducted a scoring of the written proposals. The three primary categories utilized in the evaluation process were:

- (a) Qualifications and experience of firm
- (b) Approach to providing services and project management
- (c) Qualifications and experience of key personnel.

After evaluating all proposals in accordance with the criteria set forth in the RFP, the evaluation committee determined that Smith-Karrig Architecture was the highest-ranking proposer. As part of the response to the RFP and consistent with the Mini-Brooks Act qualification-based selection criteria, the proposers were required to submit a separately sealed cost proposal identifying the proposed fee for the requested scope of services. In accordance with the RFP procedures, Salinas Valley Health opened the cost proposal and negotiated the terms and conditions of the Professional Services Agreement. The current fee proposal is consistent with industry standards of similar projects of same size and complexity within the San Francisco Bay Area.

Timeline/Review Process to Date:

- September – December 2023 – Solicit equipment vendors
- November 2023 – Commence design process to secure HCAI approvals
- January 2024 – Review recommendation for equipment vendor package with Board
- July 2024 – Review recommendation for award of construction services with Board
- August 2024 – Anticipate construction commencing for IR Room (Phase 1)
- October 2024 – Complete construction for Phase 1
- March 2025 – Anticipate construction commencing for Cath Lab 3 (Phase 2)
- July 2025 – Complete construction for Phase 2

Pillar/Goal Alignment:

Service People Quality Finance Growth Community

Financial/Quality/Safety/Regulatory Implications:

The fiscal years 2024, 2025 and 2026 capital budget allocated funding for planning, design and construction activities required to complete the design process. Following interviews and negotiations with fluoroscopy equipment vendors, we will return to the Board for consideration of approval for equipment contract(s). After completion of the construction bidding process, we will return to the Board for consideration of the construction contract award. The following summarizes the design and engineering fees for schematic design, design documentation, permitting process, contractor bidding support and construction administration services:

Total Planned Capital Budget

IR Room/Special Procedures *\$3,300,000 over Fiscal Year 2024-2025

Cath Lab 3 *\$3,600,000 over Fiscal Year 2024-2026

** Current budget figures indicated are preliminary project estimates at a pre-design stage of the project planning process. Following selection of equipment manufacturer and room configuration, an updated project budget will be presented to the Board in a subsequent meeting for review.*

DESIGN PHASE 1

IR Room/Special Procedures	
Design Services Fee	\$326,283
<u>Reimbursable Allowance</u>	<u>\$3,150</u>
Subtotal	\$329,433

DESIGN PHASE 2

Cath Lab 3	
Design Services Fee	\$349,883
<u>Reimbursable Allowance</u>	<u>\$3,150</u>
Subtotal	\$353,033

Total Design Services Fee **\$682,466**

Recommendation

Consider recommendation to Board of Directors to approve the overall project budgets for Cardiac Catheterization Laboratory 3 in the amount of \$3.6m and the IR Room/Special Procedures room in the amount of \$3.3m. In addition we recommend approving the award of the professional services agreement to Smith-Karng Architecture for Catheterization Laboratory 3 and Interventional Radiology Equipment Replacement Projects, in the amount of \$682,466, as presented.

Attachments

- (1) Request for Proposals for Design and Engineering Services issued August 31, 2023
- (2) Smith-Karng Architecture Response prepared September 29, 2023

REQUEST FOR PROPOSALS FOR DESIGN & ENGINEERING SERVICES

FOR THE

CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT

CIP 01.1250.3765 & 01.1250.3760

SALINAS VALLEY HEALTH MEDICAL CENTER

450 E ROMIE LANE, SALINAS, CA 93901

August 31, 2023

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Attachment C Information about Claims Form
Attachment D Sample Professional Services Agreement

I. Request for Proposals for Design & Engineering Services

Salinas Valley Health (Owner) requests a written response to the Request for Proposals (RFP) for an engineering firm ("Prime Consultant") to provide services for the following project:

Cath Lab 3 and Angio Equipment Replacement Project

Salinas Valley Health's Cardiac Catheterization Laboratories (Cath Labs) and Interventional Radiology within the Imaging department perform thousands of diagnostic and interventional procedures each year. Salinas Valley Health offers the most sophisticated procedures available today, providing world-class care in the Monterey Bay area.

The Medical Center's Cath Lab 3 and Angio Rooms are currently located on the medical center's first level of the Cardiac Center South Building 8. The current Siemens imaging equipment is nearing the end of its useful life and will no longer be supported by the current equipment manufacturer. The cardiovascular and radiology departments are considering three potential manufacturers through a formal RFP process. The Cath Lab 3 equipment replacement involves a floor mounted imaging equipment solution within the procedure room due to spatial constraints of the existing procedure room. The Angio Room involves replacement of an existing ceiling mounted equipment solution for the imaging equipment replacement. Notable scope of the proposed equipment replacement projects encompass the following:

- (a) Removal and disposition of the existing Siemens equipment in the procedure area, equipment closet and control room to facilitate the installation of a completely new imaging system in both rooms; Cath Lab 3 will be a floor mounted solution and Angio will be a ceiling mounted solution
- (b) Equipment installation including seismic anchorage of new vendor furnished components within the procedure areas, control rooms and equipment closets
- (c) Electrical and low voltage infrastructure to support the new equipment upgrades; A new climate-controlled cabinet with integrated electrical and data receptacles will be required to be design and installed within the control room of Cath Lab 3 for consolidation of under-counter technology gear
- (d) Alterations to mechanical, electrical and plumbing systems including HVAC balancing of the affected Cath Lab zones; Design team assuming existing cooling systems within the technology equipment closets in both angio and cath lab 3 shall be replaced; New split system cooling units shall be connected to the BMS system; This will require minor alterations to the roofing system directly above the cath lab and angio rooms
- (e) Installation of a new touchless operated automatic door assembly to isolate the procedure room from the control room similar to Cath Lab 3's current configuration
- (f) Removal, disposition and replacement of the existing surgical lighting system within both procedure rooms
- (g) Installation of new ceiling lighting systems within the procedure and control rooms

- (h) Medical gas systems will be evaluated by the design team and may need to be relocated depending on the new equipment configuration
- (i) Replacement of existing casework systems within the room to optimize the space and new storage solutions
- (j) Coordination and integration of Owner-procured design-build Hillrom nurse call system upgrade within the construction extents; The reporting homeruns to the Heart Center nurse station where existing raceways will be leveraged but will need to be detailed on the drawings
- (k) Coordination and integration of Owner-procured design-build fire alarm system upgrade within the construction extents; Owner will leverage the existing fire alarm system as necessary to meet the current code requirements
- (l) Coordination and integration of Owner-procured design-build fire suppression system upgrade within the construction extents; Owner will leverage the existing fire sprinkler system as necessary to meet the current code requirements
- (m) Coordination and integration of Owner-procured physicist for lead-lining requirements upon survey of existing conditions and recommendations to comply with new equipment requirements
- (n) Interior design of architectural scheme to be reviewed and approved by the Medical Center's executive team; This should include all flooring, wall and ceiling colors, door finishes, and casework finishes; All existing flooring will be replaced within the construction extents; New wall and ceiling colors will be require to be replaced

The pre-design budget for the proposed upgrades has been approved by the Board for the current fiscal year and construction is anticipated to commence in Spring 2024 for the Angio room and Fall 2024 for Cath Lab 3 in a phased approach with one general contractor. Current planning contemplates both equipment replacements being permitted concurrently through HCAI. There will be two work authorizations issued to the design team, controlled by the terms and conditions of the professional services agreement. The design team fees and invoices will be track separately for the cath lab and angio room equipment replacements respectively.

The equipment manufacturer for the major imaging equipment is currently under evaluation by both respective department leads. Notification of award for the successful equipment manufacturer is anticipated by October 2023.

In addition to the scope of work identified above, Salinas Valley Health is requesting the design team include an accessibility evaluation of the cath lab and imaging units to identify any accessibility upgrades HCAI will require to be integrated into the project scope of work per federal mandates. The work shall be incorporated into the construction documents with this project as required by the AHJ.

Based on the proposal presented in response to the RFP, and the selection process described in this RFP, the Hospital will select the most qualified firm. The selection process and criteria are set forth in part II of this RFP.

Bogard Construction must receive the completed Proposal package no later than 2:00 p.m. on September 29, 2023.

Submit the Proposal package to:

SALINAS VALLEY HEALTH – Cath Lab 3 and Angio Equipment Replacement
Bogard Construction | Attn Dave Sullivan
535 E Romie, Suite 6
Salinas, CA 93901

II. Project Information and Schedule

A. Project Description

The proposed project is located on a 9.5-acre site at 450 E. Romie Lane in the City of Salinas, California (Assessor Parcel Numbers: 002-711-002, 002-711-004, 002-711-003, and 016-131-030). The hospital was developed in its current location beginning in the early 1950s. During this time, the hospital was almost entirely surrounded by agriculture and has since been surrounded by residences and both private and hospital owned medical office facilities. The project site is bordered and accessible by driveways to the south by San Jose Street, to the north by E. Romie Lane, to the west by Wilgart Way, and to the east by Los Palos Drive.

The construction project will require extensive coordination with the Facility, Clinical Team, Owner’s Representative, Design Team & Subcontractor leads for assessment of new & existing systems, and utility shutdown/interruption sequencing.

Salinas Valley Health will provide any detailed monitoring of mechanical, electrical, plumbing and fire protection systems required for this project including time-lapsed recording ammeter readings or air quantity measurements.

B. Design & Engineering Requirements

The Cath Lab 3 and Angio Equipment Replacement design must be developed in accordance with HCAI Rules and Regulations. This will require meetings with the HCAI. The design and construction of the Hospital’s building projects are required to conform to all applicable Federal, State & Local regulations including the 2022 California Code of Regulations (e.g. Titles 8, 19, 24, etc, and the Americans with Disabilities Act).

The Prime Consultant for the Cath Lab 3 and Angio Equipment Replacement project must be willing to work collaboratively with Medical Center’s Board, Medical Center’s Administration, and the Medical Center’s construction manager, as well as the facilities engineers, as part of the team under the management of the Salinas Valley Health.

C. Summary of Estimated Scope of Work

The estimated scope of work indicated in the RFP for site and meeting time is for the **Prime consultant only**. Other hours for the subconsultants will be required and need to be included in the scope and fee of the total project.

Schematic and Design Development Phase

1. Prepare design development drawings, both interim and final, full specifications, and calculations. Owner to prepare division 00 for contracting and procurement requirements.
2. Meetings and site visits with equipment vendors and other hospital stakeholders.
3. Design drawings shall include location of MEPT equipment, procedure room equipment, devices and risers, schedules for MEPT equipment, electrical single line diagrams and major duct and piping runs. Refer to Section I of this RFP for specific scope of work.

Construction Document Phase

1. Prepare construction drawings, specifications, and calculations. All design criteria in this phase will be a result of the approved Design Development Phase work as well as comments by SALINAS VALLEY HEALTH on that set of documents.
2. Meetings and site visits as necessary to document existing conditions. Design team to specify allowance of meetings provided for in their proposal.
3. Review the cost estimate prepared by Owner's consultant.
4. Integrate all Owner procured design-build contracts with the design package submitted to HCAI for review and approval.

AHJ Review/Approval

1. Revise documents as required to obtain approval from Authorities Having Jurisdiction (AHJ).
2. Meet with Authorities Having Jurisdiction as necessary to obtain project approval.
3. Communicate any changes forced by the authorities having jurisdiction or equipment vendor to the MEP set that will affect other disciplines.
4. Site meetings and visits. Design team to specify allowance of meetings provided for in their proposal.

Bidding & Negotiation Phase

1. Answer written questions of contractors during the bidding period.

2. Provide clarification of contract documents as requested.

Construction Administration Phase

1. Review and respond to requests for information for design & engineering work.
2. Review requested submittals and shop drawings for the design work. When required to review submittals for any particular sections of the design work more than twice, the general conditions of the contract will require the contractor to reimburse the design firm for the additional effort. If a substitution requires modifications to the documents or additional work to obtain approvals from the Authorities Having Jurisdiction, SALINAS VALLEY HEALTH will compensate the firm for the added work.
3. Site meetings and visits (including travel time) (including one punch list per discipline and one final walk-through per discipline) to observe the progress and quality of the work completed by the Contractor(s).

Additional requirements are set forth in the sample Professional Services Agreement.

D. Anticipated Schedule

The current anticipated schedule for the implementation of the project is as follows. All dates are subject to change at SALINAS VALLEY HEALTH discretion:

August 31, 2023	RFP issued
September 12, 2023	Requests for clarification due
September 15, 2023	Owner response to requests for clarification
September 29, 2023	Proposal Due Date
October 2-5, 2023	Evaluation Process
October 9-13, 2023	Negotiation of Fee & Reimbursable Expenses
October 2023	Administrative Review/Execute Agreement
November 2023	Design and Construction Document Preparation
February 2024	Complete Construction Documents/Bid Set
April 2024	Complete Regulatory Agencies Review
May 2024	Bid and Award for Construction Services
May 2024	Construction (90-day project) Angio Room
August 2024	Construction (90-day project) Cath Lab 3

III. Request for Proposals Submission Process and Requirements

A. Submittal of Proposals

1. Requests for Modifications or Clarifications of the Proposal Specifications

Dave Sullivan of Bogard Construction is SALINAS VALLEY HEALTH's designated representative for purposes of this RFP and is the main point of contact for all proposers. Should firms interested in submitting a Proposal have questions regarding the required services, the contents of the Proposal, the selection procedures, or any other requirements, these questions must be directed only to Dave Sullivan. Proposers should not have contact with any other SALINAS VALLEY HEALTH staff during the pendency of this RFP, until a contract is awarded.

Any requests for modifications or clarifications of the RFP requirements must be submitted in writing to Dave Sullivan at the address below. Any interpretation, change, or correction of the RFP will be made by Addenda only, duly issued by SALINAS VALLEY HEALTH. All oral modifications of these conditions or specifications are void and ineffective. SALINAS VALLEY HEALTH reserves the right to reject any Proposal that contains unauthorized conditions or exceptions.

2. Proposal Due Date

Proposers are required to submit one original and 2 hard copies of the Proposal to SALINAS VALLEY HEALTH. Proposers should also submit an electronic copy of their proposal in pdf format on a removable "thumb" drive. In case of any discrepancies, the original will be considered by SALINAS VALLEY HEALTH in evaluating the Proposal, and the electronic version is provided for SALINAS VALLEY HEALTH's convenience only. Proposals should be submitted in an envelope marked, "RFP FOR THE CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT PROJECT" and plainly endorsed with Proposer's name and address. Proposals must be hand delivered or sent to the following address by FedEx or equivalent. Use of USPS is not recommended:

**SALINAS VALLEY HEALTH – Cath Lab 3 and Angio Equipment Replacement
Bogard Construction
535 E Romie, Suite 6
Salinas, CA 93901
Attn: Dave Sullivan**

Proposals must be received no later than September 29, 2023, by 2:00 p.m., Pacific Standard Time. Proposals received after the time and date specified may not be considered. SALINAS VALLEY HEALTH is not responsible for deliveries delayed for any reason. Submission of a Proposal constitutes a firm offer to SALINAS VALLEY HEALTH for 90 calendar days from the submission deadline for Proposals.

Each Proposal must be signed by one or more individuals with authority to bind the Proposer to the Proposal. All Proposals without the appropriate signature(s) may be deemed non-responsive and may result in the rejection of the Proposal.

SALINAS VALLEY HEALTH will review all Proposals received and several finalists may be selected.

B. Proposal Content

The following documents are included in this Request for Proposals (RFP). Attachments B and C must be completed and submitted with the Proposal.

Attachment A Selection Criteria Details
Attachment B Statement of Qualifications Form
Attachment C Information about Claims Form
Attachment D Sample Professional Services Agreement

Existing floor and site plans are available to any proposer by request. Please contact David Sullivan at dsullivan@bogardconstruction.com or 831.246.2073

To achieve a uniform review process and obtain the maximum degree of comparability, it is required that Proposals follow the following basic format. The Proposer is expected to prepare its response to fully address its ability to satisfy these components. Although SALINAS VALLEY HEALTH is not specifying a page limit, clarity and conciseness are essential and will be considered during Proposal evaluation.

Proposals should be bound in 3-ring binder or comb-bound. Include a Table of Contents. Please provide dividers with tabs to separate and identify each response item described below. The tabs shall be numbered to correspond to each section below. The Proposal should contain the following response items:

1. Cover Letter

A signed cover letter should be on company letterhead clearly stating the firm name of the Proposer, business address, telephone and facsimile numbers, and e-mail address. The following information should be included:

- Introduce the firm and summarize its qualifications.
- Name(s) of authorized principals with authority to negotiate and contractually bind the firm.
- A statement that binds the Proposer to the proposed Scope of Services and cost proposal for 90 calendar days.
- Confirm acceptance of or indicate exceptions to the Sample Agreement.
- Indicate whether there are any conflicts of interest that would limit the Proposer's ability to provide the requested services.
- Acknowledge receipt of Addenda, if any have been issued.

2. Candidate's Qualifications

In order to be considered qualified for this Project, firms must propose teams that include California licensed architects, mechanical, electrical, plumbing, and structural engineers. These requirements may be met by a single firm, or by a team approach. SALINAS VALLEY HEALTH intends on contracting with a single firm and so any team must be established on a Prime/Sub approach.

In your response to this section, please describe your team and the proposed contracting relationship. Identify by names and titles key staff members who will be assigned to the project or who will otherwise play a major role in the project. Briefly

describe each individual's proposed role and the percentage of commitment (of time) for the entire duration of the project. Provide an organizational chart indicating the relationship of the firm's staff members who are proposed to have responsibilities related to the proposed project. Indicate on the chart the names of key personnel and their titles.

In addition, as part of your response to this section complete and submit the Statement of Qualifications form, Attachment B.

Provide project data for a minimum of two (2) relevant projects similar in size, scope and complexity to the proposed project, for which construction has been completed within the last five (5) years. Also provide project data for any and all projects performed by the firm in any Santa Cruz and Monterey Bay communities within the last five (5) years.

The firm may also include other relevant information it wishes SALINAS VALLEY HEALTH to consider, such as firm's brochure or a discussion of recent and relevant work.

3. Resumes

Submit a resume for each key staff member identified in the response to Item 2 above. Include all relevant experience with similar projects, and indicate the role or duties performed on each such project. Also include employment history.

4. Response to Selection Criteria Form

Describe your firm's qualifications, experience, and approach to the work by providing a response to each bulleted item listed in Attachment A.

5. Request for Supplemental Information – Claims

Complete, sign and submit Request for Supplemental Information – Information about Claims form (Attachment C).

6. Acceptance of Terms and Conditions.

- a. The firm should carefully review the proposed sample Agreement for Services contained in Attachment D.
- b. Submittal of a proposal will be deemed acceptance of all the terms set forth in this RFP and the sample Agreement for Services unless the Proposer includes with its proposal, in writing, any exceptions or modifications requested by the Proposer to the RFP and/or sample Agreement.

7. Certificate of Insurance

Provide a completed sample Certificate of Insurance evidencing the coverage types and the minimum limits required as described in Section 12 of the Sample Professional Services Agreement.

8. Cost Proposal

Compensation under this Agreement will be on a time and materials basis, with a total not-to-exceed amount. Proposers must submit, in a separate sealed envelope, clearly marked with Proposer's name and the words "Cost Proposal," a not-to-exceed total contract price proposal, including expenses, employees' names, job-titles and burdened hourly rates inclusive of profit and overhead; and an hourly cost breakdown by task for the work outlined in this Proposal. The hourly rates or unit prices quoted shall hold firm for the duration of this Contract. Please pay special attention to the anticipated project phasing for design and construction.

C. Withdrawal of Proposal

A Proposer may withdraw its Proposal anytime before the date and time when Proposals are due, without prejudice, by submitting a written request for its withdrawal to the identified point of contact specified above. A telephone or email request is not acceptable.

D. Evaluation Process

An Evaluation Committee (Committee), which may include members of Bogard Construction or SALINAS VALLEY HEALTH staff and one or more outside experts, will review and screen the proposals submitted according to the selection criteria described in this RFP. SALINAS VALLEY HEALTH reserves the right to request additional information and clarifications during the evaluation and selection process from any or all proposers regarding their proposals.

Each member of the Committee will read, evaluate, and score all proposals by each of the criteria described in this section. The Committee will then discuss these evaluations to arrive at a composite score for each firm. The Committee's composite scores will comprise the official record for the proposal evaluation process; individual evaluation records will not be available for public inspection at any point during or after the evaluation process.

Following the initial review and screening of the written Proposals, one or more companies may at SALINAS VALLEY HEALTH's sole discretion, be invited to participate in a final stage of the evaluation process. However, a Proposer may be awarded a contract based solely on its initial Proposal. For this reason, Proposers are encouraged to submit their best proposal at the outset. The final stage of the evaluation process may, but is not required to, include any of the following:

- (1) Participation in an oral interview;
- (2) Submission of any additional information as requested by SALINAS VALLEY HEALTH; or
- (3) References may also be checked during the final selection process.

Upon completion of the final evaluation process, SALINAS VALLEY HEALTH will rank each firm in accordance with the Selection Criteria. SALINAS VALLEY HEALTH will open the cost proposal from the top-ranked firm only, and it may accept the proposal or negotiate the terms and conditions of the Agreement. If negotiations are

unsuccessful, SALINAS VALLEY HEALTH will terminate the negotiations with that firm and may open negotiations with the next-highest ranked firm. If negotiations with this firm are also not successful, SALINAS VALLEY HEALTH may repeat the negotiations process with the next-highest ranked firm or, at its sole discretion, SALINAS VALLEY HEALTH may reject all remaining proposals. SALINAS VALLEY HEALTH, however, may award a Contract without conducting interviews or negotiations.

The Evaluation Committee shall make a recommendation to SALINAS VALLEY HEALTH's Board of Directors. All Proposers will be notified of the recommended award. No Agreement will be in force until a written authorization is issued by SALINAS VALLEY HEALTH.

The Proposer to whom award is made shall execute, and return to SALINAS VALLEY HEALTH, a written Agreement for Services within 10 calendar days after receiving the form of Agreement for execution. At the same time, the successful Proposer shall submit all other required documents.

E. Selection Criteria

SALINAS VALLEY HEALTH intends to award a Contract to the most qualified firm that submits the Proposal based on the following selection criteria. Each criteria may include sub-criteria, not listed below, that may reasonably relate to the criteria. Proposers are directed in particular to Attachment A. In determining the number of points a Proposal will receive in each category, the Evaluation Committee will consider the Proposal material submitted, oral interviews (if applicable), and any other relevant information about a given Proposer. The following criteria will be used in the evaluation of the Proposals.

- | | |
|--|---------------|
| a) Qualifications and Experience of Firm | Max 80 points |
| b) Approach to Providing Services and Project Management | Max 80 points |
| c) Qualifications and Experience of Key Personnel | Max 50 points |

F. SALINAS VALLEY HEALTH Rights

SALINAS VALLEY HEALTH reserves the right to cancel this procurement in whole or in part, at its sole discretion, at any time before the Agreement is fully executed and approved on behalf of SALINAS VALLEY HEALTH.

This RFP does not commit SALINAS VALLEY HEALTH to award an Agreement, to pay any costs incurred in the preparation of the proposal for this request, or to procure or contract for services. SALINAS VALLEY HEALTH reserves the right to modify or cancel in whole or in part this RFP, to reject any and all proposals, to accept the proposal it considers most favorable to SALINAS VALLEY HEALTH's interest in its sole discretion, and to waive irregularities or informalities in any proposal or in the proposal procedures. SALINAS VALLEY HEALTH further reserves the right to reject all proposals and seek new proposals when SALINAS VALLEY HEALTH considers such procedure to be in its best interest.

G. Confidentiality

The California Public Records Act (Cal. Govt. Code Sections 6250 et seq.) mandates public access to government records. Therefore, unless the information is exempt from disclosure by law, the content of any request for explanation, exception or substitution, response to this RFP, protest or any other written communication between SALINAS VALLEY HEALTH and the Proposer will be made available to the public.

If the Proposer believes any communication contains trade secrets or other proprietary information that the Proposer believes would cause substantial injury to the Proposer's competitive position if disclosed, the Proposer must request that SALINAS VALLEY HEALTH withhold from disclosure the proprietary information by marking each page containing such proprietary information as confidential. Proposer may not designate its entire Proposal as confidential. Additionally, Proposer may not designate Proposal Forms as confidential.

If the Proposer requests that SALINAS VALLEY HEALTH withhold from disclosure information identified as confidential, and if SALINAS VALLEY HEALTH complies with the Proposer's request, the Proposer assumes all responsibility for any challenges resulting from the non-disclosure, and by submission of a Proposal, agrees to indemnify and hold harmless SALINAS VALLEY HEALTH from and against all damages (including but not limited to attorneys' fees that may be awarded to the party requesting the Proposer information), and pay any and all cost and expenses related to the withholding of the Proposer information. The Proposer shall not make a claim, sue or maintain any legal action against SALINAS VALLEY HEALTH or its directors, officers, employees or agents in connection with the withholding from disclosure of Proposer information.

If the Proposer does not request that SALINAS VALLEY HEALTH withhold from disclosure information identified as confidential, SALINAS VALLEY HEALTH will have no obligation to withhold the information from disclosure and may release the information sought without liability to SALINAS VALLEY HEALTH.

H. Ex Parte Communication

Proposers and Proposers' representatives may not communicate orally with an officer, director, employee, or agent of SALINAS VALLEY HEALTH, with the exception of communications consistent with the procedures of this RFP, regarding this RFP until after a Notice to Proceed has been issued by SALINAS VALLEY HEALTH. Proposers and their representatives are not prohibited, however, from making oral statements or presentations in public to one or more representatives of SALINAS VALLEY HEALTH during a public meeting.

In the context of this RFP, an "ex parte communication" is any communication between a Proposer (or the Proposer's representative) and any SALINAS VALLEY HEALTH, Board Member, officer, employee or consultant, regardless of who initiates the communication, other than as part of the procurement process specified herein.

I. Waiver

By submitting a Proposal, the Proposer represents and warrants that it has sufficiently informed itself in all matters affecting the performance of the work or the furnishing of the labor, supplies, material, or equipment called for in the RFP; that Proposer has checked its Proposal for errors and omissions; that the prices stated in its Proposal are correct and as intended by it and are a complete and correct statement of its prices for performing the work or furnishing the labor, supplies, materials, or equipment required by the RFP. The Proposer waives any claim against SALINAS VALLEY HEALTH for costs incurred in preparing a Proposal and responding to this RFP.

ATTACHMENT A

RESPONSE TO SELECTION CRITERIA

CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT PROJECT

Proposers should respond to all items listed below

1. Qualifications and Experience of Firm

Items for Consideration:

- *Experience in the design of Hospital Cath Lab and Interventional Radiology Services.*
- *Demonstrated design expertise working within an operating facility.*
- *Experience with projects of similar program, magnitude, and scope, in particular within the same geographical areas, Monterey and San Francisco Bay areas.*
- *Experience with HCAI Level I.*
- *Experience during construction and contract administration phases of projects.*

2. Approach to Providing Services and Project Management

Items for Consideration:

- *Summary of approach to work.*
- *Understanding the opportunities and constraints of the SALINAS VALLEY HEALTH site.*
- *Identification of particular challenges involved in this project and approach to addressing them.*
- *Approach to working in partnership with Hospital's staff and their consultants, during both design and construction.*
- *Demonstrated experience in conducting and participating in meetings and work sessions with diverse groups of consultants, SALINAS VALLEY HEALTH Board of Directors, and administrative staff.*
- *Capabilities to undertake appropriate project management efforts, and anticipate and resolve problems specific to the needs of the project under consideration.*

3. Qualifications and Experience of Key Personnel

Items for Consideration:

- *Proposed staffing level for this project.*
- *Qualifications and experience of proposed team in the design of similar projects.*

ATTACHMENT B
STATEMENT OF QUALIFICATIONS
CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT PROJECT

1. Firm name: _____

2: Business Address: _____

3. Firm Established (year): _____ Telephone: _____
Fax: _____
Email: _____
Website: _____

4. Type of Organization: (check one) Sole Proprietorship (_____)
Partnership (_____)
Corporation (_____)
Joint Venture (_____)

5. Key Personnel

<u>Name</u> _____	<u>Title</u> _____	<u>Degree or Certification</u> _____	<u>Institution</u> _____	<u>Registration</u> _____
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6. Average staff employed in your home office (average of past 5 years):

Architects:	_____
Structural Engineers:	_____
Mechanical Engineers:	_____
Electrical Engineers:	_____
Civil Engineers:	_____
Drafting Technicians:	_____
Clerical:	_____
Other:	_____

7. Provide at least three (3) references that SALINAS VALLEY HEALTH may contact:

8. Provide at least three (3) contractor references that SALINAS VALLEY HEALTH may contact:

Signature: _____ Date: _____

Printed Name: _____

Title: _____

ATTACHMENT B (CONT.)
PROJECT INFORMATION SHEET
CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT PROJECT

Please complete a Project Information Sheet for each project listed in the Statement of Qualifications. If construction is not complete, give project status instead of completion date.

Project: _____ Completion Date: _____
Location: _____ Gross Sq. Feet: _____
Owner: _____ Number of Spaces: _____
Owner's Representative: _____ Construction Cost: _____

Description: _____

Owner/Representative Phone Number: _____

Contract Method (lump sum, negotiated, design build, multiple-prime, other):

General Contractor: _____

Project Manager: _____ Superintendent: _____

Architect: _____

Principal: _____ Project Manager: _____

Structural Engineer: _____

Principal: _____ Project Manager: _____

Mechanical Engineer: _____

Principal: _____ Project Manager: _____

Electrical Engineer: _____

Principal: _____ Project Manager: _____

Other (as appropriate): _____

Principal: _____ Project Manager: _____

(provide additional sheets if necessary)

ATTACHMENT C
REQUEST FOR SUPPLEMENTAL INFORMATION - CLAIMS
CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT

Please submit the following information. Failure to respond may affect consideration of your firm for this project. If the firm has more than one office or division, please provide this information for the office proposed for this project. Responses may be listed on separate pages.

1. Separately list each pending unresolved claim for construction disputes and each current arbitration(s), mediation or litigation in which construction disputes or breach of contract is alleged or indemnity is being sought (because of such alleged disputes or breach of contract) using the following claimant categories:
 - a. SALINAS VALLEY HEALTH against your firm or any principal of your firm (indicate project, location and Owner). If none, indicate none.

 - b. Any Owner, person or entity against your firm or any principal of your firm (indicate project, location and Owner). If none, indicate none.

 - c. SALINAS VALLEY HEALTH against any of your proposed consultant (i.e. structural, mechanical, electrical, and any other consultant). If none, indicate none.

 - d. Any Owner, person or entity against any of your proposed consultants (indicate project, location and Owner). If none, indicate none.

2. Separately list each resolved (settled, arbitrated, and litigated) claim for professional negligence or breach of professional services agreement or for indemnity (because of such alleged negligence or breach of contract) during the last five (5) years using the following categories:
 - a. SALINAS VALLEY HEALTH and your firm or any principal of your firm (indicate project, location and Owner). If none, indicate none.

- b. Any Owner, person, or entity, and your firm or any principal of your firm (indicate project, location and Owner). If none, indicate none.

DECLARATION:

The undersigned declares under penalty of perjury that all of the information submitted is true and correct, and that this declaration was executed in

_____ County, California, on _____.
(County) (Date)

Name and Title –Printed or Typed

Signature

Firm Name –if a joint venture,
state name of joint venture entity

Address

City, State and Zip Code

Telephone Number

Facsimile Telephone Number

ATTACHMENT D

**SAMPLE PROFESSIONAL SERVICES AGREEMENT
CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT**

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT IS MADE as of the ____ day of _____, 2023, by and between the Salinas Valley Health (hereinafter referred to as "DISTRICT") and _____ (hereinafter referred to as "CONSULTANT").

WHEREAS, DISTRICT desires to obtain professional engineering design services in conjunction with the DISTRICT's Cath Lab 3 and Angio Equipment Replacement ("Project"), and has issued a Request for Proposals dated _____, 2023, attached as **Exhibit A** and incorporated herein by this reference; and

WHEREAS, CONSULTANT has represented that it is experienced and skilled in performing such services and has submitted a proposal dated _____, 2023, including a cost proposal dated _____, 2023, attached as **Exhibit B** and incorporated herein by this reference,

WHEREAS, on _____, 2023, the DISTRICT'S Board of Directors, awarded a Professional Services Agreement (AGREEMENT), to CONSULTANT, for design services related to the Project.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. RENDITION OF SERVICES

CONSULTANT agrees to provide professional services to DISTRICT in accordance with the terms and conditions of this AGREEMENT. In the performance of its work, CONSULTANT represents that it has and will exercise that degree of professional care, skill, efficiency and judgment ordinarily employed by engineering consultants with expertise in designing hospital Cath Labs and Interventional Radiological Procedure Rooms; and preparing design plans, technical specifications and engineer's estimates for construction contracts. CONSULTANT further represents and warrants that it holds currently in effect all licenses, registrations, and certifications in good standing that may be required under applicable law or regulations to perform these services and agrees to retain such licenses, registrations, and certifications in active status throughout the duration of this engagement.

2. SCOPE OF SERVICES

2.1 The scope of services to be provided under this AGREEMENT shall consist of specific Services as generally described in the RFP, **Exhibit A**, and CONSULTANT's Scope of Services and Cost Proposal, attached as **Exhibit B**.

2.2 CONSULTANT's final plans and specifications prepared under this AGREEMENT shall be in accordance with the following design standards:

- 2022 California Electrical Code
- 2022 California Mechanical Code
- 2022 California Plumbing Code

- 2022 California Building Code
 - 2022 California Fire Code
- 2.3 CONSULTANT shall cooperate with representatives of the State of California, and all other DISTRICT consultants working on Project. CONSULTANT shall provide the services for Project in close liaison with DISTRICT. All personnel acting on behalf of CONSULTANT shall cooperate with DISTRICT staff during the course of this AGREEMENT. To ensure that CONSULTANT understands the requirements of this AGREEMENT, representatives of DISTRICT and CONSULTANT shall communicate as often as deemed necessary.
- 2.4 Throughout its performance of services under this AGREEMENT, CONSULTANT shall serve as an independent contractor to DISTRICT. Neither CONSULTANT nor any party contracting with CONSULTANT shall be deemed to be an agent or employee of DISTRICT.
- 2.5 CONSULTANT understands and agrees that it is solely responsible for the sufficiency, adequacy and completeness of all plans, specifications, calculations, and estimates prepared by CONSULTANT under this Agreement. CONSULTANT's final plans and specifications shall set forth the requirements for the construction of the Project in a clear, complete and accurate manner. CONSULTANT shall undertake all reasonable quality control measures to review, coordinate, and otherwise check its plans, specifications, calculations, and estimates for sufficiency, adequacy and completeness.
- 2.6 CONSULTANT's plans, specifications, calculations, and estimates shall be subject to DISTRICT's review. CONSULTANT acknowledges that DISTRICT will not be undertaking a detailed or comprehensive quality review of CONSULTANT's work product. DISTRICT will notify CONSULTANT of any errors or omissions that DISTRICT discovers in CONSULTANT's work product, but CONSULTANT shall not depend on DISTRICT to discover any errors or omissions in CONSULTANT's work product. Attention is directed to Section 2.5 of this Agreement.
- 2.7 CONSULTANT and its subconsultants shall not incorporate into the design any materials or equipment of single or sole-source origin without written approval of DISTRICT.
- 2.8 CONSULTANT's personnel shall keep accurate records and document the work as it progresses.
- 2.9 CONSULTANT's personnel shall become knowledgeable of all applicable local, state, and federal laws and regulations, and CONSULTANT's design shall comply therewith.
- 2.10 The Project Manager for CONSULTANT will be _____. The Project Manager for DISTRICT will be Bogard Construction Inc. CONSULTANT shall cooperate with and coordinate all of its activities with DISTRICT's Project Manager.

3. SCHEDULE AND TIME OF COMPLETION

- 3.1 The effective date of this AGREEMENT is _____, 2023. No work under this AGREEMENT shall begin prior to DISTRICT's issuance of a Notice to Proceed to CONSULTANT.
- 3.2 Time is of the essence in the performance of CONSULTANT's services under this AGREEMENT. All services to be provided pursuant to this AGREEMENT shall be performed in a timely manner so as not to delay construction of Project. In the event that CONSULTANT incurs delays in completing the services within the aforementioned timeframe for reasons beyond the reasonable control of CONSULTANT, an appropriate extension of time may be granted by DISTRICT, at its sole discretion, following the timely submission of a written request by CONSULTANT
- 3.3 **Exhibit A** includes a schedule for CONSULTANT's performance of activities under this Agreement. CONSULTANT shall endeavor to complete each of the tasks set forth in the schedule in accordance with this schedule. The schedule shall be subject to revision as mutually agreed upon by DISTRICT and CONSULTANT.

4. DELIVERABLES

THE DELIVERABLES TO BE PROVIDED UNDER THIS AGREEMENT SHALL CONSIST OF SPECIFIC DELIVERABLES AS GENERALLY DESCRIBED IN THE RFP UNDER THE SUMMARY OF ESTIMATED SCOPE OF WORK.

4.1 Interim Milestone Deliverables

During the performance of its services under this Agreement, CONSULTANT shall deliver three (3) sets of documents and electronic files for the following milestone submittals:

A. 35%-Completion Submittal

CONSULTANT shall submit for DISTRICT's review 35%-completion design plans.

B. 65%-Completion Submittal

CONSULTANT shall submit for DISTRICT's review 65%-completion design plans and Technical Special Provisions. CONSULTANT shall include in this package a list of responses to DISTRICT comments on the 35% submittal.

C. 95% Completion Submittal

CONSULTANT shall submit for DISTRICT's review electronic files of the 95%-completion design plans and Technical Special Provisions, list of bid items, construction estimate and bar chart representing estimated construction schedule for all portions of the design in the following formats:

- 95%-completion design plans – Adobe PDF files
- Technical Special Provisions - Adobe PDF and Microsoft Word files
- List of bid items - Adobe PDF and Microsoft Word files
- Engineer's construction cost estimate - Adobe PDF files and an editable file
- Bar chart representing estimated construction schedule - Adobe PDF files.

CONSULTANT shall include in this package a list of responses to DISTRICT comments on the 65% submittal.

D. Draft 100% Completion Submittal

CONSULTANT shall submit for DISTRICT's review electronic files of the 100%-completion unsigned design plans, Technical Special Provisions, list of bid items, construction estimate and bar chart representing construction schedule in the electronic file formats indicated in Section 4.1.C.

CONSULTANT shall include in this package a list of responses to the comments received from DISTRICT on the 95%-completion submittal.

Drawings shall be submitted on 11-inch by 17-inch paper size.

4.2 Final Deliverables

Prior to completion of its services under AGREEMENT, CONSULTANT shall deliver the following final deliverables to DISTRICT:

- A. One (1) set of final stamped and signed design drawings in non-fading, non-smearing ink on 22-inch by 34-inch reproducible (4-mil) vellum with images in a right-reading format;
- B. Electronic files of design drawings in the format specified below;
- C. One (1) set of half-size (11-inch by 17-inch) final stamped and signed design drawings on vellum of reproducible quality;
- D. One (1) bound set of paper copies and one (1) unbound set of paper copies of reproducible quality of Technical Special Provisions in the format specified below;
- E. An electronic file of Technical Special Provisions in the format specified below;

- F. Two (2) sets of paper copies of the quantity calculations and one (1) set of paper copies of independent check quantity calculations, as set forth below;
- G. Two (2) sets of paper copies of all final design calculations;
- H. One (1) set of paper copies of independent check design calculations;
- I. Two (2) sets of paper copies of the construction cost estimate and one (1) set of all supporting data for the construction cost estimate;
- J. Two (2) sets of paper copies of the estimated construction schedule and one (1) set of all supporting data; and
- K. One (1) set of all other final technical documents produced during the course of this AGREEMENT not listed in Section. 4.2.

4.3 Design Drawings Format

The format of CONSULTANT's design drawings shall be in accordance with the following :

- A. The design drawings (plans) shall be produced on AutoCAD Release 2011. Any other drafting software or third-party add-on software will not be permitted. If a newer version of AutoCAD is available that differs from the version referenced herein, CONSULTANT shall request a written authorization from DISTRICT prior to using the newer version.
- B. The format of the drawings shall be Text Style Font – Simplex with minimum height of 1/8-inch and layering concept for all entities. All drawings shall have a District's Standard Title Block, which will be provided by DISTRICT. The Title block shall identify the project by name and number, subject matter of the drawing, drawing number, and the sequential sheet number with a revision block that contains the original issue date and date and number of each revision. All drawings shall have a graphic scale or scales and shall bear the signatures and seals of the Engineer of Record.
- C. The final design drawings shall be complete, signed and sealed by CONSULTANT.
- D. CONSULTANT shall furnish to DISTRICT uncompressed electronic files of the final signed design drawings.

4.4 Design and Quantity Calculations

Design calculations and independent design check calculations shall be prepared for all work indicated in CONSULTANT's design drawings and specifications. The design calculations shall be signed and stamped by the individual responsible for their preparation and who is licensed to practice their professional Engineering services in the State of California. The names of the engineers who prepared the calculations shall be identified on the calculations.

CONSULTANT's quantity calculations and independent check quantity calculations shall be signed by the engineers that prepared the calculations.

All calculations shall be organized and indexed with volumes and pages numbered.

4.5 Special Provisions Format

CONSULTANT shall furnish Technical Special Provisions, typed single-spaced on white bond paper. CONSULTANT shall also furnish the Technical Special Provisions to DISTRICT on Compact Discs (CDs). The format shall be in Microsoft Word file format with left and right margins of one and one-tenth inches (1.1"), top and bottom margins of one inch (1.0"), Text Style Font: Times Arial 12, tabs set at 0.5".

CONSULTANT shall furnish with the final Technical Specifications a signature page(s) with professional stamps and signatures of each of the professional engineers responsible for preparation of specific engineering field of the specifications, e.g., civil, traffic, mechanical, electrical, etc.

4.6 Other Documents

CONSULTANT shall obtain DISTRICT's formatting instructions for other documents to be submitted to DISTRICT.

4.7 General Requirements

- A. When CONSULTANT is required under this AGREEMENT to prepare and submit its studies, reports, plans, specifications, and other documents to DISTRICT, said documents shall be submitted in a draft form as scheduled, with the opportunity for the DISTRICT to review and comment upon said documents prior to final submission.
- B. The plans, designs, estimates, calculations, reports and other documents furnished under this AGREEMENT shall be of a neat appearance, well-organized, technically and grammatically correct, checked and having the preparer and checker specifically identified. Each submittal to DISTRICT shall bear the approval stamp of CONSULTANT's Project Manager, with said approval representing that he/she has verified that the submittal is complete, clear and legible, and complies with the formatting requirements of this AGREEMENT.
- C. The page that identifies the preparers of engineering reports, the title sheet for specifications and each sheet of plans shall bear the professional seal, certificate number, registration classification, expiration date of the certificate, and signature of the professional Engineers responsible for preparation.
- D. DISTRICT's acceptance of any and all documents submitted by CONSULTANT shall not relieve CONSULTANT of its responsibility for any deficiencies, whether latent or patent, contained in said documents.

Similarly, the stamp and signature of the District Engineer on CONSULTANT's plans and specifications shall not relieve CONSULTANT of its responsibility for its design.

5. CONSTRUCTION BIDDING PHASE

CONSULTANT's services will be required during the construction bidding stage of the Project as set forth in Exhibits A and B to provide support to DISTRICT during the bidding of the Project.

6. CONSTRUCTION PHASE

CONSULTANT's services will be required during the construction phase of the Project if a construction contract is awarded. During construction, CONSULTANT shall furnish to DISTRICT all corrected and additional drawings and special provisions required by any errors or omissions of CONSULTANT. Such drawings shall be furnished by CONSULTANT at no additional cost to DISTRICT.

CONSULTANT agrees that it will participate in any dispute resolution proceedings provided under the construction contracts covering the Project and will defend any issues asserted concerning the adequacy of CONSULTANT's design. The forum for resolution of disputes shall be as provided for in the construction contract. Upon exhaustion of those procedures, if the parties are unable to resolve the matter successfully, it shall be referred to the next step as outlined in the construction contract. If the construction contracts provide for submitting disputes to mediation under the then-current Construction Industry Mediation Rules of the American Arbitration Association, no party relinquishes or waives any of its procedural or substantive rights or remedies provided under this Agreement, the construction contracts, or applicable law, and expressly reserves such rights, remedies and contentions.

7. OWNERSHIP OF WORK

7.1 All communications, deliverables, and records originated, prepared, and in the process of being prepared, for the services to be performed by CONSULTANT under this AGREEMENT, including, but not limited to, findings, analyses, submittals, conclusions, opinions, engineering drawings, specifications, standards, process sheets, photographs, videos, manuals, technical reports and recommendations with respect to the subject matter of this AGREEMENT and raw and underlying data of such materials, regardless of format or media, including software, reports and other documentation (all of the foregoing, collectively, the "Work Product"), shall be delivered to and become the property of DISTRICT. DISTRICT shall be entitled to access and to copy the Work Product during the progress of the Work. Any Work Product remaining in the hands of CONSULTANT or in the hands of any subconsultant upon completion or termination of the work shall be immediately delivered to DISTRICT and not later than within two (2) weeks of completion or termination of the Work. If any materials are lost, damaged or destroyed before final delivery to DISTRICT, CONSULTANT shall replace them at its own expense, and CONSULTANT assumes all risk of loss, damage or destruction of or to such materials.

CONSULTANT may retain a copy of such materials for use in its general business activities, subject to the restrictions of Section 16, RELEASE OF INFORMATION.

- 7.2 Any and all copyright, patent rights, and other intellectual property or proprietary rights to Work Product prepared under this AGREEMENT are hereby assigned to DISTRICT. CONSULTANT agrees to execute any additional documents that may be necessary to evidence such assignment. CONSULTANT agrees not to assert any rights at common law or equity and not to establish any claim to statutory copyright in such Work Product. Except for its own internal use as reasonably necessary for its provision of services and work under this AGREEMENT, CONSULTANT shall not publish or reproduce such Work Product in whole or in part, or in any manner or form, nor authorize others to do so, without the written consent of DISTRICT pursuant to Section 16, RELEASE OF INFORMATION, of this AGREEMENT.
- 7.3 Notwithstanding anything herein to the contrary, DISTRICT acknowledges that as part of CONSULTANT's provision of work hereunder, CONSULTANT may utilize CONSULTANT's Information. CONSULTANT's Information is defined as proprietary works of authorship including, without limitation, software, methodologies, tools, specifications, drawings, sketches, models, samples, records and documentation, as well as copyrights, trademarks, service marks, ideas, concepts, know-how, techniques, knowledge or data, that have been originated or developed by CONSULTANT or by third parties before and apart from this AGREEMENT, or which have been purchased by, CONSULTANT for use in the provision of services or work under this AGREEMENT with the DISTRICT's express written consent; and, copyrights, trademarks, software, methodologies, tools, samples, service marks, ideas, concepts, know-how, techniques, knowledge that have been originated or developed by CONSULTANT or by third parties under AGREEMENT. DISTRICT agrees that CONSULTANT's Information, as so narrowly defined and identified, is and shall remain the sole property of CONSULTANT or such third party, except for the exclusions due to provisions of Section 15.7, PATENT RIGHTS, of this AGREEMENT. CONSULTANT agrees that DISTRICT shall be entitled to use CONSULTANT's Information in connection with this AGREEMENT, and shall grant to DISTRICT a perpetual, royalty-free, irrevocable, worldwide, non-exclusive license to use all CONSULTANT's Information and to create and use derivative works of CONSULTANT'S Information in connection with the Project.
- 7.4 CONSULTANT represents and warrants that it has or will have all appropriate licenses, agreements and/or ownership pertaining to all intellectual property, including but not limited to patents and copyrights, used in connection with the performance of its obligations under this AGREEMENT. CONSULTANT further represents and warrants that it will have all necessary rights to patentable and copyrightable materials, equipment, devices or processes not furnished by DISTRICT used on or incorporated in the work and assumes all risks arising from the use of such patentable and copyrightable materials, equipment, devices, or processes.

7.5 CONSULTANT shall indemnify, defend and hold harmless DISTRICT, its directors, officers, agents and employees to the maximum extent permitted by law from and against any and all claims, liabilities, losses, damages or expenses (including attorneys' fees and related costs, whether or not litigation has commenced), whether direct or indirect, arising out of, relating to, or in connection with the ownership, possession or use of any materials, equipment, devices, or processes that are protected by intellectual property rights, including patent, copyright and trade secret. In case such materials, equipment, devices or processes are held to constitute an infringement and their use enjoined, CONSULTANT, at CONSULTANT's sole cost and expense, shall: (a) secure for DISTRICT the right to continue using the materials, equipment, devices or processes by suspension of the injunction or by procuring a royalty-free license or licenses, or (b) replace such materials, equipment, devices, or processes with non-infringing materials, equipment, devices or processes that perform the same functions as the infringing item, or (c) modify them so that they become non-infringing or remove the enjoined materials, equipment, devices or processes and refund the sums paid therefore, without prejudice to any other rights of DISTRICT. If the amount of time necessary to proceed with one of these options is deemed excessive by DISTRICT, DISTRICT may direct CONSULTANT to select another option or risk default. The provisions of Section 10, RESPONSIBILITY: INDEMNIFICATION, shall also apply to the matters covered by this Section 6.5, to the maximum extent permitted by law.

8. SUBCONTRACTING

8.1 CONSULTANT shall not subcontract any services to be performed by it under this AGREEMENT without the prior written approval of DISTRICT, except for service firms engaged in drawing, reproduction, typing and printing and other firms as herein listed:

8.2 Nothing contained in this Agreement or otherwise, shall create any contractual relation between DISTRICT and any subconsultants/subcontractors, and no subcontract shall relieve CONSULTANT of its responsibilities and obligations hereunder. Neither the CONSULTANT nor any party contracting with CONSULTANT shall be deemed an agent or employee of the DISTRICT. CONSULTANT is an independent entity, and the legal relationship of any person performing services for CONSULTANT shall be one solely between that person and CONSULTANT. CONSULTANT agrees to be as fully responsible to DISTRICT for the acts and omissions of its subconsultants/subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by CONSULTANT.

CONSULTANT's obligation to pay its subconsultants/subcontractors is an independent obligation from the DISTRICT'S obligation to make payments to CONSULTANT.

- 8.3 Any subcontract entered into as a result of this Agreement, shall contain all the provisions stipulated in this Agreement to be applicable to subconsultants/subcontractors.
- 8.4 CONSULTANT is referred to Section 18 of this Agreement which includes Federal and State requirements for the prompt payment to subconsultants.
- 8.5 Any substitution of subconsultants/subcontractors must be approved in writing by DISTRICT'S Project Manager in advance of assigning work to a substitute subconsultant/subcontractor.
- 8.6 CONSULTANT shall incorporate Sections 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, and 23 into all agreements with its subconsultants that are over \$25,000.

9. CONSULTANT'S PERSONNEL

- 9.1 All individuals identified on the organizational chart in **Exhibit B** are necessary for the successful performance of services under this AGREEMENT due to their unique expertise, depth and breadth of experience, and knowledge of Project. There shall be no change in CONSULTANT's [Project Manager}, [Engineers of Record], all other engineers and technical staff of the project team as listed in **Exhibit B** without prior written approval by DISTRICT's Project Manager. CONSULTANT recognizes that the composition of this team was instrumental in DISTRICT's decision to award this AGREEMENT to CONSULTANT and that compelling reasons for substituting these individuals must be demonstrated before DISTRICT's approval may be granted. Any substitutes shall be persons of comparable or superior experience and expertise. Failure to comply with the provisions of this section shall constitute a material breach of CONSULTANT's obligations under this AGREEMENT and shall constitute a basis for termination of this AGREEMENT for cause.
- 9.2 All CONSULTANT staff utilized on Project will be subject to qualification review and approval by DISTRICT. DISTRICT reserves the right to reject proposed personnel that, as determined by DISTRICT at its sole discretion, do not meet any or all of the requirements stated in this AGREEMENT. DISTRICT also reserves the right to obtain references regarding previous assignments of CONSULTANT's and subconsultants' personnel assigned to Project.

Architect of Record – List Designated Individual

Structural Engineer of Record - List Designated Individual

Electrical Engineer of Record – List Designated Individual

Civil Engineer of Record - List Designated Individual

Mechanical Engineer of Record - List Designated Individual

9.3 **CONSULTANT's Project Manager**

CONSULTANT shall provide a Project Manager to coordinate CONSULTANT's operations with DISTRICT's Project Manager. CONSULTANT's Project Manager shall be a licensed Professional Engineer in the State of California and shall demonstrate a proven successful track record in the management of design projects for major hospital projects and the production of plans, specifications and estimates of construction costs. CONSULTANT's Project Manager shall become thoroughly familiar with the Project background and design criteria for the Project.

CONSULTANT's Project Manager shall be responsible for the administration and management of CONSULTANT's performance of services under this AGREEMENT, including the assignment and supervision of CONSULTANT's personnel to assure compliance with provisions of this AGREEMENT and the most efficient deployment of resources in view of the fiscal constraints of the Project. He/she shall be responsible for the accuracy and completeness of all submittals to DISTRICT. He/she shall also be responsible for coordination of schedule and efforts between CONSULTANT and its subconsultants to assure the most efficient use of resources. CONSULTANT's Project Manager shall be accessible to DISTRICT's Project Manager at all times during DISTRICT's regular working hours.

9.4 **CONSULTANT'S Project Engineer**

CONSULTANT shall provide a Project Engineer to assist CONSULTANT's Project Manager in coordination of CONSULTANT's operations under this AGREEMENT. CONSULTANT's Project Engineer shall be a licensed Professional Engineer in the State of California and shall demonstrate a proven technical experience with design projects for hospitals, and in the production of plans, specifications and estimates of construction costs. CONSULTANT's Project Engineer shall become thoroughly familiar with the Project background and design criteria for the Project. CONSULTANT's Project Engineer shall be accessible to DISTRICT's Project Manager at all times during DISTRICT's regular working hours.

9.5 **CONSULTANT's Engineers of Record**

A. As used in this AGREEMENT, the term "Engineer of Record" shall mean the individual licensed to practice engineering in the State of California who will sign and stamp the final plans, specifications, calculations, and other technical work product prepared by CONSULTANT under this AGREEMENT. As required under Business & Professions Code Section 6735, the plans, specifications, calculations, and other technical work

product shall have been prepared by, or under the responsible charge of, CONSULTANT's Engineer of Record. Attention is directed to Section 404.1 of Title 16, Division 5 of the California Code of Regulations for the definition of "responsible charge" and the Engineer of Record's obligations regarding same.

B. Each of CONSULTANT's Engineers of Record shall have sufficient and relevant experience and qualifications to serve in such capacity for the applicable portion of CONSULTANT's work. At a minimum, an Engineer of Record shall meet the following levels of experience and qualifications:

- 1) The Engineer(s) of Record in charge of the electrical engineering design and whose signatures and stamps appear on the final plans shall be licensed Electrical Engineers in the State of California and shall demonstrate extensive experience and proven successful track records in the design of Hospitals as applicable to their assignments of the project, and in production of plans, specifications and estimates. They shall become thoroughly familiar with the Project background and design criteria for the Project.
- 2) The Engineer(s) of Record in charge of the Mechanical design, if required, and whose signatures and stamps appear on the final plans shall be licensed Mechanical Engineers in the State of California and shall demonstrate experience and proven successful track records in the design of Hospitals, as applicable to their assignments on the project, and production of plans, specifications and estimates. They shall become thoroughly familiar with the Project background and design criteria for the Project.

9.6 CONSULTANT's Design Engineers

The engineering staff assigned to the Project shall be experienced in acute care facility design as required by their assignments on the Project. In addition, all engineering staff utilized shall become thoroughly familiar with the project background and design criteria for the Project.

9.7 Consultant's Drafting Staff

CONSULTANT's drafting staff shall be thoroughly proficient with AutoCAD Release 2011, become thoroughly familiar with project-specific CAD drafting standards and requirements, have experience and a proven successful track record in contract plan production, and have a good understanding of project final submittal format requirements.

10. CHANGES

10.1 DISTRICT may, at any time, by written order, make changes within the general scope of work and services described in this AGREEMENT. If such changes cause an increase to the ceiling price of or the time required for performance of

the agreed-upon work or otherwise affect any other terms of this AGREEMENT, an equitable adjustment as mutually agreed shall be made in the limit on compensation as set forth in Section 18, COMPENSATION, or in the time of required performance as set forth in Section 3, SCHEDULE AND TIME OF COMPLETION, or both. In the event that CONSULTANT encounters any unanticipated conditions or contingencies that may affect the scope of work or services and result in an adjustment in the amount of compensation specified herein, CONSULTANT shall so advise DISTRICT immediately upon notice of such condition or contingency. The written notice shall explain the circumstances giving rise to the unforeseen condition or contingency and shall set forth the proposed adjustment in compensation. This notice shall be given to DISTRICT prior to the time that CONSULTANT performs work or services related to the proposed adjustment in compensation. If approved by DISTRICT, the pertinent changes shall be expressed in a written supplement to this AGREEMENT prior to implementation of such changes.

CONSULTANT's failure to timely supply the written notice specified herein shall constitute a waiver of CONSULTANT's entitlement to an adjustment in compensation and/or time based on the unanticipated condition or contingency.

- 10.2 CONSULTANT shall carefully and regularly monitor the deployment of its resources so that the budgeted levels of effort for each task set forth in the Cost Proposal in **Exhibit B** are not exceeded. CONSULTANT shall not exceed the budget for any task without first obtaining the written approval of DISTRICT. Any and all costs of CONSULTANT that exceed the task amounts set forth in **Exhibit B** will not be paid by DISTRICT unless DISTRICT has first provided written approval of the overage. Such approval, if given, may not in any case authorize exceeding the overall not-to-exceed amount set forth in Section 17, COMPENSATION.

11. RESPONSIBILITY: INDEMNIFICATION

CONSULTANT shall indemnify, defend and hold harmless DISTRICT, its directors, officers, agents, and employees to the maximum extent permitted by law from and against any and all claims, demands, actions, causes of action, damages, liability, obligation, costs and expenses of any kind whatsoever, including (without limitation) those for personal injuries (including, but not limited to death, bodily injury, emotional or mental distress and loss of consortium), property damage or pecuniary, financial or economic loss of any kind whatsoever to the extent that they are caused by any breach of CONSULTANT's obligations under this AGREEMENT, willful misconduct, or the negligent provision or omission of services contemplated by this AGREEMENT by CONSULTANT or its employees, or parties contracting with CONSULTANT or agents. CONSULTANT further agrees to defend any such claims, demands, actions, or causes of actions for any damages, injuries or losses whatsoever, and pay charges of attorneys and other costs and expenses arising therefrom or incurred in connection therewith; and if any judgment be rendered against DISTRICT or any of the other individuals enumerated above in any such action, CONSULTANT shall, at CONSULTANT's expense, satisfy and discharge the same to the extent that they are covered by the above Agreement to indemnify.

To the extent permitted by Civil Code 2782.8, CONSULTANT's duty to defend shall further apply and be enforced even if it is contended the acts, omissions or failures to act of parties other than CONSULTANT, including DISTRICT and the individuals enumerated above, caused or contributed to the losses, injuries or damages claimed.

For the purposes of this Section, the term "losses" means all amounts paid to settle or satisfy any judgments or awards plus reasonable amounts paid on account of attorneys' fees, court costs and other costs and expenses relating to the investigation, defense, satisfaction and/or settlement of such claims.

This provision is intended to be applied to the fullest extent allowed under the law and, if any portion of it is found to be void or unenforceable, the remainder is to be severable and enforceable.

12. INSURANCE PROVISIONS

12.1 Types of Insurance The policies and minimum amount of insurance to be carried by CONSULTANT shall be as follows:

A. Workers' Compensation and Employer's Liability Insurance

- 1) CONSULTANT shall procure and maintain at all times during the performance of such work Workers' Compensation Insurance in conformance with the laws of the State of California and federal laws where applicable. Employer's Liability Insurance shall not be less than One Million Dollars (\$1,000,000) for each accident and One Million Dollars (\$1,000,000) for each disease.
- 2) The policy shall contain a waiver of subrogation in favor of DISTRICT and its officers, directors, employees, volunteers and agents while acting in such capacity and their successors and assignees as they now or as they may hereafter be constituted, singly, jointly or severally.

B. Commercial General and Automobile Liability Insurance

- 1) *Commercial General Liability Insurance.* CONSULTANT shall, at its own cost and expense, also procure and maintain at all times during the performance of this Agreement Commercial General Liability Insurance providing bodily injury and property damage coverage with a combined single limit of at least One Million Dollars (\$1,000,000) each occurrence or claim and a general aggregate limit of at least Two Million Dollars (\$2,000,000). This insurance shall include but not be limited to premises and operations, contractual liability covering the indemnity provisions contained in this Agreement, personal injury, products and completed operations, and broad form property damage, and include a Cross Liability endorsement.
- 2) *Business Automobile Liability.* CONSULTANT shall, at its own cost and expense, procure and maintain at all times during the performance of this Agreement Business Automobile Liability

Insurance providing bodily injury and property damage with a combined single limit of at least One Million Dollars (\$1,000,000) per occurrence for all owned, non-owned and hired automobiles. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

C. Professional Liability Insurance. CONSULTANT shall maintain Professional Liability Insurance covering CONSULTANT's performance of services under this Agreement with a limit of liability of at least Five Million Dollars (\$5,000,000) for any one claim and Five Million Dollars (\$5,000,000) annual aggregate. This insurance shall be applicable to claims arising from the work performed under this Agreement and during construction and construction warranty periods. The insurance shall not include any prior acts exclusion.

12.2 General Insurance Requirements

A. Evidence of Insurance. Prior to commencing work or entering onto the property, CONSULTANT shall file a Certificate of Insurance with DISTRICT evidencing the foregoing coverages with respect to the insurance, including the following endorsements:

- 1) That the insurance company(ies) issuing such policy(ies) shall give written notice to DISTRICT of any material alteration or reduction in aggregate limits, if such limits apply, and provide at least thirty (30) days' notice of cancellation or nonrenewal.
- 2) That the policy(ies) is(are) Primary Insurance and the insurance company(ies) providing such policy(ies) shall be liable thereunder for the full amount of any loss or claim that CONSULTANT is liable for under this section, up to and including the total limit of liability, without right of contribution from any other insurance effected or which may be effected by the DISTRICT.
- 3) That, with respect to coverages described in Section 12.1.A and B above, such insurance shall include as additional insured the DISTRICT and its respective directors, officers, employees and agents while acting in such capacity, and their successors or assignees, as they now or as they may hereafter be constituted, singly, jointly or severally.
- 4) That, with respect to coverages described in Section 12.1.A and B above, the policies shall also contain either a cross liability endorsement or severability of interests clause and stipulate that inclusion of the DISTRICT as additional named insured shall not in any way affect its rights either as respects any claim, demand, suit or judgment made, brought or recovered against CONSULTANT. Said policy shall protect CONSULTANT and DISTRICT in the same manner as though a separate policy had been issued to each, but nothing in said policy shall operate to increase the insurance company's liability as set forth in its policy

beyond the amount or amounts shown or to which the insurance company would have been liable if only one interest had been named as an insured.

- B. Acceptable Insurance. All policies shall be issued by insurers acceptable to DISTRICT. This insurance shall be issued by an insurance company or companies authorized to do business in the State of California with minimum “Best’s” rating of B+ and with minimum policyholder surplus of Twenty Five Million (\$25,000,000) or a company acceptable to District in its sole discretion. All policies shall be issued in a form satisfactory to the General Manager of DISTRICT and shall be issued specifically as primary insurance.
- C. Failure to Procure or Maintain Insurance. The failure to procure or maintain required insurance and/or an adequately funded self-insurance program acceptable to DISTRICT will constitute a material breach of this AGREEMENT.
- D. Terms of Policies. All insurance specified above shall remain in force until all work to be performed is satisfactorily completed unless as indicated otherwise in this AGREEMENT.
- E. CONSULTANT shall not violate or permit to be violated any conditions or provisions of said policies of insurance, and at all times shall satisfy requirements of the insurer for the purpose of maintaining said insurance in effect.
- F. If any claim is made by any third person against CONSULTANT on account of any incident, CONSULTANT shall promptly report the fact in writing to DISTRICT, giving full details of the claim.
- G. CONSULTANT shall promptly notify DISTRICT of all professional liability claims asserted against CONSULTANT that have an estimated settlement value in excess of the policy. If the amount of professional liability insurance is reduced by other claims, CONSULTANT shall procure such additional insurance to restate the limits as required under this AGREEMENT.
- H. Claims-Made Insurance. If any insurance specified in Section 11.1 is provided on a claims-made basis, then in addition to the specified coverage requirements, such policy shall provide that:
- 1) Policy retroactive date coincides with or precedes CONSULTANT’s start of work (including subsequent policies purchased as renewals or replacements).
 - 2) CONSULTANT will make every effort to maintain similar insurance for at least three (3) years following project completion, including any applicable requirement of including all additional insureds.
 - 3) If insurance is terminated for any reason, CONSULTANT agrees to purchase an extended reporting provision of at least three (3)

years to report claims arising from work performed in connection with this AGREEMENT.

- 4) Policy allows for reporting of circumstances or incidents that might give rise to future claims.

13. CONFLICT OF INTEREST

CONSULTANT shall not undertake any work under construction or construction management and inspection support contracts for the Cath Lab 3 and Angio Equipment Replacement Project.

CONSULTANT shall comply with the Code of Professional Conduct for Professional Engineers set forth at California Code of Regulations, Title 16, Division 5, Section 475, as said Code may be amended from time to time.

CONSULTANT represents and warrants that it presently has no interest and agrees that it will not acquire any interest that would present a conflict of interest under California Government Code §§ 1090 *et seq.* or §§ 87100 *et seq.* during the performance of services under this AGREEMENT. CONSULTANT shall promptly disclose any actual or potential conflict of interest to DISTRICT as soon as CONSULTANT becomes aware of such conflict. CONSULTANT further covenants that it will not knowingly employ any person having such an interest in the performance of this AGREEMENT. Violation of this provision may result in this AGREEMENT being deemed void and unenforceable.

Depending on the nature of the work performed, CONSULTANT may be required to publicly disclose financial interests under DISTRICT's Conflict of Interest Code. CONSULTANT agrees to promptly submit a Statement of Economic Interest on the form provided by DISTRICT upon receipt.

No person previously in the position of Director, Officer, employee or agent of DISTRICT may act as an agent or attorney for, or otherwise represent, CONSULTANT by making any formal or informal appearance, or any oral or written communication, before DISTRICT or any Officer or employee of DISTRICT for a period of 12 months after leaving office or employment with DISTRICT if the appearance or communication is made for the purpose of influencing any action involving the issuance, amendment, award or revocation of a permit, license, grant or contract.

14. CIVIL RIGHTS REQUIREMENTS

In addition to other nondiscrimination requirements included in this AGREEMENT, CONSULTANT agrees to comply with the following:

14.1 Nondiscrimination

In accordance with Title VI of the Civil Rights Act, as amended, 42 USC §2000 (d), Section 303 of the Age Discrimination Act of 1975, as amended; 42 USC §6102, Section 202 of the Americans with Disabilities Act of 1990; 42 USC §12132; and 49 USC §5332, CONSULTANT agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, CONSULTANT agrees to

comply with applicable federal implementing regulations and other implementing requirements the Federal Highway Administration (FHWA) may issue.

During performance of this agreement, CONSULTANT and its subconsultants shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), medical history, age (over 40), genetic information, marital status, gender, gender identity, gender expression, and denial of family care leave. CONSULTANT and subconsultants shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. CONSULTANT and subconsultants shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 Title 2 of the California Code of Regulations, are incorporated into this AGREEMENT by reference and made a part hereof as set forth in full. CONSULTANT and its subconsultants shall give written notice of their obligations under this section to labor organizations with which they have a collective bargaining or other agreement. In addition, CONSULTANT agrees to comply with applicable federal implementing regulations and other implementing requirements the Federal Highway Administration (FHWA) may issue.

CONSULTANT shall include the nondiscrimination and compliance provisions of this section in all subcontracts to perform work under this AGREEMENT.

14.2 **Equal Employment Opportunity**

The following equal employment opportunity requirements apply to this AGREEMENT:

A. Race, Color, Creed, National Origin, Sex. In accordance with Title VII of the Civil Rights Act, as amended, 42 USC §2000(e), CONSULTANT agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, *Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor*, 41 CFR Parts 60 et seq. (which implement Executive Order No. 11246, *Equal Employment Opportunity*, as amended by Executive Order No. 113 75, *Amending Executive Order 11246 Relating to Equal Employment Opportunity*, 42 USC §2000 (e) note), and with any applicable federal statutes, executive orders, regulations, and federal policies that may in the future affect construction activities undertaken in the course of the Project.

During the performance of this AGREEMENT, CONSULTANT agrees as follows:

- 1) CONSULTANT will not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin. CONSULTANT will take affirmative actions to ensure that applicants are employed and that employees are treated during their employment without regard to their race, religion, color, sex, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. CONSULTANT agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- 2) CONSULTANT will, in all solicitations or advertisements for employees placed by or on behalf of CONSULTANT, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- 3) CONSULTANT will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding a notice to be provided advising the said labor union or workers' representatives of CONSULTANT's commitments under this section, and shall post copies of the notices in conspicuous places available to employees and applicants for employment.

15. RELEASE OF INFORMATION

- 15.1 All financial, statistical, personal, technical, or other data and information relative to DISTRICT's operations, and specifically, the improvements contemplated by this AGREEMENT and made available to CONSULTANT in order to carry out this AGREEMENT, shall be protected by CONSULTANT from unauthorized use and disclosure, and shall not be disclosed to any third parties without DISTRICT's express written permission.
- 15.2 Permission by DISTRICT to disclose information on one occasion relating to this AGREEMENT shall not authorize CONSULTANT to further disclose such information or disseminate the same on any other occasion.
- 15.3 CONSULTANT shall not comment publicly to third parties, including the press or any other media, regarding this AGREEMENT or DISTRICT's actions on the same, except to DISTRICT's staff, CONSULTANT's own personnel involved in the performance of this AGREEMENT, at public hearings, or in response to questions from a Legislative committee.

DISTRICT's Public Information Director is the authorized spokesperson for all media inquiries concerning DISTRICT. CONSULTANT shall refer any inquiry of the news media to the Public Information Director. CONSULTANT shall not communicate regarding DISTRICT, the Project and this AGREEMENT with any representatives of the media, including, but not limited to, journalists, reporters,

technical writers, and freelance writers, without the prior written authorization of DISTRICT, as exercised in DISTRICT's sole discretion.

It is expressly understood and agreed that the above provisions equally pertain to all subconsultants to CONSULTANT with respect to their receipt of any inquiries from the media pertaining to DISTRICT, the Project or this AGREEMENT.

- 15.4 CONSULTANT shall not refer to DISTRICT, the Project or this AGREEMENT in any advertising or promotional materials without DISTRICT's prior written consent. CONSULTANT shall obtain DISTRICT's written consent prior to the publication of any materials prepared by CONSULTANT or any of its employees and agents pertaining to DISTRICT, the Project, or this AGREEMENT. CONSULTANT agrees that published information regarding such topics shall be factual only and in no way shall imply that DISTRICT endorses CONSULTANT's firm, service or product.

CONSULTANT and its employees and agents shall not use any images of DISTRICT, including its Work, with respect to this AGREEMENT in any current and future media format, including, but not limited to, promotional or business development photographs or videos, website postings, CD-ROMs, and any other form of publication (magazines, annual reports, etc.) without DISTRICT's prior written consent, as exercised in DISTRICT's sole discretion. If consent is granted, CONSULTANT shall comply with all requirements of DISTRICT regarding filming and still photography.

CONSULTANT and its employees and agents shall not make any speeches or presentations that mention Project or include images of Project without DISTRICT's prior written consent.

CONSULTANT and its employees and agents shall not author any technical papers or reports for publication or distribution that discuss the project without DISTRICT's prior written consent.

It is expressly understood and agreed that the above provisions pertain equally to all subconsultants and suppliers to CONSULTANT with respect to DISTRICT, the Project and this AGREEMENT.

- 15.5 All information related to the construction estimate is confidential and shall not be disclosed by CONSULTANT to any entity other than DISTRICT.
- 15.6 Any subcontract entered into as a result of this AGREEMENT shall contain all the provisions of this Section 15.

16. INSPECTION OF WORK

CONSULTANT and any subconsultant shall permit DISTRICT and its representatives to review and inspect the project activities at all reasonable times during the performance period of this AGREEMENT.

17. COMPENSATION

17.1 The payment for services under this AGREEMENT will be based on time and materials with a not-to-exceed amount. The CONSULTANT agrees to perform all of the services included in Section 2 for a total all inclusive sum not-to-exceed amount of _____ (\$ _____), in accordance with Exhibits A and B. The total all inclusive sum shall include all labor, materials, taxes, profit, overhead, insurance, subcontractor costs and all other costs and expenses incurred by the Consultant. The not-to-exceed amount is not guaranteed. Rather, payment will be for time actually worked. The hourly rate by personnel category shall be as set forth in Exhibit B. The DISTRICT will pay the CONSULTANT in accordance with Section 18.

17.2 CONSULTANT shall be reimbursed for actual allowable travel expenses incurred in the performance of this work upon submittal of receipts. Only coach class airfare will be reimbursed. Private cars shall be reimbursed at the current reimbursement mileage rate published by the U.S. Internal Revenue Service or, if a rental car is used, at the mid-range rental car rate while traveling away from CONSULTANT's headquarters, which are hereby designated as office locations listed in **Exhibit B**.

Lodging, meal and incidental expense costs shall not exceed the maximum reimbursable allowances published by U.S. General Services Administration (GSA) for each Federal Fiscal Year beginning October 1. The maximum reimbursable allowances published by GSA can be found at <http://www.gsa.gov>.

17.3 Total expenses reimbursed made under this AGREEMENT shall not exceed the sum of _____ Dollars and _____ Cents (\$ _____).

17.4 CONSULTANT's attention is directed to Section 9, CHANGES, of this AGREEMENT regarding CONSULTANT's obligations with respect to any adjustment of the not-to-exceed maximum with regard to CONSULTANT's compensation for the Project.

18. MANNER OF PAYMENT

18.1 By the tenth (10th) working day of the following month, CONSULTANT shall submit invoices and receipts to DISTRICT for services performed and reimbursable expenses incurred during the previous month. DISTRICT shall render payment for all undisputed invoices within thirty (30) days following receipt of approved invoices.

Invoices shall describe in detail the services rendered by CONSULTANT and state the number of hours, and applicable hourly rate of each person. Hourly rates per personnel category shall be in accordance with the CONSULTANT's Cost Proposal in **Exhibit B**. The hourly labor rates set forth in **Exhibit B**, including those of CONSULTANT and subconsultants, shall remain in effect for the duration of this AGREEMENT.

For CONSULTANT's personnel assigned to the project, DISTRICT and CONSULTANT will jointly review, on an annual basis, proposed salary increases. CONSULTANT and its subconsultants shall submit to DISTRICT written justification supporting any proposed labor rate increases and shall obtain DISTRICT approval of such increases prior to billing them in CONSULTANT invoices under this AGREEMENT. Under this AGREEMENT, labor rate increases for CONSULTANT's personnel assigned to the Project, if any, may be made no more frequently than once a year.

- 18.2 DISTRICT shall retain ten percent (10%) from each monthly payment to guarantee satisfactory completion of the work. CONSULTANT may elect to submit a Letter of Credit in the amount of ten percent (10%) of the total not-to-exceed expenditure amount in a form acceptable to DISTRICT in lieu of the ten percent (10%) retention to guarantee satisfactory completion of the work. DISTRICT will release the Letter of Credit, along with all other monies due, within thirty (30) days of CONSULTANT's satisfactory completion of the work, as determined by DISTRICT, under this AGREEMENT.

Alternatively, CONSULTANT may elect to establish an escrow agreement for security deposits in lieu of the retention in a manner that substantially complies with Public Contract Code Section 22300. The form of security shall be subject to DISTRICT's reasonable approval. DISTRICT will release the security, along with all other monies due, within thirty (30) days of CONSULTANT's satisfactory completion of the work, as determined by DISTRICT, under this AGREEMENT.

- 18.3 In the event that DISTRICT disputes an invoice, it will pay only the undisputed amount and will notify CONSULTANT within ten days of receipt of invoice of any dispute. CONSULTANT must continue work during the pendency of any dispute over an invoice. The parties' Project Managers will meet and confer and attempt to resolve amicably any dispute over an invoice. If they are unable to resolve such a dispute, the matter will be elevated to management. DISTRICT management's determination over a disputed invoice will be final and additional dispute will be resolved pursuant to Section 25.

19. ORDER OF PRECEDENCE

In the event of an inconsistency among the components of this AGREEMENT, the following order of precedence shall apply:

1. Duly executed amendments to this AGREEMENT;
2. This AGREEMENT;
3. Exhibit A, the RFP;
4. Exhibit B, CONSULTANT's Proposal.

20. ASSIGNMENT

CONSULTANT shall not assign any rights or transfer any obligations under this AGREEMENT without the prior written consent of DISTRICT.

21. MAINTENANCE, AUDIT AND INSPECTION OF RECORDS

All CONSULTANT and subconsultant costs incurred in the performance of this AGREEMENT will be subject to audit. CONSULTANT and its subconsultants shall permit DISTRICT, the State Auditor, or their authorized representatives, to inspect, examine, make excerpts from, transcribe, and copy CONSULTANT's books, work, documents, papers, materials, payrolls records, accounts, and any and all data relevant to this AGREEMENT at any reasonable time, and to audit and verify statements, invoices or bills submitted by CONSULTANT pursuant to this AGREEMENT. CONSULTANT shall also provide such assistance as may be required in the course of such audit.

For the purpose of determining compliance with Public Contract Code 10115, et seq., and Title 21, California Code of Regulations, Chapter 21, Section 2500 et seq., when applicable and other matters connected with the performance of the contract pursuant to Government Code 8546.7; CONSULTANT, subconsultants and DISTRICT shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of services under this AGREEMENT, including but not limited to, the costs of administering AGREEMENT. All parties shall make such materials available at their respective offices at all reasonable times during the AGREEMENT period and for four (4) years from the date of final payment under AGREEMENT.

If, as a result of the audit, it is determined by DISTRICT that reimbursement of any costs including profit or fee under this AGREEMENT was in excess of that represented and relied upon during price negotiations or represented as a basis for payment, CONSULTANT agrees to reimburse DISTRICT for those costs within sixty (60) days of written notification by DISTRICT.

22. DISTRICT WARRANTIES

DISTRICT makes no warranties, representations, or agreements, either express or implied, beyond such as are explicitly stated herein.

23. SUSPENSION AND TERMINATION

DISTRICT shall have the right to suspend or to terminate this AGREEMENT at any time by giving written notice to CONSULTANT. In the event of suspension or termination for any reason other than the fault of CONSULTANT, CONSULTANT shall be compensated in accordance with the provisions of Section 19, MANNER OF PAYMENT, for the services performed to date of such suspension or termination, plus any reasonable costs and expenses resulting from such suspension or termination. If, in the event of suspension, the project is resumed after being suspended for more than three months, CONSULTANT's compensation shall be subject to renegotiation. If the project is resumed within the period of three months following notification of suspension, there shall be no change in CONSULTANT's compensation.

In the event of termination for reason of CONSULTANT's breach or default in the performance of any of CONSULTANT's obligations under this AGREEMENT, CONSULTANT shall be compensated in accordance with the provisions of Section 18, COMPENSATION, only for those services already performed and expenses incurred in

full accordance with the requirements of this AGREEMENT up to the effective date of termination, less an estimate reasonably made by DISTRICT of the amount of damages DISTRICT has or will suffer as a result of CONSULTANT's breach or default.

Whether terminated for convenience or breach, the DISTRICT shall not in any manner be liable for the CONSULTANT's actual or projected lost profits had the CONSULTANT completed the services required by this Agreement.

24. NOTICES

All communications relating to the day-to-day activities of the Project shall be exchanged between DISTRICT's Project Manager, David Sullivan, and CONSULTANT's Project Manager, _____.

All notices and communications regarding interpretation of the terms of this AGREEMENT and changes thereto shall be in writing and may be given by personal delivery to a representative of the parties or by mailing the same, postage prepaid, addressed as follows:

If to DISTRICT: _____

If to CONSULTANT: _____

The address to which mailings are to be made may be changed from time to time by notice mailed as described above. Any notice given by mail shall be deemed given on the day after that on which it is deposited in the United States Mail as provided above.

25. DISPUTE RESOLUTION

In the event of a dispute between DISTRICT and CONSULTANT concerning any question of fact in connection with the work performed under this AGREEMENT, the parties shall meet and confer and make good faith efforts to resolve the dispute before resorting to any legal action. CONSULTANT must file a Government Claim Form prior to initiating any legal action.

26. ATTORNEYS' FEES

If any legal proceeding should be instituted by either of the parties hereto to enforce the terms of this AGREEMENT or to determine the rights of the parties thereunder, the prevailing party in said proceeding shall recover, in addition to all court costs, reasonable attorneys' fees.

27. BINDING ON SUCCESSORS

All of the terms, provisions, and conditions of this AGREEMENT shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

28. APPLICABLE LAW

This AGREEMENT, its interpretation, and all work performed thereunder shall be governed by the laws of the State of California.

29. WAIVER

Any waiver of any breach or covenant of this Agreement must be in a writing executed by a duly authorized representative of the party waiving the breach. A waiver by any of the parties of a breach or covenant of this Agreement shall not be construed to be a waiver of any succeeding breach or any other covenant unless specifically and explicitly stated in such waiver.

30. SEVERABILITY

If any provision of this Agreement shall be deemed invalid or unenforceable, that provision shall be reformed and/or construed consistently with applicable law as nearly as possible to reflect the original intentions of this Agreement; and in any event, the remaining provisions of this Agreement shall remain in full force and effect.

31. NO THIRD PARTY BENEFICIARIES

This Agreement is not for the benefit of any person or entity other than the parties.

32. ENTIRE AGREEMENT; MODIFICATION

This Agreement, including any attachments, constitutes the entire Agreement between the parties with respect to the subject matter hereof, and supersedes any prior understanding or agreement, oral or written, with respect to such subject matter. It may not be amended or modified except by a written amendment executed by authorized representatives by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT by their duly authorized officers as of the day and year first above written.

DISTRICT:
SALINAS VALLEY HEALTH

CONSULTANT:

By: _____

President, Board of Directors

By*: _____

By*: _____

:

By: _____

SALINAS VALLEY HEALTH, Chief Executive Officer

** If CONSULTANT is a corporation, this AGREEMENT must be executed by two corporate officers, consisting of: (1) the President, Vice President or Chair of the Board, and (2) the Secretary, Assistant Secretary, Chief Financial Officer or Assistant Treasurer.*

In the alternative, this AGREEMENT may be executed by a single officer or a person other than an officer provided that evidence satisfactory to District is provided demonstrating that such individual is authorized to bind the corporation (e.g., a copy of a certified resolution from the corporation's board or a copy of the corporation's bylaws).



RESPONSE TO RFQ:
ARCHITECTURAL SERVICES

SVMH Cath Lab 3 and Angio Equipment Replacement

September 29, 2023

SUBMITTED BY

SMITH-KARNG ARCHITECTURE



Client Engagement | Healthcare Expertise | Proactive Design

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ADDENDUM A TO THE RFP FOR CATH LAB 3 AND ANGIO
EQUIPEMNT REPLACEMENT

September 28, 2023

Dave Sullivan
Bogard Construction
Salinas Valley Health
535 E. Romie, Suite 6
Salinas, CA 93901
Email: dsullivan@bogardconstruction.com

Re: Response to Request for Proposals for Design & Engineering Services for the Cath Lab 3 and Angio Equipment Replacement

Dear Mr. Sullivan,

We are pleased to submit the attached response to Request for Proposal for Architectural and Engineering services for the Cath Lab 3 and Angio Equipment Replacement at the Salinas Valley Health (SVH) Memorial Hospital.

Smith-Karng Architecture, Inc. (SKA) is a full-service architectural firm boasts a diverse portfolio encompassing healthcare facilities, pharmacies, laboratories, and tenant improvements. Over the past decade, we have consistently provided our expertise to Salinas Valley Health Memorial Hospital and are currently in an ongoing relationship with SVHMH. We invite you to delve deeper into the extensive spectrum of our capabilities and projects highlighted in the subsequent sections of our response.

Our collaborative ensemble, comprising Estructure, Interface Engineering, and Aurum Consulting Engineers, is known for its innovative solutions, strategic designs, and injecting an element of enthusiasm into every endeavor. The unique perspectives and rich reservoir of knowledge each team member brings to the table empowers us to continually exceed expectations in delivering optimal solutions to SVHMH. We pride ourselves on our history of successful collaboration across a multitude of facilities and our consistent delivery of successful projects. We genuinely cherish our team dynamics, infusing our shared spirit and unwavering work ethic into each assignment. This camaraderie and mutual experience help us uphold project objectives, ensuring successful completion within budget constraints.

In our response to your Request for Proposal, we have laid out a comprehensive account of our strategic approach, managerial competence, planning, design, production prowess, team accessibility, responsiveness, experience with regulatory agencies, QA/QC protocols, communication skills and methodologies and Fee Proposal. Moreover, we have furnished several examples of our team's demonstrated expertise in executing successful Cath Lab #1 and CT Scan project, alongside detailing the personnel who will be engaged in this project.

SKA, IEI, Aurum, and Estructure fully recognize the criticality of punctual delivery for a project of this magnitude, with heightened regard for the ongoing patient care operations in adjacent areas. Our recent engagements, spanning imaging suites to emergency departments, have underscored the need to assess the implications of the construction process on the broader facility.

In the years of operation, the team has completed over 600 projects ranging in complexity, size, and urgency. We believe that SKA would be well suited to assist Salinas Valley Health with the

Cath Lab 3 and Angio Equipment Replacement. We are happy to present our extensive and diverse project experience in our response following this letter.

We believe our team is the best fit for this role due to our energy, expertise, collaborative spirit and our company values which guide us with every project:

- Authenticity – we design and collaborate with honesty and confidence,
- Pride – we deliver solutions which bring the most satisfaction to us and the Client,
- Collaboration – we strive to be a cohesive team and enjoy what we do,
- Communication – we listen and engage,

Madelyn McClellan will be the primary contact for all communications pertaining to this contract.

Madelyn McClellan, RA, President
Cell phone: 415.425.7623

Email: madelyn@smithkarng.com
Address: 360 Pine Street, San Francisco, CA 94104

We are excited by the opportunity to work with Salinas Valley Health on all future projects; ones that the community can be proud of and that will serve the needs of our diverse public for years to come.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Madelyn McClellan', with a horizontal line extending to the right.

Madelyn McClellan, President

ATTACHMENT A

1. Proven Experience

Our assembly of proficient architects and engineers, which includes SKA, IEI, Estructure, and Aurum Consultants have been providing their invaluable services to hospitals across the Bay Area for numerous years. These teams have been immersed in designing imaging rooms for an equally considerable amount of time.

Our team is well versed in renovation work within operational facilities with outdated construction types and aging infrastructure. SKA and IEI hold expertise in meticulously investigating and understanding the existing conditions, allowing us to comprehend the limitations of a project before we embark on the journey of designing a new one. Our method significantly reduces the chances of design modifications and minimizes disruption to neighboring operational areas during the construction phase.

A1. Radiology Experience in Occupied Facilities

As highlighted earlier, our team primarily operates in facilities that are still in use, surrounded by areas that need to remain functional.

Both examples in the following project samples have been designed for and constructed within operational facilities with patient care services occurring in adjacent spaces. The key to the successful execution of these projects with minimal interruption to the patient experience can be attributed to our team's collaborative attitude, innovative solutions, and a keen commitment to responsiveness. Our approach stems from countless learned lessons and an enduring aspiration to deliver our very best for our clients.

A2. Radiology Experience in GACH under HCAI Jurisdiction

Both of the projects featured in our examples took place within an operational Inpatient Acute Care Hospital under the jurisdiction of HCAI.

Our approach to assessing existing equipment is straightforward yet comprehensive. We devote significant resources and efforts to the initial stage of gathering information. As a team, we critically analyze as-built drawings, conduct thorough site inspections, and engage with Facility Engineers and Stakeholders to unearth any anecdotal evidence of system complications. We utilize every piece of data at our disposal, and in instances where information is unavailable, we collectively strategize to procure the needed data.

The preliminary step in establishing existing conditions, such as shielding and infrastructure, involves reviewing the existing as-built documents. In case these are inaccessible, we might suggest investigative demolition undertaken by a competent contractor. We would collaborate closely with the contractor to pinpoint the investigation locations, ensuring minimal disruption to the rooms' ongoing operations.

Regarding infrastructure examination, IEI will carry out comprehensive field surveys and might recommend involving a qualified mechanical or electrical contractor to facilitate a more in-depth investigation. Mechanical investigations may encompass air balance and pitot readings, information about fan and motor performance, and coil capacities. Electrical investigations might include panel load readings, breaker information verification, and circuit tracing. Additionally, the requirements for a PIN 70 Selective Electrical Coordination Study can pose challenges for the Facility and Design/Construction Team. The approach to this matter could vary based on whether the Owner decides to have the

Design Team or a qualified Contractor provide the service. However, we firmly believe it is immensely beneficial to discuss the potential remedial work scope that could stem from the PIN 70 efforts during the initial design stages, at the very least.

B. Experience Minimizing Facility Impacts

Our approach to handling this is simple, for every design decision we ask the question, “does this action impact the facility”. We begin with high level design decisions in regard to phasing and utility scope of work and determine if there are opportunities to avoid service interruptions, and try to provide design options to avoid them. If avoidance is unfeasible, then the team will seek options to present to the Owner which may not impact the facility. If that too is impossible, then we can help the Owner with the decision making by creating a pro/con matrix and identifying risks.

Our team has found that engaging HCAI Field Staff throughout the construction procedure often results in fewer unforeseen requirements and eleventh-hour changes to Contractor Methods of Procedure (MOPs). This design team consciously opts to stay involved in the scrutiny of Contractor MOPs and Facility Impacts, ensuring that the contractor has thoroughly considered the process and left no stone unturned. Through peer review of the Contractor’s intentions, our team can confidently present the findings to CDPH and HCAI. Experience shows that this confidence usually leads to expedited approvals for shutdowns and reduces the occurrence of unexpected testing requirements mandated by HCAI.





2. Personnel

SKA Firm Profile

Smith-Karng Architecture, Inc. (SKA) is a woman-owned, full-service architectural firm with ten employees, established in 2001, SKA has been an institution within the Bay Area Architecture community. SKA aspires to lead the industry in standards of care, in and out of the office.

We have a broad portfolio consisting of healthcare, pharmacies, laboratories, and tenant improvements. Our knowledge and expertise ranges from straightforward small projects to highly complicated infrastructure replacements. We have extensive experience working within sensitive and occupied environments and navigating many layers of Stakeholder engagement.

In the 22 years of operation, the team has completed over 500 OSHPD approved projects ranging in complexity from cosmetic refreshes to infrastructure upgrades/replacements. Our strength lies in highly technical and involved projects which require considerable attention and fastidiousness. This strength leaves us poised to succeed at any new challenge regardless of size or complexity. We approach all projects with the same level of attention and consideration. Using LEAN strategies, push and pull planning, and clear communications, SKA is well versed as lead design professional with successful completed projects.

SKA Key Personnel

Madelyn McClellan, R.A., President / Principal in Charge

Madelyn McClellan began her career in carpentry and construction and is now a registered Architect in the State of California and Illinois. Madelyn's prior experience spans across institutional, residential, and commercial with an emphasis on creative solutions to technical problems. Her experience includes facility master plan strategies, tenant improvements, voluntary accessibility barrier removals and toilets, radiology suites, large laboratories, pharmacies, emergency departments, and primary care clinics. She excels in highly complex and heavily phased projects and infrastructure upgrades within existing facilities. Her specific experience can be found in the project samples.

Madelyn thrives in a studio environment, actively engaging with team members and encourages the distribution of knowledge which increases the teams' ability to serve the client. Similarly, her inquisitive nature makes her a critical team player when initiating projects and resolving unique project issues. Her combined construction, architectural, and teaching background gives her an advantage in being able to communicate with a wide variety of personalities and professions. She is adept at breaking through details to get to

the root of issues and clearly define project parameters. This is true for all Stakeholders, including executive members, managerial staff, and end users. She is an active listener and aids in translating Stakeholder needs into design.

Often, Madelyn provides on-call consultation to clients regarding high-level strategizing and information gathering. She has a propensity for information gathering and learning and continuously seeks opportunities to build her knowledge base. Madelyn's curious nature leads her to be code proficient and aware of design standards within various environments. She often engages in typical office design environments as well but applies healthful standards to better occupied environments. Most of her clients have facility standards which she is unquestionably able to interpret and apply throughout the entire design process. This is especially true when adapting client standards to as-built environments and legacy buildings.

Glenn Casuga, Senior Project Manager

Glenn Casuga is a licensed architect in California. Glenn's career has spanned many project types, including multi-family residential, commercial office buildings, retail centers, and healthcare. For the past 18 years, his focus has primarily been on healthcare architecture. Glenn's extensive knowledge and experience in healthcare have been instrumental in assisting hospital facilities with planning, design, and implementing best practices within the HCAI jurisdiction.

Glenn finds great satisfaction knowing a client is happy with the end product. Glenn always maintains the client's goals and desired outcomes, while maneuvering through each project task and unpredictable obstacle. His commitment to excellence is noteworthy and inspires other team members and stakeholders to also engage with the same level of dedication to the project's desired goals.

Glenn approaches project challenges with a sense of calm confidence and patience that ensures stability, knowledge, care, and fortitude which his clients, design team, consultants, and stakeholders.

Alexandra David, Project Manager

Alexandra is a licensed architect in California. Alexandra has 11 years experience in the A/E Industry and 6 Years experience as a Project Manager. Alexandra has extensive experience in wide range of imaging projects in both general acute care settings and medical office buildings, including: CT replacement, CT suite shell build out, Cath Lab equipment upgrade, IR Biplane Replacement, She is experienced with Telecommunication, Healthcare and Education projects, as well as experienced with a large range of jurisdictions, Federal, State and Local such as DSA, USFS, HCAI, etc.

Alexandra is knowledgeable and proficient with all stages of the architectural process, from proposal to project closeout. She is responsible for the coordination of all project efforts, administrative and technical, to ensure the efficient and effective execution of assigned projects. Alexandra actively manages schedules, project communication, office administrative tasks, and project team assignments. She serves as the primary client liaison to bring the schedule, budgets, and scope of work to completion and to the client's satisfaction.

Alexandra brings an enthusiastic and team-oriented approach to project management. She finds communication, creative problem solving and a methodical approach to be the most valuable qualities for successful projects. She prioritizes thorough investigation at the beginning of the project, from site investigation to understanding of stakeholder needs. This results in fewer surprises during construction. Alexandra values open discussion for collective decision making, including all stakeholders and design team members in the decision-making process.

Firm Organization Chart

President/CEO *CFO*
Principal in Charge *Project Manager*
Madelyn McClellan Timothy Reap

Senior Project Manager

Glenn Casuga

Office Operations Coordinator

Nicole Kron

Project Manager

Alexandra David

Project Manager

Wing Chu

Project Manager

Jai Pathade

Job Captain

Michelle Barrera

Job Captain

Jake Sealine

Architectural Designer

Mehrazin Iranbaksh



Estructure Firm Profile

Structural Engineering

Estructure is a boutique firm of highly competent and collaborative structural engineers and support staff. Over 90 percent of projects involve renovations to existing facilities. Estructure's current clients include a range of institutional and private clients for whom they provide ongoing design and consulting services. Designing for post-earthquake occupancy of buildings is at the heart of Estructure's reputation. For complicated renovation and remodel projects, success is built on detailed field investigations coupled with careful and thorough design, detailed coordination with architectural, mechanical and electrical consultants, and hands-on support during construction.

Each member of the Estructure team has a can-do spirit and a focus on clients' needs. Each is an expert in structural engineering for building renovations. Their success is based on paying careful attention to each client and each project, regardless of size or complexity, and contributing thoughtful solutions to the team. Their work is streamlined because they get directly to the heart of complex issues at the outset of a project and provide high level expertise and vast experience to guide projects throughout all stages.

Estructure was founded in 2000 by Maryann Phipps and was incorporated in 2013, at that time moved into their current offices in Oakland, California.

Please see the attached resumes for Estructure's key personnel.



Interface Engineering, Inc. Firm Profile

Mechanical, Electrical, Plumbing Engineering

Interface Engineering is a multidiscipline mechanical and electrical engineering firm known for innovative resource use, visionary sustainable design and breakthrough engineering solutions for new and existing buildings. Their work demonstrates how integrated design and creative collaboration can produce outstanding results — for their clients, community and environment.

From four employees in 1969, IEI's practice has grown into a nationally recognized consultancy with over 250 professionals in ten offices. They focus on high-performance, pragmatic design, and to date have completed several hundred LEED certified projects and Net-Zero buildings. Their diverse market sector activity has allowed them to grow and they consistently rank high in industry surveys. Today, they are at the forefront of an evolving industry, transforming the concept of what the built environment can be.

With a focus on creative design, Interface Engineering is a model for the mechanical and electrical engineering firm of the future. Their culture is collaborative with a passion for resource sensitivity. They are seasoned engineering consultants who add long-term value as design partners. To serve their clients and our community, they use integrated design to create sustainable solutions that not only perform beyond expectation, but also lead and inspire. Their mission is simple: to help build optimal environments for life.

Aurum Consulting Engineers Firm Profile Electrical, Plumbing Engineering

Since Aurum Consulting Engineers Monterey Bay, Inc.'s inception in 1998 our focus has been on setting higher standards for electrical engineering design quality and service throughout Northern and Central California. Our comprehensive electrical engineering capabilities.

Aurum Consulting Engineers is led by a core team of ten electrical project managers with over 120 years of combined electrical engineering experience. We offer a broad spectrum of expertise in design and construction. Our design expertise includes Medical, Commercial, Educational, High Technology, Industrial, Residential, Recreational and Agricultural Facilities. We can offer support from conceptual design through post construction phases of a project, and are equally comfortable teaming with other consultants or taking the lead.

One of our core project managers is always personally involved in the engineering of every project from beginning to end. The Project Manager is responsible for coordination, design documents specifications, cost estimates and completion of design on schedule. We believe that this personal involvement is as critical as our extensive engineering expertise in meeting our client's requirements. Our team has an unparalleled ability to coordinate its work with other design professionals, and the trades.



**AURUM
CONSULTING
ENGINEERS**



Project Team Personnel

SKA Role: Prime

Principal In Charge

Madelyn McClellan, R.A.

Senior Project Manager

Glenn Casuga, R.A.

Project Manager

Alexandra David, R.A.

Structural: Estructure

Structural Engineer

Darrick Hom, S.E.

Electrical: Aurum Consulting Engineers

Project Manager/Principal

Frank Pinedo, LC

Electrical Engineer/Principal

Eldrich Bell, P.E.

Mechanical: IEI

Principal In Charge

Rick Russell, P.E.

Associate Lead Mechanical Engineer

Mary Vasquez, P.E.

Technical Associate Principal/Lead

Plumbing Engineer

Thomas de Senna, P.E.

MADELYN McCLELLAN, RA, NCARB

Principal, CEO

Madelyn McClellan began her career in carpentry and construction and is now a registered Architect in the State of California and Illinois.

Madelyn's prior experience spans across institutional, residential and commercial and now focuses on Healthcare Architecture and Infrastructure, with an emphasis on creative solutions to technical problems. As the President and CEO of SKA, her role has focused on client stewardship, medical planning, and facility upgrade strategies. She also has a wealth of knowledge in Accessibility and Code compliance.

She has completed projects with County of San Mateo DPW, CPMC (Sutter Health), St. Francis Memorial Hospital, Marin Health Medical Center UCSF, and Salinas Valley Memorial Hospital many of which required HCAI approval.

NOTEWORTHY PROJECTS:

Salinas Valley Memorial Hospital, Salinas Valley, CA

Cath Lab 1 Replacement

Heart Center AHU Replacement
Main Tower Reroof Project
PBX Relocation

EDUCATION

Masters Of Architecture,
SUNY University At Buffalo, NY

Bachelor Of Science,
University of Illinois at Urbana- Champaign

REGISTRATION

Registered Architect, C37097

CERTIFICATIONS

NCARB

EXPERTISE

Facility Infrastructure Upgrades
Master Planning & Upgrade Strategy
Medical Labs
ADA Compliance
Renovations
Hospitals, MOBs

California Pacific Medical Center (Sutter Health) San Francisco, CA

Davies CT Scanner Relocation

Davies North Tower HVAC Upgrades
Davies ASU Remodel, Hand Therapy, Clinical Lab, and Central Registration Relocations

Monteagle Radiology X-Ray Replacement

Davies Emergency Department Remodel

Alameda Health System

San Leandro Hospital CT Scanner & Ultrasound Replacement

Fairmont Campus Transformer Replacement Emergency Project

MarinHealth Medical Center

Nuclear Medicine Suite Relocation
Compounding Pharmacy Relocation

Elevator Modernization

GLENN CASUGA, RA

Senior Project Manager

Glenn Casuga is a licensed architect in California. Glenn's career has spanned many project types, including multi-family residential, commercial office buildings, retail centers, and healthcare. For the past 18 years, his focus has primarily been on healthcare architecture.

Glenn's extensive knowledge and experience in healthcare have been instrumental in assisting hospital facilities with planning, design, and implementing best practices within the HCAI jurisdiction.

NOTEWORTHY PROJECTS:

Kaiser Permanente, San Francisco, Santa Rosa, San Rafael, CA

Radiology/CT Scanner Replacements
Hazardous & Non-Hazardous Compounding
Pharmacies
TER, TR & Wi-Fi Upgrades
Emergency Department Remodels

EDUCATION

Bachelor of Architecture
California State Polytechnic University, Pomona

EXPERTISE

Hospital Renovations
MOB Renovations
Imaging Labs
Accessibility Compliance
Agency Processing & Approvals

Stanford University Hospital & Clinics

Emergency Power Upgrade
Emergency Department Remodel
Blood Centers at Mountain View

Dumbwaiter Replacement
Mammography Replacements

Surgical Light Replacements
Pharmacy Security Upgrades

G1 Nursing Unit Remodel
801 Welch Road Medical Office Remodel

Lucile Packard Children's Hospital

Heart Center Remodel & Expansion
Hospital School Remodel
Flood Remediation

PICU Remodel
Surgery Upgrade

Stanford School of Medicine

Grant Building 1st Floor Lab Remodel
Stanford University Chiller Plant & Cooling Tower

Marin General Hospital

Cardiac Electrophysiology Laboratory

PET-CT Suite

ALEXANDRA DAVID

Project Manager

Alexandra has 11 years experience in the A/E Industry and 6 Years experience as a Project Manager. She is experienced with Telecommunication, Healthcare and Education projects, as well as experienced with a large range of jurisdictions, Federal, State and Local such as DSA, USFS, HCAI, etc.

Alexandra brings an enthusiastic and team-oriented approach to project management. She finds communication, creative problem solving and a methodical approach to be the most valuable qualities for successful projects. She prioritizes thorough investigation at the beginning of the project, from site investigation to understanding of stakeholder needs. This results in fewer surprises during construction, and later after the space is in use. She values open discussion for collective decision making, including all stakeholders and design team members in the decision-making process.

NOTEWORTHY PROJECTS:

Kaiser Permanente, Orange County, Los Angeles County CA

Cath Lab Equipment Upgrade

IR Biplane Replacement

Nuclear Med, Gamma Camera Replacement

CT Replacement

CT Suite Shell Build-out

Regional Mammography Equipment Upgrade and Remodel

X-Ray Suite Remodel

Dexascan Remodel

Stereotactic Remodel

Sterile Processing Department Remodel

Facility-wide Pyxis Replacement and Med-Prep Remodel

Inpatient Pharmacy USP 800 Upgrade

Domestic Water Heat Exchanger Replacement

Sewage Ejector Replacement

Orthopedic Clinic Expansion and Remodel

EDUCATION

Masters of Architecture

Bachelor of Architecture

Tulane University, New Orleans

EXPERTISE

OSHPD 1 Hospital Renovations

Imaging Replacements, Relocations

MOB Renovations

Emergency Departments

Infrastructure Replacements / Upgrades

Public Works



Darrick B. Hom, S.E.
Structural Engineer

dbhom@estruc.com
(510) 982-5006

Darrick Hom has over 29 years of structural engineering experience in seismic evaluation, analysis, design, bracing of nonstructural components and code development. He has worked on many healthcare renovation projects throughout the Bay Area and on numerous UC campuses. He served as technical editor of *ASCE 31-03; Seismic Evaluation of Buildings*. He currently participates on the American Society of Civil Engineers Seismic Rehabilitation Standards committee as a member of the nonstructural elements subcommittee. He has served the Structural Engineers Association of Northern California Board of Directors as President.

Education

B.S. University of California, Berkeley, 1993
M. Eng. University of California, Berkeley, 1994

Registration

Civil Engineer California, 1996 – License No. 55661
Structural Engineer California, 2000 – License No. 4460
Civil and Structural Engineer Oregon, 2005 – License No. 76750
Structural Engineering Certification Board, 2005 – Certification No. 1224-0705

Selected Professional Memberships and Affiliations

Structural Engineers Association of Northern California, President, 2014-2015
Structural Engineers Association of California, Fellow
American Society of Civil Engineers – Structural Engineering Institute
Engineers Alliance for the Arts – Director – 2010-2016

Selected Relevant Experience

- UCSF Long Heart Center Cath Lab 1 and 2
- Stanford Cath Labs 8-10 Remodel
- CPMC Pacific Campus Cath Lab 2 Remodel
- Sutter Sacramento Cath Lab 4

Salinas Valley Memorial Hospital

- Salinas Valley Memorial Hospital Cath Lab 1 Renovation
- Salinas Valley Memorial Hospital Heart Center Rooftop AHU
- Salinas Valley Memorial Hospital High Speed Elevator Modernization
- Salinas Valley Memorial Hospital Lab Analyzer Replacement
- Salinas Valley Memorial Hospital OB Cesarean Conversion
- Salinas Valley Memorial Hospital Omnicell Replacement

Rick Russell PE, LEED AP, CXA

PRINCIPAL-IN-CHARGE

Education

Master of Science,
Mechanical Engineering,
California State University
Sacramento

Bachelor of Science, Marine
Engineering Technology,
California Maritime Academy

Registration

Mechanical Engineer:
California - 31923
Hawaii - 16006

LEED Accredited
Professional, US Green
Building Council

Certified Energy Manager
(CEM)

Green Building Engineer
(GBE)

ACG, AABC Commissioning
Group, Certified
Commissioning Authority
(CxA)

Professional Affiliations

American Society of Heating,
Refrigerating, and Air
-Conditioning Engineers

Association of Energy
Engineers

International Society for
Pharmaceutical Engineering



Rick is a Principal with 26 years of operation, design and construction experience. Rick's project experience includes healthcare projects such as hospitals, medical

office buildings, clinics, behavioral health, laboratories and research centers for both new and renovation construction projects. He has engaged in design of sustainable engineering systems such as natural ventilation, radiant heating and cooling, vivarium system design, vav laboratories, lab heat decoupling, lab heat recovery, displacement ventilation, underfloor air distribution and chilled beams. He has also incorporated computational fluid dynamics (CFD) into his design in an effort to use the latest engineering tools to create highly sustainable buildings. Rick combines his knowledge of energy consumption, systems and costs to create designs that exceed client's expectations for performance and efficiency.

PROJECT EXPERIENCE

Salinas Valley Health Medical Center

SALINAS, CALIFORNIA

- » Bulk O2 Temp System Design
- » Bulk O2 Permanent Replacement System Design

Santa Clara County O'Connor Hospital

SAN JOSE, CALIFORNIA

- » Cath Lab 1 Imaging Equipment Replacement
- » Cath Lab 2 Imaging Equipment Replacement
- » East Catheterization Laboratory

- » MRI 2 Imaging Equipment Replacement
- » Nuclear Med 1 Imaging Equipment Replacement
- » Nuclear Medicine 2 Imaging Equipment Replacement
- » Radiology Room 6 Imaging Equipment Replacement

Good Samaritan Hospital CT Equipment Replacement

SAN JOSE, CALIFORNIA

Sonoma Valley Hospital

SONOMA, CALIFORNIA

- » CT EOR Supplantation
- » CT Study

University of California, San Francisco

SAN FRANCISCO, CALIFORNIA

- » CT Simulator Replacement and Upgrades
- » Moffitt Long Emergency Department Radiology Room
- » Mount Zion Angiography Equipment Replacement
- » ACC 2 Spine Center / LEED Certified
- » Moffitt Long Hospital M15 Acute Care Nursing Unit
- » Cyber Knife

Good Samaritan Hospital Angiography Remodel

SAN JOSE, CALIFORNIA

St. Francis Memorial Hospital Imaging Unit Design for Radiology

SAN FRANCISCO, CALIFORNIA

Kaiser San Francisco 2425 Geary MRI Replacement

SAN FRANCISCO, CALIFORNIA

5858 Horton Street Stem Cell Research Laboratory

EMERYVILLE, CALIFORNIA

Mary Vasquez PE

ASSOCIATE | LEAD MECHANICAL

Education

Bachelor of Science,
Mechanical Engineering, San
Diego State University

Registration

Mechanical Engineer:
California - M39720



Mary Vasquez has 4 years of professional experience in mechanical engineering. Mary has worked on a wide variety of project types

including healthcare, bio-pharmaceutical laboratories, office buildings, mixed-use residential, educational and commercial kitchens. In addition to her engineering design experience, she has strong coordination and problem solving skills, as well as project management experience.

PROJECT EXPERIENCE

Salinas Valley Health Medical Center Bulk O2 Permanent Replacement System Design

SALINAS, CALIFORNIA

Santa Clara County O'Connor Hospital

SAN JOSE, CALIFORNIA

- » Cath Lab 1 Imaging Equipment Replacement
- » Nuclear Medicine 2 Imaging Equipment Replacement
- »
- » Cath Lab 1 Imaging Equipment Replacement
- » Cath Lab 2 Imaging Equipment Replacement
- » East Catheterization Laboratory
- » MRI 2 Imaging Equipment Replacement
- » Nuclear Med 1 Imaging Equipment Replacement
- » Nuclear Medicine 2 Imaging Equipment Replacement

- » Radiology Room 6 Imaging Equipment Replacement

University of California San Francisco

SAN FRANCISCO, CALIFORNIA

- » CT Simulator Replacement and Upgrades
- » Mount Zion Angiography Equipment Replacement

St. Francis Memorial Hospital Imaging Unit Design for Radiology

SAN FRANCISCO, CALIFORNIA

Good Samaritan Hospital CT Equipment Replacement

SAN JOSE, CALIFORNIA

Sequoia Hospital

REDWOOD CITY, CALIFORNIA

- » Mammography Installation
- » Philips CT Simulator Replacement Project

Kaiser South San Francisco Hospital MRI Power Conditioner

SOUTH SAN FRANCISCO, CALIFORNIA

St. Francis Memorial Hospital Bulk Liquid Oxygen Tank Study

SAN FRANCISCO, CALIFORNIA

Kaiser San Francisco Oxygen Tank Replacement

SAN FRANCISCO, CALIFORNIA

Kaiser South San Francisco ETO Sterilizer

SOUTH SAN FRANCISCO, CALIFORNIA

San Mateo Medical Center Project 1 Nursing Tower Renovation

SAN MATEO, CALIFORNIA

Stanford Primary Care Clinic

LOS ALTOS, CALIFORNIA

Thomas de Senna PE

TECHNICAL ASSOCIATE PRINCIPAL | LEAD PLUMBING

Education

Bachelor of Science,
Mechanical Engineering,
California Polytechnic State
University, San Luis Obispo

Registration

Mechanical Engineer:
California - M34908



Thomas is a Technical Associate and has over 15 years of experience in various project types. His project experience includes projects of all scales,

from retrofits to replacement, through all phases, from schematic design to construction administration.

PROJECT EXPERIENCE

Salinas Valley Health Medical Center

SALINAS, CALIFORNIA

- » Bulk O2 Temp System Design
- » Bulk O2 Permanent Replacement System Design

Regional Medical Center Angio/IR Cath Lab Equipment Replacement

SAN JOSE, CALIFORNIA

Santa Clara County O'Connor Hospital MRI 2 Imaging Equipment Replacement

SAN JOSE, CALIFORNIA

St. Francis Memorial Hospital Bulk Liquid Oxygen Tank Study

SAN FRANCISCO, CALIFORNIA

University of California, San Francisco

SAN FRANCISCO, CALIFORNIA

- » 675 18th Street MRI Scoping
- » ACC 2 Spine Center / LEED Certified Goal
- » Cardiology Clinic
- » Moffitt Hospital 14th Floor Pride in Place

Kaiser Vacaville Hospital MRI Addition

VACAVILLE, CALIFORNIA

Kaiser Vacaville 64 Slice CT Replacement

VACAVILLE, CALIFORNIA

Kaiser San Francisco 2425 Geary MRI Replacement

SAN FRANCISCO, CALIFORNIA

Kaiser Santa Cruz 110 Cooper Primary Care Tenant Improvement / LEED Gold Goal

SANTA CRUZ, CALIFORNIA

Kaiser Los Gatos San Rafael MOB 70 PO Tenant Improvement

SAN RAFAEL, CALIFORNIA

Kaiser San Rafael Las Gallinas Medical Office Building Oncology/Infusion

SAN RAFAEL, CALIFORNIA

El Camino Health Integrated Medical Sobrato Pavilion / LEED Gold Goal

MOUNTAIN VIEW, CALIFORNIA

El Camino Health Behavioral Health Services Taube Pavilion / LEED Gold Goal

MOUNTAIN VIEW, CALIFORNIA

2621 Tenth (1050 Parker) / LEED Gold Goal

BERKELEY, CALIFORNIA

Kaiser South San Francisco ICU and Elevator Upgrade

SOUTH SAN FRANCISCO, CALIFORNIA

Jewish Home SF Friedman Rehab Renovation

SAN FRANCISCO, CALIFORNIA

California Pacific Medical Center Van Ness Dialysis Boxes

SAN FRANCISCO, CALIFORNIA

Sutter Palo Alto Medical Foundation ASC Remodel

PALO ALTO, CALIFORNIA

Salinas Valley Health Medical Center Experience

Bulk O2 Temp System Design

Bulk O2 Permanent Replacement System
Design



Eldridge O. Bell, P.E.

ELECTRICAL ENGINEER
PRINCIPAL

EDUCATION

2003 University of the Pacific
Bachelor of Science Electrical
Engineering

DESIGNATIONS

Registered Professional
Engineer in California
Electrical Engineer E17789

ASSOCIATIONS

National Society of Professional
Engineers (NSPE)

American Council of Engineering
Companies (ACEC)

Institute of Electrical and
Electronic Engineers (IEEE)

U.S. Green Building Council
(USGBC)



AURUM CONSULTING ENGINEERS
MONTEREY BAY, INC.

EXPERIENCE

2004 – Present

Aurum Consulting Engineers • Monterey, California

Electrical Engineer Principal

*Responsible for electrical design and coordination of
construction documents.*

2002

New United Motors Manufacturing Inc. • Fremont, California

Intern Facilities Engineer

*Responsible for project management and in-house electrical
engineering for automotive manufacturing plant.*

2001

Flextronics • San Jose, California

Intern Systems Engineer

Data analysis.

HEALTHCARE EXPERIENCE

Salinas Valley Memorial Healthcare System • Salinas,
California

Various OSHPD | Projects ranging from ups for Emergency
Branches to suite / Department remodels.

Hazel Hawkins Memorial Hospital Various OSHPD Projects •
Hollister, California

Complete renovations of Hospital includes Women's Center
Building, Emergency Department Building, emergency
generator, imaging, offices, exam rooms, medical records and
CT Scanner.

Community Hospital of the Monterey Peninsula • Monterey,
California

Various OSHPD | Projects ranging from Distribution changes to
suite / Department remodels.

North Bay Regional Surgery Center • Novato, California

7,000 square foot ambulatory surgery center with three
operating rooms, pre-operation and recovery rooms, 3-branch
electrical system, fire alarm and lighting design. LEED Gold
Certified.

611 Abbott Street Medical Office Building • Salinas, California

Electrical Engineering for a 35,000 square foot medical offices
with nurse training facility, clinics, and support facilities.



Frank S. Pinedo, LC

PROJECT MANAGER
PRINCIPAL

EDUCATION

1992
High Tech Institute
Technical Associates
Electro/Mechanical

DESIGNATIONS

National Council on
Qualifications for the Lighting
Professions (NCQLP) Lighting
Certified (LC).

ASSOCIATIONS

Institute of Electrical and
Electronic Engineers (IEEE)
U.S. Green Building Council
(USGBC)
BICSI

EXPERIENCE

1998 – Present
Aurum Consulting Engineers
Monterey, California
Principal/Electrical Project MGR
*Electrical design/coordination of
construction documents.*

1995-1998
Fehr Engineering Company



AURUM CONSULTING ENGINEERS
MONTEREY BAY, INC.

HEALTHCARE EXPERIENCE

Salinas Valley Memorial Healthcare System, Various OSHPD Projects • Salinas, California

Complete renovations of Hospital including imaging, offices, exam rooms, medical records and CT Scanner. Second and Third Floor Nurse Call replacements.

Hazel Hawkins Memorial Hospital, Various OSHPD Projects

• Hollister, California

Complete renovations of Hospital including Women's Center Building, Support Services Building, Emergency Department Building, emergency generator, imaging, offices, exam rooms, medical records and CT Scanner.

Community Hospital of the Monterey Peninsula, Various OSHPD Projects • Monterey, California

Complete renovations of Hospital including imaging, offices, exam rooms, medical records, CT Scanner and MRI suites. Complete Hospital Nurse Call replacement.

Natividad Medical Center, Various OSHPD Projects • Salinas, California

Complete renovations of Hospital including imaging, offices, exam rooms, medical records and phlebotomy. Complete Hospital Nurse Call replacement.

University of California San Francisco Hospital, Various OSHPD Projects • San Francisco, California

Various HVAC replacements, gift shop remodel, Fire Alarm upgrades & compliance and Sterilizer & Compactor upgrades.

Good Samaritan Hospital, Various OSHPD Projects

• San Jose, California

Complete renovations of Central Supply to include washers, sonic irrigator, offices, exam rooms and LDRP suites.

Fresno VA Hospital, Various OSHPD Projects

• Fresno, California

Complete renovations of hospital chiller plant as well as imaging rooms.

Garden Court Medical Offices • Monterey, California

35,000 square foot cardio-pulmonary clinic with exam rooms, patient reception, test labs and doctor's offices. Design of utilities, power, generator, lighting, data/com and fire alarm systems.

ACEMB.COM • 831.646.3330
60 GARDEN COURT, SUITE 210, MONTEREY, CALIFORNIA 93940



3. General Approach and Management Capability

Our team at SKA boasts a wide-ranging portfolio that spans across healthcare, pharmacies, laboratories, and tenant improvements. We hold expertise in tackling projects ranging from straightforward, small-scale ones to extremely complex infrastructure replacements. Our considerable experience enables us to adeptly operate within sensitive, occupied environments and engage with multiple layers of stakeholders. Our unique strength resides in our approach to technical and complex projects that demand meticulous attention to detail, from the pre-design phase through to contract administration.

We excel at working with pre-existing facilities, conditions, and materials, treating these as guiding parameters for our projects. Our design approach hinges on thorough investigative design efforts and well-informed decision-making. With extensive experience working within General Acute Care Hospitals (HCAI), our team has learned to be rigorous in our pre-design efforts. We set aside ample time with our design consultants to review as-built and known conditions, preparing detailed field survey notes and requirements.

At SKA, we insist on thoroughly investigating all existing conditions across all disciplines, employing tools like 360 cameras, video

recordings, and comprehensive field notes to create a robust base for design.

When making design decisions, our team first considers the overarching project initiative or goal, then delves deeper to investigate the decision. This process enables informed decision-making that considers present and future needs, constructability, cost, and schedule. This approach typically helps bypass the need for value engineering, thereby reducing later design rework and waste in construction. Whenever feasible, we collaborate with the contractor or estimator to identify cost-saving opportunities if the budget isn't met.

With the help of LEAN strategies, push and pull planning, and clear communication, SKA has proven its proficiency as the lead design professional team, with a track record of successful projects. We deploy several strategies to promote effective communication, including scheduled meetings and regular documentation.

At SKA, we are against siloed designing. Our regular design scrum meetings set a cadence for the team, ensuring seamless communication and collaboration across all disciplines. Along with these meetings, we utilize design and decision tracker logs,

which are regularly reviewed and updated throughout the project's lifecycle. These documents are invaluable for tracking decisions, outstanding items, and identifying potential critical path items requiring additional coordination. Regularly reviewing these trackers with the design team and Owner keeps the entire team responsible and engaged which we believe reduces the number of design assumptions that eventually rear their ugly heads later in construction. If issues cannot be resolved or information is unavailable to make informed decisions, then the group can find a solution to build in design flexibility. Siloed designing can also work against providing the best product for the Stakeholders. Early input from Stakeholders is pivotal to incorporating needs, building standards, and unique requirements that may otherwise be overlooked. Understanding the importance of early stakeholder input, we ensure their needs, building standards, and unique requirements are taken into account. SKA appreciates the delicacy of decision-making and always coordinates with the Client Representative to review any queries directed to the stakeholders.

SKA also makes a point to build in flexibility into our designs and details to reduce custom details later in the construction phase. This method allows the Contractor to propose solutions which may only require a Non-Materially Altering change to the construction documents rather than designing a custom detail that needs to be submitted as an Amended Construction Document.

We closely collaborate with the Contractor, Owner, and IOR to stay abreast of progress, plan for upcoming milestones, investigate potential constraints, and devise swift solutions to construction details. An active channel of communication between these parties helps maintain tight schedules and is a vital factor in our ability to consistently achieve successful OSHPD milestones and Substantial Completion.

MEP's response on General Approach and management capabilities:

We begin incorporating existing conditions into the design during the schematic design phase of the project. Not only do we review the project area, but areas outside of the project to ensure that our project does not negatively impact the spaces around us.

A sample approach would be as follows. Please note that this could be tailored to meet a specific project type and need:

1. Obtain all available documentation for the project and surrounding areas.
2. Interview appropriate stakeholders to collect anecdotal information, such as, "the plant has plenty of capacity", "we don't know the capacity?" or "this has always been a problem." This will inform the design team about what calculations or data collection to use to promote a successful outcome to the project.
3. Conduct a field investigation of the area. In some cases, the team is paired with a contractor for preconstruction services that would allow for selective ceiling demolition to successfully uncover hidden conditions that may not be necessarily shown on the contract documents.
4. Identify areas for testing such as for electrical capacity and HVAC capacity.
5. Develop documentation to request the following readings to ensure that our project does not negatively impact outside areas:
 - a. Pre-construction air balance of the project area and outside of the area.
 - b. Electrical panel readings for both emergency and normal power.
6. We will review all points of connection to



verify they are where the as-builts depict them.

7. At the end of schematic design, the MEP will answer the following questions regarding the MEP systems:

- a. What do we have?
- b. What do we need?
- c. What is the delta?
- d. How do we overcome the delta?

We have found these basic questions uncover many issues early that can mitigate cost and schedule overruns.



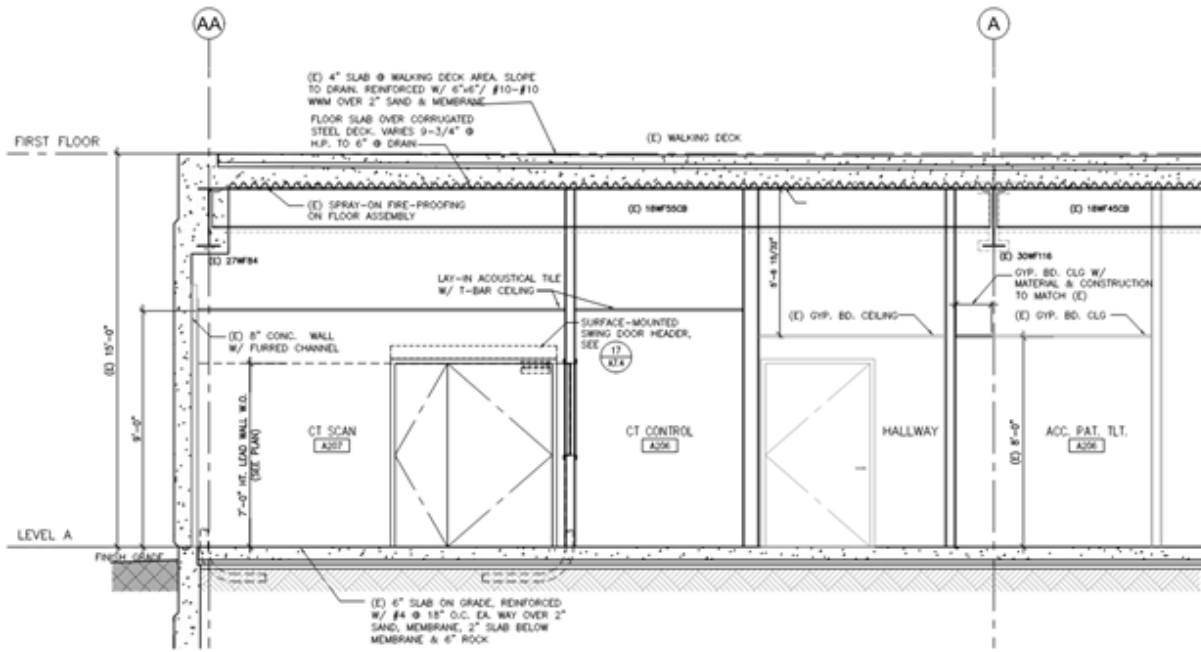
8. We will provide various recommendations to bridge the gap with data that can assist the University in reaching a decision. Interface will also make an initial recommendation based on its understanding of the client's needs and Interface's experience.

4. Planning and Design Ability

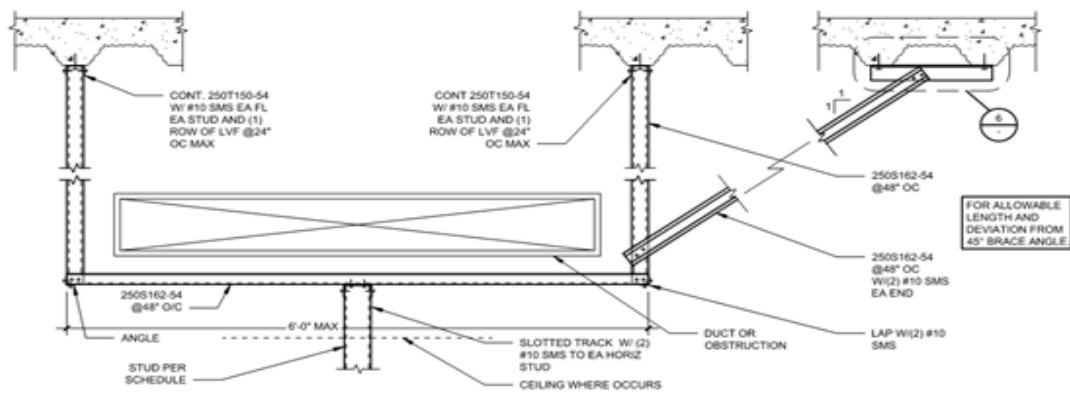
New construction within existing, operational Imaging Suites requires a keen eye and ability to move from big picture to granular detail. This A/E team regularly coordinates on projects of all sizes which require this skillset.



Smith-Karng Architecture has successfully performed projects of this type and scope within other acute care hospitals, including CPMC and San Leandro Hospital. Our experience in handling complex architectural and engineering challenges, such as Radiology installations in existing spaces, demonstrates our ability to overcome complex design hurdles and intricate phasing to deliver a successful project. Our expertise and familiarity with the specific state and HCAI requirements and regulations governing hospitals make us the ideal choice for the Cath Lab 3 & Angio Equipment replacement.



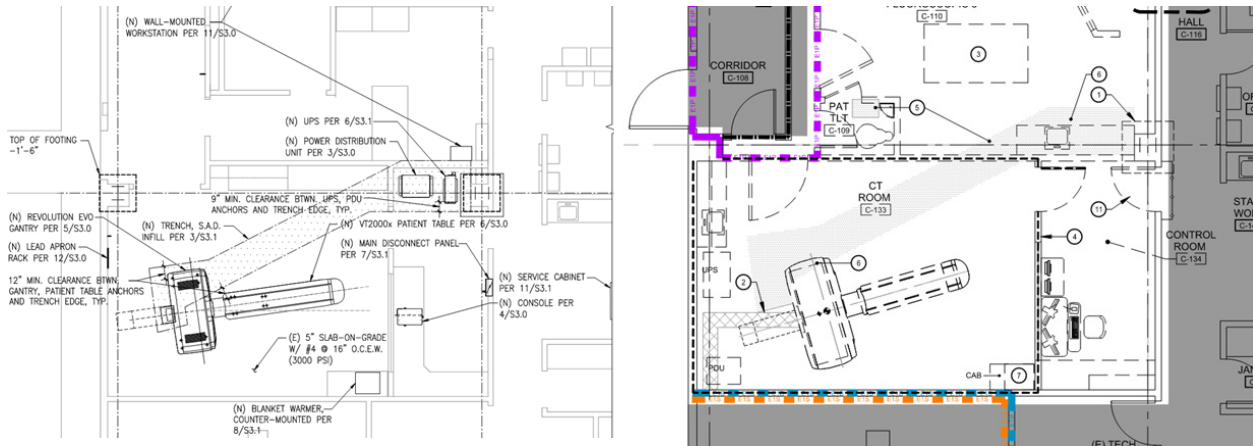
Davies CT Scanner Building Section – Provided in the construction set to show conduit routing and relationship to existing slab and adjacent spaces



7 WALL SUPPORT BELOW LARGE OBSTRUCTION
SCALE: NTS

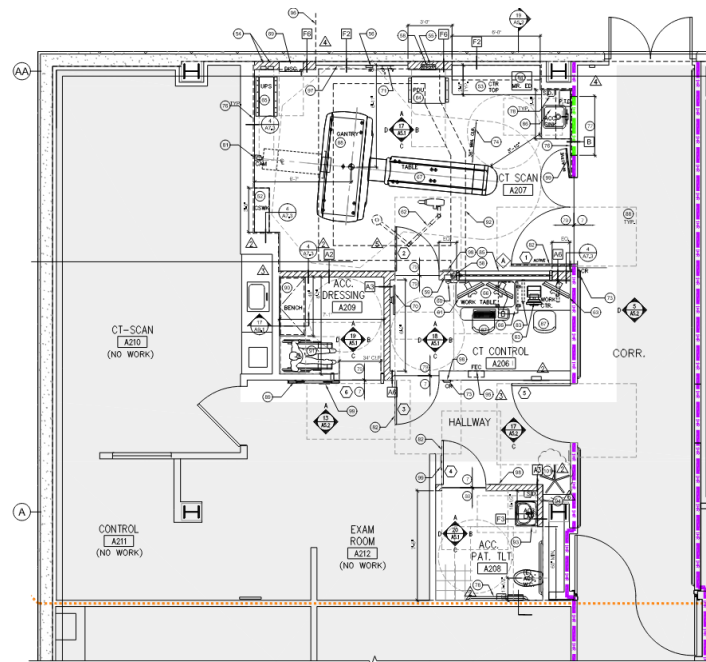
San Leandro Hospital CT Scanner Replacement Existing Condition Detail

The Design Team identified an existing duct and conduit obstruction during the initial field survey which was determined to conflict with a new wall. Due to the significant span required, SKA coordinated with Estructure to create a detail.



San Leandro Hospital CT Scanner Replacement Architectural & Structural Plan

SKA and Estructure intentionally coordinating the anticipated trenching plan. This level of coordination helps the Contractor understand the impacts of the trenching and determine phasing and scheduling.



Davies CT Scanner Relocation Floor Plan – Illustrates proximity to existing CT Scan

The floor plan utilizes layer management and linetypes to intentionally prioritize the information being communicated, for example, dark dashed lines show the anticipated trenching of the slab. When drawings and details become overwhelmed with annotations, we will split that information into separate plans.

This project had a considerably small footprint to work with and required SKA to design down to the stud and gypsum board thickness. During construction, SKA sought out time to review the plans with the Contractor to pass on the design and dimensional constraints and requested that the Contractor chalk out the wall and equipment placement to prove clearance requirements could be met.



5. Availability

The design team within 2 hours of SVMH and prepared to provide flexibility and availability at short notice for onsite visits as needed and required by the project.

6. Production Capability

SKA is a reputable and steady firm comprising nine dedicated staff members, including two registered architects, two project managers, four architectural designers, and a staffing coordinator, skilled in documentation, detailing, and construction document creation. Our office operates with agility and responsiveness, readily equipped to manage a project of this magnitude, complexity, and timeline.

Our Design Team's collective experience with Interventional Radiology projects provides us with a rich inventory of construction details and established design practices ready for implementation. Likewise, each team member brings with them valuable insights gained from working within existing facilities, encompassing aspects such as dated construction types, utility phasing, facility shutdowns, and intricate coordination. SKA's standard project management approach encourages team cohesion and leverages our collective expertise. We've instated a firm-wide project management and production standard. The following process is our way of

ensuring design requirements are accurately met, checked, and delivered promptly. Our use of pull planning, the Last Planner System, resource management, regular coordination meetings (Scrum), integrated QA/QC process, and tracking documents, all contribute significantly to our team's success.

Pre-Design Stage

Our Managing Principal and Project Managers collaboratively define and uphold project objectives, timeline, cost/budget, quality, and scope. This dual managerial approach, coupled with the tools described below, enables efficient work distribution and adherence to tight deadlines.

At the project's onset, we collaborate with the design team to establish a realistic schedule based on client input and constraints. We then outline the project schedule, including major milestones such as:

- Pre-design investigation
- Vendor coordination
- Analysis
- Interdisciplinary review
- Client approvals

Often, projects are driven by a specific submission or construction date, which helps

us pull the project schedule. We employ online tools like Instagantt and Microsoft Project to adjust the project schedule and set durations. Regular review of these schedules in our design meetings ensures team awareness of impending deadlines and facilitates necessary adjustments. This methodology has seldom resulted in compressed scheduling or delays.

Regular Coordination Meetings & Project Tracking

Aligned with our LEAN agility model, SKA conducts routine design meetings and check-ins with our project team. These sessions promote collaboration and early stakeholder and team involvement, reinforcing project objectives, addressing roadblocks, and fostering continuous improvement.

Furthermore, SKA utilizes design tracking documents to ensure timely decision-making. These records also serve as a reflection of decisions made throughout the design process, shared with all team members to maintain a single information source and project design reference.

Continuous and Constant Communication & Design Coordination

Our Project Managers maintain open communication with the Client, design team members, vendors, contractors, and other stakeholders throughout the design or construction phase.

Weekly design team check-in meetings (scrum) help identify potential roadblocks and make course corrections before major issues arise. Project expectations are then documented in weekly reports distributed to the design team and Client to keep everyone informed.

For in-house and interdisciplinary design reviews, our Design Team frequently uses

Bluebeam. Sessions are created to record design milestones and provide a space for each discipline to review others' comments, a process proven to significantly expedite design and detail coordination.

Depending on the project, we may use Revit to develop a model and construction documents, enabling real-time cross-discipline coordination and faster utility clash detection. However, in cases where modeling existing conditions may be cost-prohibitive, AutoCAD serves as our preferred platform for document development. Bluebeam aids in interdisciplinary coordination and review.

7. Budget and Schedule response

The design team identified in this RFQ, including both Principals and design staff, has a well-established track record of efficient collaboration, invariably resulting in projects being completed on schedule and within budget. Three main project management techniques led by SKA are regularly used by our design team to adhere to project schedules and budgets.

From the get-go, SKA Project Managers initiate a project charter and a project manual. Client-approved pre-design budget and schedule are firmly incorporated into the project manual. These documents serve as continuous points of reference and are regularly updated throughout the design and construction stages, a practice crucial for ensuring timely and budget-conscious project completion.

Leveraging Pull Planning, SKA collaborates with the Client to devise a design schedule tailored to Client requirements, facilitated by Instagantt, a cloud-based project scheduling tool. This schedule is shared with all design-involved parties. Regular design meetings are held with mandatory attendance for all design parties, and Clients are warmly invited to participate. Meeting outcomes are recorded through detailed documentation, meeting

minutes, sketches, Plangrid, and updated project manuals. These records are reviewed by all parties involved in the design, including Stakeholders, Client Representatives, and Contractors when applicable.

The SKA team benefits from a dedicated Staffing Coordinator whose role encompasses monitoring staff workload and project milestones. Every week, the SKA team collectively reviews the centralized, digital office calendar where all imminent milestones and submittals are examined for up to four weeks ahead. This process has repeatedly demonstrated its efficiency in overcoming project obstacles, minimizing last-minute submittal delays, and reinforcing the QA/QC process.

Our Principals and staff are unwavering in their commitment to delivering the best possible service within the available budget. Throughout all project stages, our team

2319 MZ 6th Floor Remodel

Gantt Board Workload Overview

Export & Share Baselines Options Columns Segments

Search tasks... START CD DUE

	START	CD	DUE
Design Dev:	01/May	127d	04/Sep
1 AOR DD Kickoff	01/May	5d	05/May
2 Consultants DD Kickoff	12/Jun	5d	16/Jun
3 50% DDs	12/Jun	26d	07/Jul
4 SKA QA/QC	10/Jul	5d	14/Jul
5 UCSF Review of 50% DDs	17/Jul	5d	21/Jul
6 100% DDs	24/Jul	26d	18/Aug
7 SKA QA/QC	21/Aug	5d	25/Aug
8 100% DDs Page Turn	28/Aug	1d	28/Aug
9 UCSF Review of 100% DDs	28/Aug	5d	01/Sep
10 UCSF Approval of Design	04/Sep	1d	04/Sep
Construction Docs:	08/Sep	105d	21/Dec
13 50% CDs	08/Sep	28d	05/Oct
14 Consultant 50% CDs	08/Sep	28d	05/Oct
15 SKA QA/QC	13/Oct	1d	13/Oct
16 UCSF Review of 50% CDs	20/Oct	7d	26/Oct
17 Prepare Specifications	26/Oct	14d	08/Nov
18 95% CDs	02/Nov	28d	29/Nov
19 SKA QA/QC	29/Nov	7d	05/Dec
20 100% CDs	06/Dec	7d	12/Dec
21 UCSF Review of 100% CDs	13/Dec	1d	13/Dec
22 Revise 100% CDs	14/Dec	7d	20/Dec
23 UCSF Approval of CDs	21/Dec	1d	21/Dec
24 Consultants 100% CDs		1d	

will collaborate with the University to refine specific requirements and impacts, promptly addressing any collateral impacts as they emerge.

8. Regulatory Agency Experience

SKA emphasizes team agility which allows us to adjust our team based on the demand of the specific project. In the 21 years of operation, SKA has completed over 500 HCAI/OSHPD approved projects ranging in complexity from cosmetic refreshes to infrastructure upgrades/replacements.

A major strength SKA has is the well-established relationship with the HCAI Office and Field Staff. Our diligence and reliable expertise has built trust with HCAI over the last 20 years. Our strategy is to work together with the state agency as early as possible in the design process, be proactive in solving issues early in the design process, prevent costly change orders during construction, and expedite the project approvals when time is short. Our relationship and reputation allows us to effectively communicate with HCAI and act as stewards between HCAI and the Facility. In many occasions this relationship has assisted in obtaining permit extensions, scope negotiations, rapid reviews, and fast, positive field staff responses.

We believe integrated project delivery relationship among all players in construction is the way to achieve success on a project that must maintain operation throughout construction. We work closely with the Contractor, Owner and IOR to stay on top of progress, plan ahead for next milestones, investigate possible constraints, and come up with quick solutions to construction details. An active channel of communication between these parties keeps schedules tight and a key factor in our ability to have regular successful HCAI milestones and Substantial Completion. Our approach to a successful milestone driven project is deeply rooted in proactive HCAI communication. While many design

professionals find resistance and hesitation with HCAI, we do not. We have deep and positive relationship with HCAI Sacramento office officials, as well as field officers, such as Patrick Carroll (CO), Josh Trumbauer (FLSO) and Shane Gross (DSE). Without hesitation, we also regularly meet with the HCAI Field Staff for IOR project walks, milestone closeouts, and post approval document review. We are very familiar with each staff member's idiosyncrasies and regular meeting schedules which makes our review and closeout timelines shorter than average.

As these projects have many milestones and critical timelines, early coordination and planning with the Field Staff is necessary. Our sound relationship and pre-planning with the HCAI Field Staff ensures fast responses and often leniency during an ongoing project. We believe this approach will essentially eliminate the delays associated with HCAI sign-off and return the project areas to a usable state as fast as possible.

9. Quality Assurance and Quality Control

As reiterated throughout this response, the SKA team integrates various safeguards that bolster our commitment to maintaining top-notch Quality Assurance and Quality Control standards.

At the onset of a project, our SKA project managers employ Instagantt, a cloud-based project planning tool, to structure a project timeline. It is during this phase that we incorporate distinct milestones to secure dedicated review time for both the Design Team and the Managing Principal. This review time ensures that documents uphold standards of clarity and completeness. Additionally, we purposefully designate milestones for interdisciplinary QA/QC intervals and make sure to communicate these dates to our team consistently. This approach is carried over to the Plan Review stage where our team repeats these scheduling tactics.

Our Managing Principal (MP), Madelyn McClellan, plays a pivotal role in both Quality Assurance and Quality Control. The MP acts as a gatekeeper, verifying the quality of project deliverables during the in-house quality control process before any document submission. Interface Engineering employs a comparable procedure, with layers of peer review firmly established.

Lastly, we put significant effort into building a harmonious working relationship with our consultants, encouraging open dialogue across disciplines. This practice has shown to be effective as a safety net to identify and rectify minor coordination issues that may not be specific to a single discipline.

10. Client Relationship

We place significant emphasis on personalized attention for our clients, ensuring we listen intently to the Owner, Users, and Client's Representative. Our team is rooted in the belief that the key to fruitful collaboration is open dialogue and ongoing communication. Given the number of stakeholders involved in SVHMH projects, understanding and incorporating their interests into the design is essential.

Recognizing that not all stakeholders will be conversant with floor plans or the complexity of construction impacts, we routinely create visual aids to suit each scenario. These visuals can range from color-coded floor plans to 3D models, renderings, or even physical mock-ups, depending on the project. In all stakeholder meetings, we strive to maintain an atmosphere of patience and confidence, a strategy that encourages a similar confidence among our stakeholders.

SKA boasts significant experience in liaising with Facilities and Stakeholders in situations that demand areas remain

operational. Through meticulous pre-planning, comprehensive design documents, and clear written documentation, we delineate any potential impacts. Historically, we have effectively incorporated phasing and shutdown matrices into our construction documents, as evidenced by the reference image provided in the Proven Experience section of this response. We feel very confident that we have successfully provided effective communications and coordination with our Clients, including:

Client: Sutter CPMC, Davies Campus
Reference: William Conaway, Sr. Project Mngr
Project: Davies Campus CT Scan Relocation

Client: Marshall Medical Center
Reference: Derek Bogaard, Project Manager
Project: OB & ED Nurse Call Replacement

11. Sustainability

Reduce for sustainability – we strive to create minimal impact to environment when disruption is needed.

Most of our projects are required disruptions: interior renovation within a hospital. Project scopes are typically dependent on existing infrastructure and building envelope with a narrow window of opportunity to make the space more sustainable. While the opportunities are limited, we seize all opportunities including:

- Improve water efficiency by carefully selecting plumbing fixtures, cooling systems and other equipment;
- Increase energy efficiency by utilizing the latest lighting and lighting control technology and efficient HVAC equipment;
- Reduce resource use by using existing work to the maximum extent, specifying sustainably sourced materials and products, and include requirements for waste management;

- Increase indoor environment and staff comfort by implementing Lean thinking for improved workflow, allowing better lighting and temperature control, designing for better ergonomics, and installing advanced air filtration system when possible.

We recognize the utilitarian oriented purpose of this project. Limiting new work and reusing existing infrastructure as much as possible will be our focus to reduce the impact on the environment. We will take all opportunities come up during design to improve energy efficiency, material resource utilization, carbon emissions reductions with creative solutions.

Interface Engineering's response on Sustainability:

Sustainability is at the core of all of our designs. Interface Engineering is well versed with sustainable design as can be seen by the metrics below:

260 LEED, all levels

84 LEED Platinum

67 Zero (energy or water) buildings in design, under construction, ready, or built

17 Living Buildings in design, under construction or built

4 Carbon Neutral buildings in design, under construction or built

5 WELL Buildings in design, under construction or built

5 Green Globes projects in design, under construction or built

Below is an abbreviated list of our healthcare projects that were designed to meet LEED standards:

1. UCSF ACC 7 Transplant Design/ LEED Silver; San Francisco, California
 - a. Interface provided MEP Engineering and Fire/Life Safety to UCSF's 7th floor transplant center. It required close coordination due to very tight fitting HVAC units with a challenging existing structure. The project was also designed as an HCAI 3 space.
2. UCSF Nancy Friend Pritzker Psychiatry Building / LEED Platinum Goal, San Francisco, California
3. El Camino Health Integrated Medical Sobrato Pavilion / LEED Gold Goal; Mountain View, California
4. El Camino Health Behavioral Health Services Taube Pavilion / LEED Gold Goal; Mountain View, California

12. Equal Employment

Our team is an equal opportunity employer. Company policy prohibits unlawful discrimination. Smith-Karng Architecture, Inc. is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in Company operations. Below is a snapshot from the company Employee Handbook each employee must read, understand, and sign upon hire. Each employee maintains a copy of the Employee Handbook for their records and reference. Below is the excerpt of the document.

13. Contract

Our team is willing to accept the contract language, including the indemnification and insurance requirements, and we will execute the Professional Services Agreement and Executive Design Professional Agreement as written. We understand that once the contract

is awarded, the Agreement will only be modified as it relates to the project scope.

Please see the following attachment for our Sample Certificate of Insurance.

14. Disclosure of SVHMH Work in the last 5 years

Cath Lab #1
 PBX Relocation
 Omnicell Replacement
 SPD Wall Repair & Remodel
 Tower Reroofing
 Nurse Call Replacement
 EndoWasher Replacement
 CCTV
 Centrak/Telemetry
 MTCAP Program
 Blanket Warmer Installation
 Heart Center AHU Installation
 AHU 15
 AHU 2011
 Virtuo Blood Bank
 Lab Analyzers Replacement
 Cesarean Delivery Conversion
 Elevator Modernization
 Bulk Oxygen Replacement & Emergency Project
 Donor Walls
 SOC Drawing Updates

ATTACHMENT B

ATTACHMENT B
STATEMENT OF QUALIFICATIONS
CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT PROJECT

1. Firm name: Smith-Karng Architecture

2: Business Address: 360 Pine Street, Floor 3, San Francisco, CA 94104

3. Firm Established (year): 2001 Telephone: 415.425.7623 /415.757.0384
 Fax: _____
 Email: madelyn@smithkarng.com
 Website: https://www.smithkarng.com/

4. Type of Organization: (check one) Sole Proprietorship ()
 Partnership ()
 Corporation (X)
 Joint Venture ()

5. Key Personnel

<u>Name</u>	<u>Title</u>	<u>Degree or Certification</u>	<u>Institution</u>	<u>Registration</u>
Madelyn McClellan	President/CEO	Master's Degree of Architecture	University of Buffalo, Buffalo, NY	Registered Architect, CA #C37097
Glenn Casuga	Senior Project Manager	Bachelor's Degree of Architecture	California State Polytechnic University, Pomona, CA	
Alexandra David	Project Manager	Master's Degree of Architecture	Tulane University, New Orleans, LA	Registered Architect, CA #C38979

6. Average staff employed in your home office (average of past 5 years):

Architects: 4
 Structural Engineers: _____
 Mechanical Engineers: _____
 Electrical Engineers: _____
 Civil Engineers: _____
 Drafting Technicians: 5
 Clerical: 1
 Other: _____

7. Provide at least three (3) references that SALINAS VALLEY HEALTH may contact:

Client: Sutter Health, California Pacific Medical Center
 Contact: William Conaway, Senior Project Manager
 Reference Project: CPMC Davies ASU and CT Scanner Relocation
 Email: William.Conaway@sutterhealth.org
 Phone: 415.850.0135

Client: Sonoma Valley Hospital
Contact: Kimberly Drummond, Chief of Support Services
Reference Project: SVH CT Scan Suite; MRI
Email: kdrummond@sonomavalleyhospital.org
Phone: 707.935.5165

Client: MarinHealth Medical Center
Contact: Paul Donanldson, Executive Project Manager
Reference Project: Nuclear Medicine Suite, Compounding Pharmacy Relocation
Email: paul@montgomerycorp.org
Phone: 707.953.9607

Client: Alameda Health System, San Leandro Hospital
Contact: James Helena, System Director, Eng. & Fac. Services
Reference Project: SLH CT Scanner Replacement
Email: jhelena@alamedahealthsystem.org
Phone: 510.203.0757

8. Provide at least three (3) contractor references that SALINAS VALLEY HEALTH may contact:

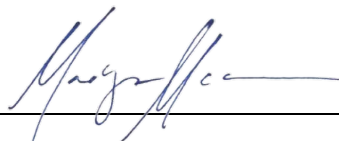
Contractor: Herrero Builders
Contact: Brad Krill, Project Executive
Reference Project: CPMC Davies ASU; HVAC Upgrades; ED Remodel; CT Scanner Relocation
Email: bkrill@herrero.com
Phone: 415.308.3759

Contractor: GMH Builders, Inc.
Contact: Peter Schmidt, Superintendent & Project Executive
Reference Project: Sonoma Valley CT Scanner; MRI; MarinHealth Nuc Med Suite; Lab Analyzers
Email: Peter@gmhbuild.com
Phone: 707.718.6713

Contractor: Bryan Masterson Enterprises, Inc.
Contact: Joe Masterson, President
Reference Project: AHS Southshore Sewer Repair; CPMC Davies Sump Discharge Repair
Email: joe@mastersoninc.net
Phone: 415.724.7248

Contractor: Bogard Construction
Contact: Derek Bogaard, Project Manager
Reference Project: SVMH Cath Lab #1; Lab Analyzers Replacement; MMC Nurse Call Replacement
Email: derek@bogardconstruction.com
Phone: 831.246.2085

Signature: _____



Date: 9/27/2023

Printed Name: _____

Madelyn McClellan

Title: _____

President/CEO

5833260.3

ATTACHMENT B (CONT.)
PROJECT INFORMATION SHEET
CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT PROJECT

Please complete a Project Information Sheet for each project listed in the Statement of Qualifications. If construction is not complete, give project status instead of completion date.

Project: Catheter Lab #1 Replacement Completion Date: June 2020
 Location: 450 E. Romie Lane, Salinas, CA 93901 Gross Sq. Feet: 850 SF.
 Owner: Salinas Valley Heathcare System Number of Spaces: _____
 Owner's Representative: Derek Bogaard Construction Cost: \$2,761,797

Description: Replacement of existing Cath Lab #1 equipment within Procedure Room, Control Room, and Equipment Room. Scope of work included rectifying non-compliant construction and ADA upgrade to Staff Toilet.

Owner/Representative Phone Number: 831.246.2085

Contract Method (lump sum, negotiated, design build, multiple-prime, other):
Lump Sum, Design-Bid-Build

General Contractor: Salinas Valley Memorial Hospital - Owner/Builder

Project Manager: Derek Bogaard Superintendent: _____

Architect: Smith-Karng Architecture

Principal: Madelyn McClellan Project Manager: George Christ

Structural Engineer: Estructure

Principal: Maryann Phipps Project Manager: Darrick Hom

Mechanical Engineer: Axiom Engineers

Principal: Bill Estes Project Manager: Kate Conway

Electrical Engineer: Aurum Consulting Engineers

Principal: Eldridge Bell Project Manager: Frank Pinedo

Other (as appropriate): _____

Principal: _____ Project Manager: _____

(provide additional sheets if necessary)

ATTACHMENT B (CONT.)
PROJECT INFORMATION SHEET
CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT PROJECT

Please complete a Project Information Sheet for each project listed in the Statement of Qualifications. If construction is not complete, give project status instead of completion date.

Project: CT Scanner Relocation Completion Date: 2021
 Location: 601 Duboce Ave, San Francisco, CA 94117 Gross Sq. Feet: 650
 Owner: Sutter Health California Pacific Medical Center - Davies Campus Number of Spaces: _____
 Owner's Representative: William Conaway Construction Cost: \$1,226,555

Description: This project was tasked with relocating a GE Discovery CT750 HD CT Scanner from the CPMC CAL Campus to the Davies Campus. Scope of work included a new CT Imaging Room, Control Room, ADA Patient Dressing Room and ADA Patient Toilet within occupied space.

Owner/Representative Phone Number: 415.850.0135
 Contract Method (lump sum, negotiated, design build, multiple-prime, other):
Lump sum, Design-Bid-Build with negotiated bid

General Contractor: Herrero Builders

Project Manager: Brad Krill Superintendent: Geoff Evans

Architect: Smith-Karng Architecture

Principal: Madelyn McClellan Project Manager: Madelyn McClellan

Structural Engineer: Estructure

Principal: Maryann Phipps Project Manager: Darrick Hom

Mechanical Engineer: Mazzetti

Principal: Jon Inman Project Manager: Michael Tsuchimoto

Electrical Engineer: Mazzetti

Principal: David Hicks Project Manager: David Hicks

Other (as appropriate): Mazzetti - plumbing

Principal: Jon Inman Project Manager: Mike Marshall

(provide additional sheets if necessary)

ATTACHMENT B (CONT.)
PROJECT INFORMATION SHEET
CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT PROJECT

Please complete a Project Information Sheet for each project listed in the Statement of Qualifications. If construction is not complete, give project status instead of completion date.

Project: Bulk Oxygen Replacement Completion Date: 2021
 Location: 450 E. Romie Lane Gross Sq. Feet: 350
 Owner: Sutter Health California Pacific Medical Center - Davies Campus Number of Spaces: _____
 Owner's Representative: Frances Dacanay Construction Cost: Unknown

Description: Triggered by a failing foundation, this project was initiated with a Study for replacement followed by an Emergency Authorization for a temporary oxygen system and permanent replacement project. Temp system is in place and permanent system is in review with HCAI.

Owner/Representative Phone Number: 831.246.2080
 Contract Method (lump sum, negotiated, design build, multiple-prime, other):
Lump sum

General Contractor: N/A

Project Manager: _____ Superintendent: _____

Architect: Smith-Karng Architecture

Principal: Madelyn McClellan Project Manager: Madelyn McClellan

Structural Engineer: Estructure

Principal: Darrick Hom Project Manager: Darrick Hom

Mechanical Engineer: Interface Engineering, Inc.

Principal: Rick Russell Project Manager: Thomas de Senna

Electrical Engineer: Interface Engineering, Inc.

Principal: Thomas Jun Project Manager: Philip Nguyen

Other (as appropriate): Interface Engineering, Inc.

Principal: Rick Russell Project Manager: Thomas de Senna

(provide additional sheets if necessary)

ATTACHMENT C

ATTACHMENT C
REQUEST FOR SUPPLEMENTAL INFORMATION - CLAIMS
CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT

Please submit the following information. Failure to respond may affect consideration of your firm for this project. If the firm has more than one office or division, please provide this information for the office proposed for this project. Responses may be listed on separate pages.

1. Separately list each pending unresolved claim for construction disputes and each current arbitration(s), mediation or litigation in which construction disputes or breach of contract is alleged or indemnity is being sought (because of such alleged disputes or breach of contract) using the following claimant categories:

- a. SALINAS VALLEY HEALTH against your firm or any principal of your firm (indicate project, location and Owner). If none, indicate none.

None

- b. Any Owner, person or entity against your firm or any principal of your firm (indicate project, location and Owner). If none, indicate none.

None

- c. SALINAS VALLEY HEALTH against any of your proposed consultant (i.e. structural, mechanical, electrical, and any other consultant). If none, indicate none.

None

- d. Any Owner, person or entity against any of your proposed consultants (indicate project, location and Owner). If none, indicate none.

None

2. Separately list each resolved (settled, arbitrated, and litigated) claim for professional negligence or breach of professional services agreement or for indemnity (because of such alleged negligence or breach of contract) during the last five (5) years using the following categories:

- a. SALINAS VALLEY HEALTH and your firm or any principal of your firm (indicate project, location and Owner). If none, indicate none.

None

- b. Any Owner, person, or entity, and your firm or any principal of your firm (indicate project, location and Owner). If none, indicate none.

None

DECLARATION:

The undersigned declares under penalty of perjury that all of the information submitted is true and correct, and that this declaration was executed in

San Francisco County County, California, on 9/28/2023
(County) (Date)

Madelyn McClellan
Name and Title –Printed or Typed


Signature

Smith-Karng Architecture, Inc.
Firm Name –if a joint venture,
state name of joint venture entity

360 Pine Street, FLR 3
Address

San Francisco, CA 94104
City, State and Zip Code

415.757.0384
Telephone Number

Facsimile Telephone Number



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/26/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER AssuredPartners Design Professionals Insurance Services, LLC 3697 Mt. Diablo Blvd., Suite 230 Lafayette CA 94549	CONTACT NAME: Nancy Ferrick PHONE (A/C, No, Ext): 510-272-1400 FAX (A/C, No): E-MAIL ADDRESS: nancy.ferrick@assuredpartners.com
	INSURER(S) AFFORDING COVERAGE
License#: 6003745 SMITARC-03	INSURER A : Aspen American Insurance Company INSURER B : Sentinel Insurance Company INSURER C : Property & Casualty Insurance Company of Hartford INSURER D : INSURER E : INSURER F :
INSURED Smith-Karng Architecture, Inc. 800 Haight Street San Francisco CA 94117	NAIC # 43460 11000 34690


COVERAGES **CERTIFICATE NUMBER:** 1751450522 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contractual Liab <input type="checkbox"/> Included GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:	Y	Y	57SBWRI7057	1/11/2023	1/11/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	57SBWRI7057	1/11/2023	1/11/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000	Y	Y	57SBWRI7057	1/11/2023	1/11/2024	EACH OCCURRENCE \$ 9,000,000 AGGREGATE \$ 9,000,000 \$
C	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N <input checked="" type="checkbox"/> N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y	57WEGAR2M4V	1/11/2023	1/11/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liability			AAAE30011403	1/11/2023	1/11/2024	Per Claim \$ 5,000,000 Aggregate Limit \$ 5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Insured has no company owned vehicles; therefore, Hired/Non-Owned Auto Liability is the maximum coverage that applies. Umbrella Liability policy is follow-form underlying: General Liability/Non-Owned and Hired Auto Liability/Employer's Liability. FOR PROPOSALS. An Actual Certificate will be issued upon the request of the Named Insured.

CERTIFICATE HOLDER **CANCELLATION 30 Day Notice of Cancellation**

SAMPLE CERTIFICATE	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

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September 28, 2023

SALINAS VALLEY HEALTH – Cath Lab 3 and Angio Equipment Replacement
Bogard Construction | Attn Dave Sullivan
535 E Romie, Suite 6
Salinas, CA 93901

Re: Fee Proposal for Cath Lab 3 and Angio Equipment Replacement
SKA #23110 – Angio Room Equipment Replacement
SKA #23111 – Cath Lab 3 Equipment Replacement

Dear Mr. Sullivan:

Thank you for the opportunity of presenting this proposal for Architectural and Engineering services for the Cath Lab 3 and Angio Equipment Replacement project at Salinas Valley Health Memorial Hospital. We appreciate your consideration.

The general intent of this project is to provide full design services in a phased construction manner to replace the existing Siemens equipment on the first level of the Cardiac Center South Building 8.

This proposal has been formatted to separate the fees for the Cath Lab #3 and Angio Room scope of work. Design for these rooms will be concurrent and construction will occur consecutively.

An alternate fee has been provided for commissioning services. This scope is not considered required but is highly recommended by the design team. This service has been provided as a line item but not included in the base proposal.

The overall anticipated project schedule is as follows:

Contract Negotiation	October 9-13, 2023
Contract Execution	October 2023
PD, SD, DD, CD	November 2023 – February 2024**
Agency Review	February 2024 – April 2024
Bidding	May 2024
Angio Room Construction	May 2024 – August 2024
Cath Lab #3 Construction	August 2024 – October 2024

**We would recommend considering a longer design timeline. The design process will be taking place across (3) holidays and often see 3-4 weeks of committed holiday time-off and time lost to the project.

Scope of Work:

Our general services are outlined below.

Project Management

The following services are included in this proposal and will be provided throughout the design phases of the project. The approximate project start date is 11/01/2023. and the design time is anticipated to be approximately 3 months. Additional services may be submitted for review and approval if the design extends beyond general project expectation.

1. Establish and update Project Charter and Project Management Manual which includes project goals, assumptions, constraints, criteria, design parameters and other high-level information defining the project success.
2. Conduct bi-weekly project planning and coordination meetings with design team.
3. Conduct regular project monitor and control tasks.
4. Conduct regular Quality Control measures.
5. Apply Design Strategy methodologies, Evidence Based Design (EBD) principles and Lean principles on design solution developing, problem solving and decision making.

Pre-design Phase

1. Establish Project Charter and Project Management Manual.
2. Establish initial project program.
3. Field survey of project site to verify existing conditions shown in drawings provided to us. Document existing conditions not included in the CAD drawing provided to us.
4. Evaluate project related and vendor information provided to us.
5. Conduct preliminary code analysis.
6. Attend a Project Kick-off meeting with Stakeholder to ensure a common understanding of the project. **(1 meeting)**
7. Conduct in-person User research to collect User needs and requirements, and to understand operation workflow. **(2 hours maximum in a single trip.)**

Schematic / Design Development (DD) Phase

1. Request preliminary information and coordinate with equipment vendors.
2. Prepare Preliminary Design options for Stakeholder review. **(2 schemes)**
3. Prepare annotated design diagrams on design assumptions and EBD concepts for Stakeholder review.
4. Conduct Preliminary Design review meeting and collaborate design with Stakeholders. **(1 meeting)**
5. Revise selected design option based on Stakeholder feedback and prepare one design option for Stakeholder approval to proceed.
6. Prepare SD design and documents for Stakeholder review, comment, and approval: 100% SD. **(1 submittal)**
7. Conduct 100% SD review meeting and collaborate design with Stakeholders. **(1 meeting)**
8. Revise selected SD design based on Stakeholder feedback for Stakeholder approval to proceed.
9. Request and attend pre-application meeting with AHJ to review proposed work and seeking official interpretation on code related issues.
10. Conduct User review meetings for User approval on design. **(3 meetings at 1 hour each)**
11. Request final drawing and coordinate with equipment vendors.
12. Coordinate with special system vendors, unknown at this time, hired directly by the Owner.

13. Prepare DD drawings based on approved Schematic Design.
14. Prepare and submit design documents for Stakeholder review: 100% DD. **(1 submittals)**
15. Conduct DD review meetings with Stakeholder: 100% DD. **(1 meetings)**
16. Revise selected DD design based on Stakeholder feedback for Stakeholder approval to proceed.

Construction Document (CD) Phase

1. Prepare design documents for Stakeholder review and approval.
2. Prepare construction drawings based on approved design development documents.
3. Prepare project manual and technical specifications.
4. Select interior finishes and prepare interior finish options for Stakeholder review. **(3 schemes)**
5. Prepare and submit CD for Stakeholder review: 50%, 90% and 100% CD. **(3 submittal)**
6. Conduct 50%, 90%, and 100% CD review meeting with Stakeholders. **(3 meeting)**
7. Revise construction documents based on Stakeholder review comments.
8. Prepare plan review submittal drawings and documents.

Bidding/Negotiation Phase

1. Attend bid walk-through. **(1 meeting)**
2. Answer bidder questions (RFI) and prepare addendums as required. **(1 addendum)**

Agency Review Phase

1. Prepare submittal packages seeking agency approval.
2. Respond to plan review comments. **(2 backchecks)**
3. Prepare required post-approval paperwork (Building Permit, TIO field review, Notice of Start of Construction).

Contract Administration (CA) Phase

The approximate construction start date is 05/01/2024 and the construction time is anticipated to be approximately 3 months for each project, 6 months total. Total number of CA hours, meetings, site visits, and milestone sign-off coordination are included and listed below as allowances during the construction. When the total number of CA hours, meetings, site visits, or milestone sign-off coordination are reached, SKA will notify the Owner. Additional services may be submitted for review and approval if the listed services below extending beyond general project expectation. CA services are listed under each phases below. The breakdown below is for each project, not total.

1. Deliverables: (1) set of 11x17 approved drawings, (1) set of 30x42 approved drawings, (1) set of 8.5x11 specifications, (1) set of approved Calculations, electronic copies of all HCAI approved Contract Documents.
2. Provide CA services: review submittals, respond contractor RFI, and other services, unless excluded herein.
3. Coordinate and conduct HCAI on site construction kick-off meeting. **(1 meeting)**
4. Attend Owner-Architect-Contractor virtual construction kick-off meeting. **(1 meeting)**
5. Visit construction site as required during the construction period. **(3 visits)**
6. Attend Owner-Architect-Contractor virtual meetings once per week during the construction period. **(13 meeting)**
7. Prepare ASI and ACD for HCAI review as required. Changes due to unforeseen conditions or initiated by the Owner shall be considered additional services.
8. Conduct milestone walk-through and review; prepare compliance verify reports as required for HCAI sign-off at milestones. **(2 milestones)**
9. Prepare amendments to construction documents for local AHJ review is not included in this proposal.

10. Conduct punch-list walk-through and prepare punch-list. **(1 punch-list walk-through)**
11. Visit to job site to verify the completion of the punch-list items. **(1 visit)**

Project Close-out Phase

1. Prepare project close-out documents as required by AHJ.
2. Coordinate efforts with stakeholders and the contractor for HCAI sign-off of project.
3. Attend a project close-out walk-through with HCAI ACO.

23110 Angio Room Equipment Replacement Scope of Work:

The proposed Angio Room Equipment Replacement project program will generally include:

- Replacement of existing Siemens imaging systems equipment with unspecified ceiling mounted solution,
- Electrical and low voltage infrastructure in support of new equipment,
- New split unit cooling system and rebalancing of HVAC, including integration into existing BMS,
- Touchless operated automatic door assembly,
- Replacement of existing surgical lighting system,
- Installation of new ceiling lighting systems in procedure and control rooms,
- Ceiling layout and new ceiling structural support system,
- Assessment and potential relocation of medical gasses,
- Replacement of existing casework and storage solutions,
- Replacement of existing finishes,
- Coordination with and overstamp of Owner-procured design-build Hillrom nurse call system,
- Coordination with and overstamp of Owner-procured design-build fire alarm system,
- Coordination with and overstamp of Owner-procured design-build fire suppression system,
- Coordination with and overstamp of Owner-procured physicist for lead-lining requirements,

A site walk was conducted on 9/22/2023 at which time the following was noted as part of review of as-builts:

- Multiple stud wall conditions: red iron and 16 gauge studs,
 - Gypsum board appears to be full height in some locations but not all.
 - Multiple layers of walls along the corridor wall exist.
- Above-ceiling conditions are typical of what has been seen in this area,
- Spot check of corridor walls above ceiling show many types of non-compliant penetrations that will need to be fixed. Utilities that are partially in the wall will need to be relocated or the wall construction will need to be modified to accommodate the existing utility. A custom Engineering Judgement may be required, but is not included in this fee proposal.
- Ceiling structure appears to be compliant.
- The above-ceiling support structure appears to be compliant with 12" of fire proofing at primary structure connections. While efforts would be made to keep the existing structural system, this project would provide an analysis to determine if this system needs to be replaced.
- Above-ceiling conditions in the corridor are very congested with existing utilities right at the ceiling structure. These utilities will likely need to be resupported and confirmed to not be resting on the suspended ceiling structure. This proposal does not include trapeze supports for corridor utilities.
- The Electrical Shop is below, structural modifications if needed for the table will have little impact to patient care areas.
- Existing Equipment Room as-builts indicate shaft wall construction to maintain fire-rating with fire-rated ceiling membrane and expansion joint. It will be recommended to avoid modifying that construction as much as possible to avoid upgrading to current UL listings.
- As-builts for med gas zone valves on corridor wall appear to be compliant with 5-sided box construction. Modification to the existing zone boxes is not included in this proposal.
- As-builts indicate that a furred wall was demolished in the Control Room along the corridor wall, however, on-site observations indicate that the furred wall may have remained.
- Existing ceiling access panels are aged and will need to be replaced.

Code Assessment as it relates to the Scope of Work:

- It is assumed that Patient Holding is combined with the Cath Lab Holding area and a new space is not required.
- Room meets minimum requirements for 18 foot minimum.

- It appears that the table may not meet the minimum 4 foot clearance and may need to be relocated.
- Staff changing areas shown in the ORs will be identified as also supporting this Room. Upgrades to these rooms is not included in this proposal.
- Other supporting services, Clean and Soiled Utility, are existent and compliant. Upgrades to these rooms is not included in this proposal.
- An Alternate Means of Compliance was provided for the Cath Lab #1 Project to allow the combination of (2) Staff Toilets into (1) compliant ADA Toilet, this toilet is assumed to serve this space as well.
- It is assumed that the Path of Travel to this space is compliant, however an assessment will need to be conducted to confirm compliance. Upon initial review of Cath Lab #1 as-builts, the existing Patient Toilet at the Post Op Holding and Waiting Area Public Toilet may not comply and may need to be included as part of the Path of Travel upgrades. These Toilets were considered compliant at the time of Cath Lab #1 under 2013 CBC, however the clearance requirements have changed to current 2022 CBC. This scope will be defined in the Pre-Design and Schematic Design, the remedial scope of work for compliance is included in this proposal and assumed one toilet per project.

23110 Fees

This proposal is to provide services related to the referenced project for a maximum lump-sum fee of **\$329,433 (Three Hundred Twenty-Nine Thousand Four Hundred and Thirty-Three Dollars)** including reimbursable expenses to the amount of \$3,150. An alternate for HVAC Commissioning has also been provided but not included in the lump-sum fee.

Proposed Fees							
Consultant	Discipline	SD/DD Phase	Construction Doc	AHU Review / approval	Bidding	CA	Total
Smith Karng	Architecture	\$ 50,375.00	\$ 47,740.00	\$ 6,370.00	\$ 3,185.00	\$ 46,890.00	\$ 154,560.00
Interface Engineering	Mech/Plumbing Engr.	\$ 32,055.00	\$ 31,545.00	\$ 2,500.00	\$ 1,000.00	\$ 15,735.00	\$ 82,835.00
Aurum Engineers	Electrical Engineering	\$ 12,012.00	\$ 15,116.00	\$ 4,260.00	\$ 1,504.00	\$ 12,296.00	\$ 45,188.00
Estructure	Structural Engineering	\$ 5,675.00	\$ 21,500.00	\$ 7,375.00	\$ 1,795.00	\$ 7,355.00	\$ 43,700.00
							\$ -
							\$ -
Total Professional Fees		\$ 100,117.00	\$ 115,901.00	\$ 20,505.00	\$ 7,484.00	\$ 82,276.00	\$ 326,283.00

Reimbursables		
Description		Total
Travel		\$ 2,750.00
Plotting		\$ 400.00
Total Reimbursables		\$ 3,150.00

Grand Total		\$ 100,117.00	\$ 115,901.00	\$ 20,505.00	\$ 7,484.00	\$ 82,276.00	\$ 329,433.00
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ALTERNATE		
Description		Total
HVAC Commissioning		\$ 9,000.00

23110 Assumptions and Clarifications

The following assumptions and understandings have been made with regard to this proposal:

1. The project area is limited to the existing Angiography Special Procedures Room, Control Room, and Equipment Room.
2. The construction cost is unknown at this time.
3. Building as-built drawing, including Fire and Life Safety (FLS) drawing and building accessibility information, in PDF and CAD format will be provided to us. Time to prepare FLS and accessibility drawing for agency review based on CAD provided is included. Time to survey or draw up existing FLS and accessibility conditions is not included.
4. The Authority of Jurisdiction (AHJ) on this project is HCAI. This project will be submitted as a regular project submission. Review by other agencies or community groups are not included and will be submitted as additional services as required.
5. The project delivery method is Design-Bid-Build.
6. Agency submittal drawing will be used for bidding purpose. No separate bid document is included.
7. Code required signage and design criteria is included. Signage graphics and design will match existing building standard.
8. No service interruption/shut-down is included. Preparation and seeking approval of Facility Impact Study (FIS's) will be performed under additional services.
9. The vibrational characteristics of the structural support framing are acceptable.
10. Existing structure will be reused where possible.
11. Vendor will be responsible for any required Special Seismic Certifications.
12. Seismic bracing for suspended distribution systems will be handled by OPM and the drawings will be provided by others and reviewed by this team prior to HCAI submittal. This proposal does not include custom support and bracing for suspended distribution systems.
13. Assumes the Angio Room scope of work will be submitted with the Cath Lab #3 under the same permit to HCAI.

23110 Exclusions

The following scope and services are currently excluded from this proposal, but could subsequently be added as Add Services:

1. A custom Engineering Judgement may be required, but is not included in this fee proposal.
2. This proposal does not include trapeze supports for corridor utilities.
3. Modification to the existing zone boxes is not included in this proposal.
4. Upgrades to the Staff Changing Rooms and Supporting Service rooms are not included in this proposal.
5. Upgrade scope of work for ADA Path of Travel upgrades will be defined in the Pre-Design and Schematic Design, however the remedial scope of work for compliance is not included in this proposal.
6. Vibrational Analysis of structural support framing.
7. Design of temporary power for Contractor use.
8. Life cycle cost analysis of proposed mechanical and electrical systems.
9. Acoustical analysis, design of noise attenuation requirements, and special vibration isolation requirements for mechanical systems.
10. Acoustical analysis and design of specialized noise attenuation solutions for vendor provided equipment.
11. Signage/Way Finding beyond the rooms defined in this fee proposal
12. Building accessibility upgrade work beyond the scope of work
13. Structural, mechanical, electrical, plumbing and related infrastructure upgrades

14. Cost estimating services
15. Value engineering
16. Physical, CADD (3-D) and BIM models
17. 3-D rendering for public or Stakeholder presentation purposes
18. Specialized A/V design
19. Detailed analysis of existing Structural, Mechanical, Electrical Plumbing systems not associated with the project as defined
20. Documentation of existing building systems or characteristics requiring destructive removal have not been included in this proposal
21. Detailed analysis or testing of potential hazardous materials
22. Development of as-built or record drawings after construction

-- End of Angio Room Proposal --

23111 Cath Lab #3 Equipment Replacement Scope of Work:

The proposed Cath Lab #3 Equipment Replacement project program will generally include:

- Replacement of existing Siemens imaging systems equipment with unspecified floor mounted solution,
- Electrical and low voltage infrastructure in support of new equipment,
- New split unit cooling system and rebalancing of HVAC, including integration into existing BMS,
- Touchless operated automatic door assembly,
- Climate controlled undercounter systems cabinet at Control Room (similar to Cath Lab #1),
- Replacement of existing surgical lighting system,
- Installation of new ceiling lighting systems in procedure and control rooms,
- Ceiling layout and new ceiling structural support system,
- Assessment and potential relocation of medical gasses,
- Replacement of existing casework and storage solutions, including assessment of current Staff workflow strategies and space deficiencies,
- Replacement of existing finishes,
- Coordination with and overstamp of Owner-procured design-build Hillrom nurse call system,
- Coordination with and overstamp of Owner-procured design-build fire alarm system,
- Coordination with and overstamp of Owner-procured design-build fire suppression system,
- Coordination with and overstamp of Owner-procured physicist for lead-lining requirements,

A site walk was conducted on 9/22/2023 at which time the following was noted as part of review of as-builts:

- Stud wall conditions: 16 gauge studs,
 - Gypsum board appears to be full height in observable locations.
 - The corridor wall is labeled as “1-hour” and appears to be full height. Patch and repair of the wall has taken place and may need to be fixed as part of this project.
- Above-ceiling conditions are typical of what has been seen in this area,
- Spot check of corridor walls above ceiling show many types of questionable penetrations that will likely need to be fixed. Utilities that are partially in the wall will need to be relocated or the wall construction will need to be modified to accommodate the existing utility. A custom Engineering Judgement may be required, but is not included in this fee proposal.
- Ceiling structure appears to be compliant.
- The above-ceiling support structure could not be observed. While efforts will be made to keep the existing structural system, this project would provide an analysis to determine if this system needs to be replaced.
- Above-ceiling conditions in the corridor are very congested with existing utilities right at the ceiling structure. These utilities will likely need to be resupported and confirmed to not be resting on the suspended ceiling structure. This proposal does not include trapeze supports for corridor utilities.
- The Nutritional Services is below, structural modifications if needed for the table will have to be carefully coordinated and, if possible, avoided to reduce impacts to that area.
- Existing as-builts indicate existing corridor walls with no special construction types.
- As-builts indicate a seismic joint along the north wall of the Equipment Closet. Special consideration will be needed to maintain that construction.
- The modifications to the Control Room will require phasing and careful consideration to the continued operation of the adjacent Cath Labs #1 and #2, including maintaining access to the scrub sinks.

Code Assessment as it relates to the Scope of Work:

- It is assumed that Patient Holding is located in the Cath Lab Holding area and a new space is not required.

- Room meets minimum requirements for 400 square foot minimum.
- It appears that the table may not meet the minimum 4 foot clearance and may need to be relocated.
- Staff changing areas shown in the ORs will be identified as also supporting this Room. Upgrades to these rooms is not included in this proposal.
- Other supporting services, Clean and Soiled Utility, are existent and compliant. Upgrades to these rooms is not included in this proposal.
- An Alternate Means of Compliance was provided for the Cath Lab #1 Project to allow the combination of (2) Staff Toilets into (1) compliant ADA Toilet, this toilet is assumed to serve this space as well.
- It is assumed that the Path of Travel to this space is compliant, however an assessment will need to be conducted to confirm compliance. Upon initial review of Cath Lab #1 as-builts, the existing Patient Toilet at the Post Op Holding and Waiting Area Public Toilet may not comply and may need to be included as part of the Path of Travel upgrades. These Toilets were considered compliant at the time of Cath Lab #1 under 2013 CBC, however the clearance requirements have changed to current 2022 CBC. This scope will be defined in the Pre-Design and Schematic Design, the remedial scope of work for compliance is included in this proposal and assumed one toilet per project.
- Confirmation with HCAI will likely be needed to determine if an additional scrub sink will be required. An Alternate Means of Compliance may be required to gain acceptance of the shared use of (2) scrub sinks for the (3) Cath Labs.

23111 Fees

This proposal is to provide services related to the referenced project for a maximum lump-sum fee of **\$353,033 (Three Hundred Fifty-Three Thousand and Thirty-Three Dollars)** including reimbursable expenses to the amount of \$3,150. An alternate for HVAC Commissioning has also been provided but not included in the lump-sum fee.

Proposed Fees							
Consultant	Discipline	SD/DD Phase	Construction Doc	AHU Review / approval	Bidding	CA	Total
Smith Karng	Architecture	\$ 56,995.00	\$ 48,340.00	\$ 6,370.00	\$ 3,185.00	\$ 53,450.00	\$ 168,340.00
Interface Engineering	Mech/Plumbing Engr.	\$ 32,055.00	\$ 31,545.00	\$ 2,500.00	\$ 1,000.00	\$ 15,735.00	\$ 82,835.00
Aurum Engineers	Electrical Engineering	\$ 15,012.00	\$ 20,116.00	\$ 4,260.00	\$ 1,504.00	\$ 14,116.00	\$ 55,008.00
Estructure	Structural Engineering	\$ 5,675.00	\$ 21,500.00	\$ 7,375.00	\$ 1,795.00	\$ 7,355.00	\$ 43,700.00
							\$ -
							\$ -
Total Professional Fees		\$ 109,737.00	\$ 121,501.00	\$ 20,505.00	\$ 7,484.00	\$ 90,656.00	\$ 349,883.00

Reimbursables		
Description		Total
Travel		\$ 2,750.00
Plotting		\$ 400.00
Total Reimbursables		\$ 3,150.00

Grand Total		\$ 109,737.00	\$ 121,501.00	\$ 20,505.00	\$ 7,484.00	\$ 90,656.00	\$ 353,033.00
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ALTERNATE		
Description		Total
HVAC Commissioning		\$ 9,000.00

23111 Assumptions and Clarifications

The following assumptions and understandings have been made with regard to this proposal:

1. The project area is limited to the existing Cath Lab #3 Room, Control Room, and Equipment Room.
2. The construction cost is unknown at this time.
3. Building as-built drawing, including Fire and Life Safety (FLS) drawing and building accessibility information, in PDF and CAD format will be provided to us. Time to prepare FLS and accessibility drawing for agency review based on CAD provided is included. Time to survey or draw up existing FLS and accessibility conditions is not included.
4. The Authority of Jurisdiction (AHJ) on this project is HCAI. This project will be submitted as a regular project submission. Review by other agencies or community groups are not included and will be submitted as additional services as required.
5. The project delivery method is Design-Bid-Build.
6. Agency submittal drawing will be used for bidding purpose. No separate bid document is included.
7. Code required signage and design criteria is included. Signage graphics and design will match existing building standard.
8. No service interruption/shut-down is included. Preparation and seeking approval of Facility Impact Study (FIS's) will be performed under additional services.
9. The vibrational characteristics of the structural support framing are acceptable.
10. Existing structure will be reused where possible.
11. Vendor will be responsible for any required Special Seismic Certifications.
12. Seismic bracing for suspended distribution systems will be handled by OPM and the drawings will be provided by others and reviewed by this team prior to HCAI submittal. This proposal does not include custom support and bracing for suspended distribution systems.
13. Assumes the Cath Lab #3 scope of work will be submitted with the Angio Room under the same permit to HCAI.

23111 Exclusions

The following scope and services are currently excluded from this proposal, but could subsequently be added as Add Services:

1. A custom Engineering Judgement may be required, but is not included in this fee proposal.
2. This proposal does not include trapeze supports for corridor utilities.
3. Modification to the existing zone boxes is not included in this proposal.
4. Upgrades to the Staff Changing Rooms and Supporting Service rooms are not included in this proposal.
5. Upgrade scope of work for ADA Path of Travel upgrades will be defined in the Pre-Design and Schematic Design, however the remedial scope of work for compliance is not included in this proposal.
6. Vibrational Analysis of structural support framing.
7. Design of temporary power for Contractor use.
8. Life cycle cost analysis of proposed mechanical and electrical systems.
9. Acoustical analysis, design of noise attenuation requirements, and special vibration isolation requirements for mechanical systems.
10. Acoustical analysis and design of specialized noise attenuation solutions for vendor provided equipment.
11. Signage/Way Finding beyond the rooms defined in this fee proposal
12. Building accessibility upgrade work beyond the scope of work
13. Structural, mechanical, electrical, plumbing and related infrastructure upgrades

14. Cost estimating services
15. Value engineering
16. Physical, CADD (3-D) and BIM models
17. 3-D rendering for public or Stakeholder presentation purposes
18. Specialized A/V design
19. Detailed analysis of existing Structural, Mechanical, Electrical Plumbing systems not associated with the project as defined
20. Documentation of existing building systems or characteristics requiring destructive removal have not been included in this proposal
21. Detailed analysis or testing of potential hazardous materials
22. Development of as-built or record drawings after construction

-- End of Cath Lab #3 Proposal --

Thank you for your consideration of our proposal for the Cath Lab 3 and Angio Equipment Replacement at Salinas Valley Health Memorial Hospital.

Please feel free to contact me at 415.552.3600 if you should have any questions or concerns. Thank you again, and we look forward to working with you on this project.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Madelyn McClellan', with a long horizontal flourish extending to the right.

Madelyn McClellan, President

SALINAS VALLEY HEALTH MEDICAL CENTER

SALINAS VALLEY HEALTH
Salinas, California

ADDENDUM A TO THE RFP FOR CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT

ISSUED: September 13, 2023

This Addendum A must be signed by the proposer and included in the response documents submitted for this Project. Salinas Valley Health reserves the right to disregard any proposal, which does not include this Addendum. Salinas Valley Health may waive this requirement at its sole discretion.

SEE ATTACHED ADDENDUM ITEM

Prepared By:



David Sullivan
Owner's Designated Representative

PROPOSER'S CERTIFICATION

I acknowledge receipt of this Addendum A and accept all conditions contained herein.


Proposer's Signature

09.28.2023

Date

Smith-Karng Architecture, Inc.
Name of Company

Please return this signed page to Dave Sullivan at SVH as soon as possible to confirm receipt of this addendum. Please email as a PDF to dsullivan@bogardconstruction.com.

ISSUED
9/13/2023

ADDENDUM A
CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT

SVH

Page 1 of 3

RFP FOR THE CATH LAB 3 AND ANGIO EQUIPMENT REPLACEMENT
ISSUED: September 13, 2023

CLARIFICATION REQUEST:

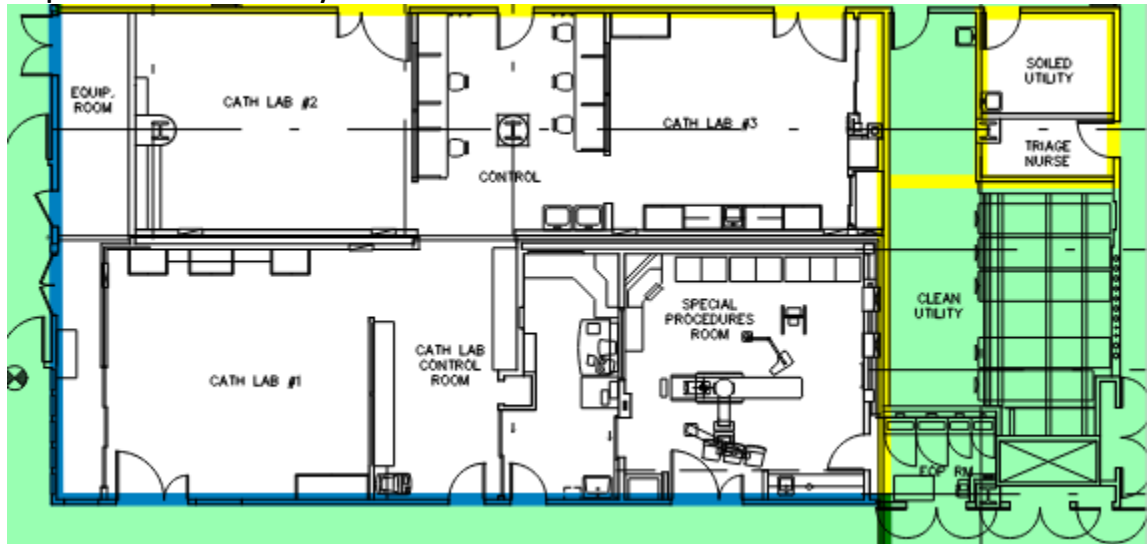
- 1) Specific Question regarding the following items:

Question from Proposer: Under “Candidates Qualifications”, it states that we must “provide project data for any and all projects performed by the firm in any Santa Cruz and Monterey Bay communities within the last five (5) years.” We have over a hundred projects that fit these criteria. Must we complete Attachment B for each of these projects?

Response from Salinas Valley Health: No. The intent is to showcase projects of similar size, complexity and scope completed within the last five years within the Santa Cruz and Monterey Bay communities.

Question from Proposer: Is the (E) Special Procedures Room to the right of the Cath #1 the Angio Room in the project?

Response from Salinas Valley Health:



Question from Proposer: Do we need to include the consultants' project experience information? Or, just the arch team?

Response from Salinas Valley Health: Architectural team only.

Question from Proposer: Shall we include the design of Low Voltage? Or, is it going to be design-built? Does the hospital have preferred vendor/designer on Low Voltage?

Response from Salinas Valley Health: Yes, the architect shall include design of structured cabling systems of the data network systems planned to be CFCI and incorporate equipment vendor low voltage cabling to be VFVI. Raceways shall be detailed on the construction documents with through penetrations detailed for CFCI and CFVI use. The active data network electronics, such as switches, wireless access points, etc., are expected to follow the SVH Design and Construction Standards. Cath Lab 3 is planned to have a climate-controlled cabinet to house hardware components within the control room similar to Cath Lab 1's configuration. More details will be provided by the project stakeholders during the initial design meetings.

Question from Proposer: Shall we include an equipment planner in the team?

Response from Salinas Valley Health: The architect shall determine whether an equipment planner is necessary to complete the construction documents. The construction documents shall have a complete medical equipment schedule identifying MEPT infrastructure requirements, scope of work matrix (OFOI, CFOI, CFCI, VFCL, VFOI, etc...) and anchorage requirements.

Question from Proposer: Shall we include cost estimate services?

Response from Salinas Valley Health: No.

Question from Proposer: Will the design of both rooms occur concurrently although either room will be in separate work authorizations?

Response from Salinas Valley Health: Yes. The design team will be responsible for submitting two separate invoices billing against two separate capital accounts.

Question from Proposer: Is there a plan to utilize integrated lighting and mechanical diffuser system? Or, if the conditions fit, would the hospital consider this option?

Response from Salinas Valley Health: Not at this stage. However, the medical center leadership would like to explore this configuration during schematic design discussions.

Question from Proposer: Are booms expected?

Response from Salinas Valley Health: Final equipment layouts are still being developed during the procurement process of the equipment vendor. The design team shall anticipate ceiling mounted booms and surgical lighting systems in both procedure rooms.

Question from Proposer: Does the hospital plan to conduct a site walk? If not, can we request one with you?

Response from Salinas Valley Health: Access can be coordinated through contacting Jordan Biby with Bogard Construction (jbiby@bogardconstruction.com) Phone Number 661.618.6640.

Question from Proposer: Does the electrical design team need to overstamp the Nurse Call system design drawings? Does the electrical design team need to overstamp the Fire Alarm system design drawings? Does the mechanical design team need to overstamp the Fire suppression system design drawings?

Response from Salinas Valley Health: The electrical engineer will be required to overstamp the nurse call system design drawings provided by Hilrom and integrate the drawings into the HCAI approved planset. The electrical engineer will be required to overstamp the fire alarm system design drawings by Siemens and integrate the drawings into the HCAI approved planset. The mechanical design team will be required to overstamp the fire suppression system design drawings and integrate the drawings into the HCAI approved planset.

REVISIONS TO THE RFP DOCUMENT:

- 1) Article I. "Request for Proposals for Design and Engineering Services," is hereby revised as follows (new text underlined, deleted text lined-out):

The Medical Center's Cath Lab 3 is located in BLD-01645 and Angio Room is located in BLD-01642.
~~are currently located on the medical center's first level of the Cardiac Center South Building 8.~~

Board Paper: Finance Committee

Agenda Item: Consider a management service and supply agreement with Aramark for Food and Nutrition Services including Starbucks.

Executive Sponsor: Clement Miller, Chief Operating Officer
Christianna Kearns, Sr. Admin Director Cardiovascular, Pulmonary & Sleep Medicine Services

Date: September 15, 2023

Executive Summary

Salinas Valley Health is seeking an agreement with Aramark Healthcare for Food and Nutrition Services management services and supply of food/related items. This partnership is aimed at enhancing the hospital’s dietary offerings and improving patient and staff dining experiences, while reducing the cost associated with procuring quality produce. Aramark’s expertise in food service management will provide Salinas Valley Health with innovative solutions to meet nutritional goals and elevate the overall hospital experience. In addition Aramark’s robust operational excellence system will contribute to financial stewardship, quality, labor productivity and patient satisfaction.

Timeline/Review Process to Date:

5/30/23 – Research for potential partners in FNS
 7/11/23- Two GPO vendors selected for RFP
 8/24/23- 9/1/23 Contract sent to Contract Administrator (Natalie James), HIM (Philip Katzenberger) for BAA, MM (Judi Melton) for review of GPO pricing, Risk management (Brenda Bailey) review liabilities, Finance (Rolf Norman & Scott Cleveland).

Key Contract Terms	Vendor: Aramark
1. Proposed effective date	November 11, 2023
2. Term of agreement	6 Years <i>(5 years (November 10, 2028) + 1 Auto Renew Year)</i>
3. Renewal terms	120 days notice or auto renew for 1 year
4. Termination provision	90 days notice
5. Payment terms	Net 45
6. Budgeted	Yes, 8340 & 8345

First Year of Contract Estimate	Paid to Aramark	Hospital	Total
Current Operating Model FY24 Budget	NA	\$13.8M	\$13.8M
Projected expense Year 1 Using Aramark	\$4.8M	\$6.7M	\$11.5M
Change			-\$2.3M

Potential annual savings estimated at up to \$2.3m dependent on actual food and supply consumption. The 6-year estimate applies 5% inflation annually to the above amounts.

[Recommendation](#)

Consider Recommendation to Board of Directors to award the contract to Aramark Health Care, for management services for the management of the Food and Nutrition Services Department and Starbucks, includes delivery of food/nutritional supplies in the estimated amount of \$4.8m the first year and up to \$32.7m over 6 years, pending final contract negotiations and legal review.

[Attachments](#)

GPO Contract Brief, Financial proposal

SV5082

Aramark Healthcare

Food and Nutrition Management Services

Effective dates: 04/01/2023 - 03/31/2028

Multi-source contract

OTHER CONTRACTS IN THIS CATEGORY SV5081 - ABM Food and Nutrition Management Services, SV5083 - Morrison Management Food and Nutrition Vendor Management Services, SV5084 - Sodexo Food and Nutrition Management Services, SV5086 - Metz Food and Nutrition Services - Management Only

PREVIOUS CONTRACTS IN THIS CATEGORY SV0821 - Morrison Food & Nutrition Management Services, SV0822 - Sodexo Food and Nutrition Contract Management, SV0823 - Aramark Healthcare Support Services Awarded by MedAssets

DISTRIBUTION Direct from the supplier

Agreement access

TO ACTIVATE CONTRACT TIERS - For those who have access to request tiers, click the purple "Activate Now" button on the catalog contract details page to launch the online activation process. Follow the prompts and provide all requested data until you reach the Submit stage. If requesting a different tier, click the purple "Request a New Tier" button and follow the same process.

ADDITIONAL FORM REQUIRED This contract requires an end user agreement or Supplier provided form. The form is completed as part of the online activation process described above.

Pricing and terms

PRICE PROTECTION Firm Price, Initial Term of the agreement but may be subject to reduction due to market conditions.

CONTRACT TERM Initial term is effective through 03/31/2028; Automatic Two (2) One Year Options; unless Vizient gives 90 days notice or Supplier gives 180 days notice.

CONTRACT AND PRODUCT UPDATES Product and price updates, promotions, supplier news and other changes that occur during the term of this contract are shared via Vizient Catalog. They can be viewed at the Contract News link on the contract details page.

Contract process and award rationale

COMPETITIVE CONTRACTING PROCESS Vizient awards product agreements to the suppliers that offer best overall value, as determined through a comprehensive contracting process that follows the principles of the American Bar Association's Model Procurement Code and involves participating member organizations to the greatest practical degree. The process uses member-driven criteria and a weighted award decision tool that considers financial and product specification/quality factors. This contract was awarded based solely on the results of this process.

Based solely upon the results of this process, Vizient awarded this category as described on page 1.

Request for proposal

Vizient issued a request for proposal in September 2021.

The RFP was issued to these suppliers: ABM, Aramark, AVI, Cura Hospitality, HHS, Market Square, Menulogistics, Metz, Morrison, Service Force Group, Sodexo.

Responses were received from these suppliers: ABM, Aramark, Cura Hospitality, HHS, Metz, Morrison, Sodexo.

Proposal evaluation

In addition to financial value, the proposals were evaluated based on the following product specification /quality factors, which were developed and weighted by Vizient's Purchased Services Council in July 2021:

- Quality of Service, Breadth and Depth, Value-Added Services, Member Preference, Terms and Conditions

Member input

A member preference survey was conducted in October 2021 in conjunction with the request for proposal to assess which suppliers' members find acceptable and prefer to use. Results were factored into the award recommendation.

Best-and-final offer

Based on the scoring results, ABM, Aramark, Metz, Morrison, Sodexo were invited to submit their best-and-final pricing offer in December 2021.

Award validation

Based on the proposal scorecard results and the recommendation of the council, Vizient awarded this category as described above.

Vizient wishes to thank the members of the Purchased Services Council for their valuable direction and input into this award decision.

	Total Budget	Aramark - Acute	ARMK -Starbucks	Salinas - Acute	Salinas - Starbucks	COMMENTS
		PROPOSED SPEND	PROPOSED SPEND	PROPOSED SPEND		
(ALL LABOR TO INCLUDE BOTH PRODUCTIVE AND NON PRODUCTIVE DOLLARS)						
Management Salaries On Supplier Payroll	\$992,292	\$649,405	\$0	\$342,887	\$0	
Management Benefits On Supplier Payroll	\$330,433	\$216,252	\$0	\$114,181	\$0	
Management Taxes On Supplier Payroll	\$79,249	\$51,534	\$0	\$27,715	\$0	
TOTAL MANAGEMENT LABOR, BENEFITS, AND TAXES	\$1,401,974	\$917,191	\$0	\$484,783		
(ALL LABOR DOLLARS TO INCLUDE BOTH PRODUCTIVE AND NON PRODUCTIVE)						
Hourly Wages On Supplier Payroll	\$464,716	\$395,135	\$69,581	\$0	\$0	Supervisor Wages
Hourly Benefits On Supplier Payroll	\$288,586	\$245,376	\$43,209	\$0	\$0	
Hourly Taxes On Supplier Payroll	\$49,879	\$43,877	\$6,002	\$0	\$0	
Hourly Wages On Hospital Payroll	\$3,889,499	\$0	\$0	\$3,306,679	\$582,820	
Hourly Benefits On Hospital Payroll	\$2,415,354	\$0	\$0	\$2,053,426	\$361,927	
Hourly Taxes On Hospital Payroll	\$430,116	\$0	\$0	\$361,992	\$68,124	
TOTAL HOURLY LABOR, BENEFITS, AND TAXES	\$7,538,149	\$684,389	\$118,792	\$5,722,097	\$1,012,871	
FTE COUNT (TO INCLUDE BOTH PRODUCTIVE AND NON-PRODUCTIVE)						
Management FTEs On Supplier Payroll	5.0	5.00	0.00	3.80	0.00	
Management FTEs On Hospital Payroll	0.0	0.00	0.00	0.00	0.00	
Hourly FTEs on Supplier Payroll	6.0	4.83	1.15	0.00	0.00	
Hourly FTEs On Hospital Payroll	63.0	0.00	0.00	53.36	9.66	
TOTAL FTE COUNT	74.0	9.8	1.2	53.4	9.7	
Patient Days as given by hospital	48,320	48,320	48,320	48,320	48,320	
Net Cleanable Sq. Ft.	0					
Supplier Average Hourly Wage Proposed	\$28.80	\$28.80	\$28.80	\$28.80	\$28.80	
Benefit % (Mgmt) - including Taxes	41.3%	41.2%	n/a	41.2%	n/a	
Benefit % (Hourly) - including Taxes	73.1%	73.2%	70.7%	73.0%	73.8%	
FOOD COST						
Patient Feeding Food Cost (Patient Food includes food cost to provide maximum of three meals per day per inpatient)	\$539,285	\$539,285	\$0	\$0		
Retail Food Cost	\$773,531	\$352,995	\$420,535		\$0	
TOTAL FOOD COST	\$1,312,816	\$892,281	\$420,535	\$0	\$0	
DIRECT EXPENSES						
Banking, Credit Card and Armored Car Service	\$0	\$0	\$0	\$0	\$0	
Cleaning Supplies (Please specify in comments)	\$25,475	\$14,408	\$11,067	\$0	\$0	
Communications (Cell Phones/Pagers)	\$5,880	\$2,940	\$2,940	\$0	\$0	
Employee Travel	\$500	\$500	\$0	\$0	\$0	
Freight, Delivery and Miscellaneous	\$10,500	\$10,500	\$0	\$0	\$0	
General Liability	\$66,225	\$48,049	\$18,176	\$0	\$0	
Miscellaneous/Other (Please specify in comments)	\$107,625	\$25,158	\$82,467	\$0	\$0	Includes Starbucks Royalties, License Fees, and other expenses
New Hire Background and Drug Testing	\$1,771	\$1,534	\$237	\$0	\$0	
Office Supplies (Please specify in comments)	\$3,000	\$3,000	\$0	\$0	\$0	
Paper-Disposables (FNS-Carryout Containers/EVS-Paper/Plastic-Containers, Wrap, Bags)	\$320,267	\$165,333	\$154,934	\$0	\$0	
Patient Menus	\$11,295	\$11,295	\$0	\$0	\$0	
Retail Promotions Program	\$2,743	\$2,743	\$0	\$0	\$0	
Small Equipment and China, Glass and Silver	\$17,488	\$11,954	\$5,533	\$0	\$0	
Software and Software License Fees	\$85,007	\$73,025	\$11,982	\$0	\$0	Includes IT allocations, Mashgin, computers, ONDO
Supplier's Management Overhead Charge	\$112,788	\$94,557	\$18,231	\$0	\$0	G&A Fee

Training Materials	\$166	\$166	\$0	\$0	\$0	
Uniforms	\$18,749	\$16,747	\$2,002	\$0	\$0	
TOTAL DIRECT EXPENSES	\$789,477	\$481,908	\$307,569	\$0	\$0	

REVENUE

All Other Retail	\$1,946,147	\$0	\$0	\$839,475	\$1,106,672	Client retains retail revenue
TOTAL REVENUE	\$1,946,147	\$0	\$0	\$839,475	\$1,106,672	

PASS THROUGHS - VARIABLE EXPENSES (AT COST)

Floor Stock	\$120,800	\$120,800	\$0	\$0	\$0	
Catering	\$145,774	\$145,774	\$0	\$0	\$0	
Nourishments	\$3,866	\$3,866	\$0	\$0	\$0	
Outpatient Meals	\$5,835	\$5,835	\$0	\$0	\$0	
Supplements	\$10,147	\$10,147	\$0	\$0	\$0	
ER meals	\$24,940	\$24,940	\$0	\$0	\$0	
TOTAL PASS THROUGHS - VARIABLE EXPENSES (AT COST)	\$311,363	\$311,363	\$0	\$0	\$0	

PROPOSED CAPITAL INVESTMENT AMORTIZATION DETAIL

Listing of all proposed equipment and associated costs during term of contract

Equipment Description						
Retail	\$93,182	\$93,182	\$0	\$0	\$0	
Production	\$524	\$524	\$0	\$0	\$0	
Mashgin Visual Checkout	\$820	\$820	\$0	\$0	\$0	
CaterTrax	\$2,150	\$2,150	\$0	\$0	\$0	
Renovations	\$560,000	\$500,000	\$60,000	\$0	\$0	Includes Dish Machine & Retail Renovations
Additional Capital	\$250,000	\$250,000		\$0	\$0	Available based on signing date
Total Amortization Amount For the Term of the Contract	\$906,677	\$846,677	\$60,000	\$0	\$0	
Term of The Contract	5	5	5	5	5	
Annual Amortization Charge	\$181,335	\$169,335	\$12,000	\$0	\$0	

START UP EXPENSES ; Listing of all start up costs with description

Description		PROPOSED SPEND				
Smallwares	\$32,239	\$32,239	\$0	\$0	\$0	
Programmatic	\$4,950	\$4,950	\$0	\$0	\$0	
HR Costs	\$2,746	\$2,458	\$288	\$0	\$0	
Misc. Costs	\$5,800	\$5,800	\$0	\$0	\$0	
Support Costs	\$84,482	\$84,482	\$0	\$0	\$0	
Total Start Up Expense	\$130,217	\$129,929	\$288	\$0	\$0	

Labor Expenses	\$8,940,123	\$1,601,580	\$118,792	\$6,206,880	\$1,012,871	
Food Expenses (Guaranteed)	\$1,312,816	\$892,281	\$420,535	\$0	\$0	
Direct Expenses	\$789,477	\$481,908	\$307,569	\$0	\$0	
New Investment Amortization (Proposed)	\$181,335	\$169,335	\$12,000	\$0	\$0	
New Investment Amortization (Absorbed)	(\$181,335)	(\$169,335)	(\$12,000)	\$0	\$0	Aramark funds investment amortization
Management Fee	\$169,181	\$141,835	\$27,346	\$0	\$0	
Start Up Expense (Proposed)	\$130,217	\$129,929	\$288	\$0	\$0	
Start Up (Absorbed)	(\$130,217)	(\$129,929)	(\$288)	\$0	\$0	Aramark funds Startup Expense
TOTAL FANS EXPENSE	\$11,211,598	\$3,117,604	\$874,243	\$6,206,880	\$1,012,871	Billable Expenses
REVENUE	(\$1,946,147)	\$0	\$0	(\$839,475)	(\$1,106,672)	Client retains retail revenue

NET FANS EXPENSE TO HOSPITAL	\$9,265,451	\$3,117,604	\$874,243	\$5,367,405	(\$93,801)	

Daily Rate	\$25,385
Patient Rate	\$191.75

PASS THROUGH COST TO HOSPITAL (AT COST)	\$311,363	\$311,363	\$0	\$0	\$0	
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NET FANS EXPENSE TO HOSPITAL	\$9,576,813	\$3,428,967	\$874,243	\$5,367,405	(\$93,801)	
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Net FANS Expense ex. Sales	\$11,522,960
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MANAGEMENT SERVICES AGREEMENT

This **Management Services Agreement** (the “Agreement”) is between **Salinas Valley Memorial Healthcare System**, a local health care district organized and operating pursuant to Division 23 of the California Health and Safety Code, operating as Salinas Valley Health (“Hospital”), and **Aramark Healthcare Support Services, LLC**, a Delaware limited liability company (“Aramark”). This Agreement is subject to the terms and conditions of the Supplier Services Agreements for Food and Nutritional Services, effective as of April 1, 2023, between Aramark and Vizient Supply, LLC, a Delaware limited liability company (“Vizient”) (the “Vizient Agreement”). Section 10 of this Agreement, entitled “Definitions,” contains a list of defined terms used in this Agreement. Notwithstanding anything to the contrary in this Agreement, or in any order acknowledgment, instrument, correspondence or other terms or conditions provided, presented or submitted, from time to time, by Aramark or its representatives to, or executed by, Hospital (any of the foregoing, “Aramark’s Other Terms”), Aramark hereby expressly agrees and acknowledges that none of the rights and remedies of the Hospital, or the obligations and liabilities of Aramark, contained in the Vizient Agreement shall be reduced, eliminated, superseded or otherwise affected by any of the terms, conditions, limitation, disclaimers, restrictions or other provisions set forth in this Agreement or in any of Aramark’s Other Terms.

1. Aramark’s Services. Hospital hereby grants to Aramark the exclusive right to provide Hospital with certain Management Services at Hospital’s Facilities during the Term (defined hereinafter). “**Management Services**” are defined by the scope of work described in the following Exhibits, which are attached hereto and incorporated by reference herein. The “**Facilities**” at which Management Services will be provided are defined individually for each service and are listed in the respective Exhibits. Aramark will provide the Management Services solely in accordance with the Exhibits and the terms and conditions of this Agreement.

Service	Exhibit
Food Services	FOOD

Aramark shall render the Management Services with the same degree of care normally exercised by other global management service providers under similar circumstances. Aramark shall at no time be acting as an architect, engineer, indoor air quality expert or advisor or other design professional and shall not be required to carry out duties requiring the services of a design professional.

2. Term and Renewals. The Term will begin on November 11, 2023 (the “Effective Date”) and will continue until November 10, 2028 (the “Initial Term”), unless terminated in accordance with Section 8 or renewed. This Agreement will renew automatically for a term of one (1) year (“Renewal Term” and together with the Initial Term, the “Term”), unless terminated in accordance with Section 8. Either Hospital or Aramark may prevent this automatic renewal

by giving the other Party written notice at least 120 days before the date on which the Initial Term or the then-Renewal Term otherwise would end. At the end of the initial Renewal Term, this Agreement may be renewed for a second term of one (1) year by mutual agreement of the Parties in writing (“Second Renewal Term” and together with the Initial Term and Renewal Term, the “Term”), unless terminated in accordance with Section 8.

3. Personnel.

(a) Aramark Operations Team. The Aramark Operations Team will consist of at least one manager (the “Aramark Manager”) and will train and manage the Service Employees and oversee the provision of the Management Services. The Aramark Manager will act as Aramark’s chief representative in its day-to-day performance of the Management Services.

(b) Service Employees. Hospital will employ the Service Employees. Aramark shall manage and supervise the Service Employees, but only Hospital’s rules and policies will govern the terms and conditions of the Service Employees’ employment. Hospital retains ultimate authority and responsibility for the recruiting, hiring, employment, compensation, hours, benefits, insurance, promotion, discipline, discharge, and work environment of each Service Employee. Aramark shall not be a party to any of Hospital’s collective bargaining agreements or an employer or a joint employer of the Service Employees. Hospital will indemnify Aramark against any claim by a third-party that Aramark is, or is deemed to be, an employer or a joint employer of the Service Employees and any claim by a Service Employee (or applicant) based upon any employment-related action or omission by Aramark (if Aramark obtained Hospital’s prior approval of the action or omission at issue).

(c) Payroll Responsibility. Hospital and Aramark each will pay and provide all salaries, payroll taxes and other taxes, benefits, fees, and other charges or insurance required by law (for example, unemployment taxes, Social Security contributions, and worker’s compensation premiums) attributable to each of its own employees.

(d) Laws, Rules, and Regulations. Aramark shall provide Management Services in strict accordance with all applicable state and federal laws and regulations. While at the Facilities, all Aramark employees shall be subject to Hospital’s rules and regulations, copies of which Hospital will provide to Aramark reasonably in advance. Such rules and regulations may include, but are not limited to, vendor credentialing requirements.

(e) Background Evaluation. Aramark shall cause a background evaluation to be performed on any Aramark employees that are assigned to the Facilities, prior to such employees performing any services and only allow Aramark employees to be assigned to the Facilities if the employee successfully passes the background evaluation.

4. Operational Matters.

(a) Space and Utilities. Hospital will provide Aramark with appropriate office, storage, locker, warehouse, and distribution space and services at the Facilities, including all utilities and appropriate access to copiers, computers, printers, and other customary office

equipment and to Hospital's voicemail, internal e-mail, and intranet systems.

(b) Joint Review. To promote Hospital's satisfaction, the Parties' representatives will meet on a regular basis to discuss the financial and operational aspects of the Management Services. Aramark acknowledges that, in accordance with regulatory and accreditation requirements, the quality of Management Services provided will be evaluated by Hospital in accordance with established indicators/metrics, and may include data reporting requirements by Aramark, with such indicators/metrics and data reporting requirements being mutually agreed to by the Parties in writing. Such indicators/metrics shall be documented in Exhibit B, which shall be mutually agreed to and attached hereto and incorporated herein by way of later written amendment between the Parties.

(c) Purchasing. Aramark will purchase and pay for all goods and services as sales for resale to Hospital. Aramark will purchase and pay for, as a Direct Cost, all food, supplies and services in connection with the Management Services, which purchases will be made through Aramark's purchasing programs. Aramark reserves the right, in its sole discretion, to determine specific brands, product lines and other purchasing decisions, subject to compliance with the standards for the Management Services as set forth in this Agreement. Aramark may receive certain discounts, rebates, allowances and other payments from its manufacturers, suppliers and distributors (individually and collectively, the "Vendors"). Hospital acknowledges and agrees that any prompt payment or 'cash' discounts, as well as all other discounts, rebates, allowances or other payments that Aramark receives from its Vendors shall be retained by Aramark. If an affiliated company or division of Aramark furnishes product, equipment or services necessary in connection with the Management Services, the associated prices charged to Hospital will be competitive with those prices from an independent source in the open market. All purchases shall be titled in the name of Aramark (using Aramark's tax identification information) and used solely in connection with the provision of the Management Services, such purchases will then be resold to Hospital.

(d) IT System. Aramark shall develop, implement, operate and maintain the IT System, in accordance with the attached Information Technology Exhibit.

(e) Warranty. In addition to Aramark's warranties pursuant to the Vizient Agreement, Aramark represents and warrants that the Management Services will be performed (a) in a timely, competent and professional manner consistent with industry standards and (b) in compliance with applicable known legal requirements. In the event Aramark fails to perform the Management Services in such a manner, Aramark shall be required to perform the Management Services again at Aramark's sole cost and in accordance with its obligations hereunder. The warranties contained in this Section 4(e) shall survive any acceptance or payment by Hospital. This Section 4(e) and the obligations contained herein shall survive the expiration or earlier termination of this Agreement. The remedies set forth in this Section 4(e) are in addition to, and not a limitation on, any other rights or remedies that may be available against Aramark.

5. Payment

(a) Aramark's Compensation. Hospital will compensate Aramark as provided in

Exhibit A attached hereto.

6. Other Financial Matters.

(a) Initial Payment. Before the Management Services begin, Hospital will pay Aramark an amount equal to an estimate of the Aramark Payment for one Accounting Period (the “Initial Payment”). Aramark shall not be required to segregate the Initial Payment from its general accounts, and no trust relationship shall exist between Aramark and Hospital with respect to the Initial Payment. Aramark will retain the Initial Payment and will credit that amount (without payment of interest or other amount for its use) to Hospital in Aramark’s final billing upon expiration or termination of this Agreement.

(b) Invoicing. Within seven (7) days after the end of each Accounting Period, Aramark will invoice Hospital for the Aramark Payment owed for such Accounting Period. Within thirty (30) days after the end of each Accounting Period, Aramark shall submit to Hospital an operating statement for such Accounting Period. Any difference between the amount already invoiced for such Accounting Period and the amount shown on the operating statement will be reflected in the subsequent Accounting Period invoice.

(c) Financial Commitment. Aramark agrees to spend an amount not to exceed \$917,375 for the purchase of equipment to be used in providing the Management Services and for undertaking renovations of the Food Service facilities at the Facilities (the “Financial Commitment”). Aramark shall purchase items with the Financial Commitment on a sale-for-resale (to Hospital) basis, and Hospital shall, upon such resale, have title to such equipment. As further outline in Section 6(g), Hospital is a tax-exempt entity and is exempt from payment of federal and state and local sales and use and other taxes. Hospital agrees to provide Aramark with all applicable tax-exempt certificates.

Upon installation of the equipment, Aramark shall amortize the Financial Commitment on a straight-line basis over a period of five (5) years, or the remaining Initial Term of the Agreement, whichever is shorter, which shall be absorbed by Aramark. Within thirty (30) days of the expiration of this Agreement or the termination of this Agreement by either Party for any reason prior to the complete amortization of the Financial Commitment, Hospital shall reimburse Aramark for the unamortized balance of the Financial Commitment plus all accrued but unbilled interest as of the date of expiration or termination. Such interest shall accrue from the date the Financial Commitment was finalized at the Interest Rate (defined below), computed each Accounting Period on the declining balance. In the event such payments owing to Aramark are not paid to Aramark within thirty (30) days of the expiration or termination of the Agreement, Hospital agrees to pay interest on such amounts at the Interest Rate (defined below) from the scheduled payment date until the date paid. The right of Aramark to charge interest for late payment shall not be construed as a waiver of Aramark’s right to receive timely payment.

(d) Start-Up Services. The Management Services will begin with a start-up phase for the transition of the Management Services to Aramark, during which the Aramark Operations Team will familiarize itself with Hospital’s Facilities, operations, applicable equipment, supplies, and other such matters. “Start-Up Costs” shall include costs associated with Aramark employees

who perform services in connection with the opening of the department(s), including, but not limited to, all personnel costs (including wages and salaries, vacation (including earned but unpaid vacation) and holiday pay, and other paid time off for Aramark employees working at the Facilities; travel expenses for transition personnel; payroll costs; and an allocated charge for fringe benefits and human resource services), employee training, management relocation expenses, all expenses related to survey, program design, and program implementation costs, the installation of equipment, fixtures, furnishings, decorations and other similar items, and all Aramark support service expenses.

Aramark will absorb up to \$131,181 in Start-Up Costs and shall invoice any additional Start-Up Costs to Hospital. Upon complete expenditure, Aramark shall divide the amount of Start-Up Costs absorbed by the number of days remaining in the Initial Term (“the Pro Rata Start-Up Costs”). Upon expiration or termination of this Agreement by either Party for any reason whatsoever, Hospital shall reimburse Aramark for an amount equal to the Pro Rata Start-Up Costs multiplied by the number of days remaining in the Initial Term according to the payment terms in Section 6(e).

(e) Payment Terms. Hospital shall pay all amounts due under this Agreement within ten (10) days of the date of the invoice reflecting the amount. If Hospital does not pay any such amount within thirty (30) days after its invoice date, then the unpaid portion will bear interest, from the invoice date until paid, at the Prime Rate per annum (or, if prohibited by law, then the maximum rate permitted legally) (the “Interest Rate”) on the unpaid balance, computed from the invoice date until the date paid.

(f) Disputes Over Amounts Due. If Hospital, in good faith, believes that it does not owe all or part of an amount reflected on an Aramark invoice, and if Hospital advises Aramark of this belief within fourteen (14) days of receiving the applicable invoice, then any obligation to pay the amount due shall be tolled for a period of fourteen (14) days. During that 14-day period, the Parties shall, in good faith, use their best efforts to resolve the dispute. Whether or not the Parties resolve the dispute, the tolling of any obligation to pay shall end at the end of the 14-day period.

(g) Taxes. If a government authority determines that any sale, purchase, payment or use of property made to or by Aramark under this Agreement, either in whole or in part, is subject to any sales, use, gross receipts, property or any similar tax, which tax was not contemplated by the Parties at the Effective Date, then Hospital shall be responsible for such tax liability and any interest, notwithstanding the fact that this Agreement may have expired or been terminated for any reason by either party hereto prior to the date of such determination.

Except as otherwise specified, Aramark will purchase goods and services as required under this Agreement as sales for resale which are exempt from sales and use tax. Aramark will provide vendors with a properly completed resale certificate at the time of purchase. Purchases will be made by and titled in the name of Aramark (using Aramark’s tax identification number), and will be used solely for resale to Hospital.

Hospital is a tax-exempt entity and is exempt from payment of federal and state and local sales and use and other taxes. Hospital will provide Aramark with all applicable tax-exempt

certificates. Aramark shall invoice Hospital for all goods and services procured for resale to the Hospital in connection with the Direct Costs of operation. These items include goods and services set forth in the purchasing section of this Agreement. After an invoice is sent, title shall vest in the Hospital. Aramark will maintain records corresponding to the sale of the resold goods and services.

Hospital will be responsible for sales, use, excise, value-added, services consumption and/or gross receipts tax on the purchase and sale of any goods and services resold to Hospital and Hospital will defend, indemnify and hold harmless Aramark from and against any and all liabilities, claims, demands, losses, obligations, fines, liens, penalties, actions, judgments, damages, costs, charges, and expenses in connection with any such assessment. Hospital will be responsible for remitting sales tax on all taxable sales made at the Hospital's location.

7. Insurance.

(a) Aramark will arrange for workers' compensation insurance as required by law.

(b) Policy Requirements. Aramark shall maintain and keep in force during the Term commercial general liability insurance. Such insurance shall contain a minimum combined single limit of liability for bodily injury and property damage in the amount of not less than \$2,000,000 per occurrence and \$10,000,000 in the aggregate, and professional liability insurance with minimum limits of \$2,000,000 per occurrence and \$5,000,000 annual aggregate. Such commercial general liability policy or policies shall name Hospital as additional insureds for losses arising out of Aramark's negligent acts or omissions, or assumed under this Agreement. The liability limits may be satisfied through a combination of primary and excess policies including deductibles or self-insured retentions. Aramark shall provide a certificate of insurance to Hospital within fifteen (15) days following Hospital's request, indicating the foregoing coverage, issued by an insurer licensed to do business California within fifteen (15) days; provided, however, that Aramark may provide an insurance certificate issued by an insurer not licensed to do business in California, provided that such insurer has an A.M. Best rating of A-7 or greater.

(c) Amendments, Notices and Endorsements. Notice of cancellation of any insurance policies required herein shall be subject to ACORD 25 Certificate of Liability standards, and will be delivered, as applicable, in accordance with policy provisions. In the event that Aramark amends said liability insurance in accordance with this Section, Aramark shall provide Hospital with certificates evidencing the new coverage as soon as practicable after Aramark receives or gives them.

8. Termination.

(a) Termination. Hospital and Aramark each may terminate the Agreement with or without cause by giving the other Party at least ninety (90) days prior written notice. Neither Party shall issue such a notice until ninety (90) days after the Effective Date.

(b) Termination for Cause. If one Party (the "Notifying Party") believes that the other Party (the "Responding Party") has materially breached this Agreement, and if the

Notifying Party so notifies the Responding Party in writing with sufficient detail to provide the Responding Party with an opportunity to cure the alleged breach, then the Responding Party will have thirty (30) days from its receipt of such notice to cure the alleged breach (the "Cure Period"). If, after the Cure Period has ended, the Notifying Party reasonably considers that the Responding Party has not cured the alleged breach, then the Notifying Party may notify the Responding Party of its intent to terminate the Agreement, which termination shall occur after an additional 30-day transition period (the "Transition Period"). The Parties will cooperate with each other during the Transition Period, so that Hospital or another service provider may assume the Management Services in an orderly manner.

(c) Termination for Breach of Payment Obligations. If Hospital does not pay Aramark any amount due within the time provided in this Agreement and still does not do so for ten days after receiving written notice from Aramark of such failure, then Aramark may terminate this Agreement immediately.

(d) Prepaid Vendor Contracts. Upon termination or expiration of this Agreement, Hospital will reimburse Aramark for the costs of any prepaid vendor contracts that Aramark has paid, or on which Aramark has incurred an obligation to pay, for Hospital's benefit.

(e) Purchase of Inventory and Supplies. At the termination or expiration of this Agreement, Hospital shall, if requested by Aramark, purchase Aramark's usable inventory of products and supplies (purchased pursuant to Section 4(c)) that Aramark has not charged as a Direct Cost. The purchase price for such inventory will be Aramark's invoice cost, and Aramark will submit to Hospital an invoice for such inventory.

(g) Appropriation of Funds. If sufficient funds are not appropriated for Hospital's proposed budget for its next fiscal year to enable Hospital to make payments due to Aramark under this Agreement, and if Hospital has no funds available from any other source that can be used for that purpose, then Hospital will provide Aramark with an opinion letter and supporting documentation from Hospital's attorneys containing a specific description of the lack of funds and will allow Aramark to audit Hospital's books and records on the appropriations, budget, and shortfall. Hospital and Aramark then will review the Management Services in light of all funds available to Hospital for such services and Hospital's actual budget for its next fiscal year, to determine a level of Management Services that can be performed within the proportionate level of all available funds. If Aramark does not present such modifications of its Management Services program, then either Party may terminate this Agreement effective at the end of Hospital's then current fiscal year, upon 90 days prior written notice and Hospital will not contract with another service provider for services similar to the Management Services during the remainder of the then current term if this Agreement is terminated pursuant to this Section.

9. General Provisions

(a) Notice. Any notice under this Agreement must be in writing and will be effective upon receipt, including when delivered personally, when delivered by a national overnight delivery service, or three business days after being deposited in the United States mail (postage prepaid, registered or certified). All notices will be addressed to the receiving Party at the

following address (or such other address of which that Party has given proper notice):

If to Hospital:

SALINAS VALLEY HEALTH

450 East Romie Ln.

Salinas, CA 93901

ATTN: Office of the President/CEO with copy to: Christianna Kearns

If to Aramark:

ARAMARK HEALTHCARE SUPPORT SERVICES, LLC

2400 Market Street

Philadelphia, PA 19103

ATTN: President

(b) Confidential Information and Proprietary Materials.

(i) Aramark and Hospital acknowledge that each may disclose Confidential Information to the other. If that happens, then the receiving Party shall: (a) maintain the Confidential Information in strict confidence, disclosing it only to its employees, agents, and affiliates, only as necessary for the Management Services, and only after informing the recipient of the restrictions contained in this subsection; (b) use Confidential Information only to fulfill its obligations under this Agreement; (c) not photocopy or otherwise duplicate any such Confidential Information without the prior written consent of the disclosing Party; and (d) return or destroy all documents, copies, notes, or other materials containing any portion of the Confidential Information upon request of the other Party and upon termination or expiration of this Agreement. These restrictions shall not apply to the extent that disclosure is required by law nor to any portion of the Confidential Information that: (a) was known to the receiving Party before receipt, directly or indirectly, from the disclosing Party; (b) was lawfully obtained, directly or indirectly, by it from a third party that was under no obligation of confidentiality; (c) is or becomes publicly available other than as a result of an act or failure to act by the receiving Party; or (d) is developed by the receiving Party independent of the Confidential Information disclosed by the disclosing Party.

(ii) Neither Aramark nor Hospital shall disclose the terms of this Agreement to any other person or entity outside its organization other than as required by law. Notwithstanding the foregoing, nothing in this Agreement shall prohibit Hospital from disclosing any information to Vizient. Neither Hospital nor Aramark and its Affiliates shall, without the other Party's consent, use the other Party's name, logo, trademark or otherwise refer to or identify the other Party in any publicity matters relating to the Services. Notwithstanding the foregoing, both Parties and their respective Affiliates may, without prior consent of the other Party, use that Party's name or logo and the existence of this Agreement in connection with earnings calls or similar matters with their respective investors or analysts as well as communications to prospective Hospitals (if applicable) and for use in such Party's marketing materials.

(iii) All computer software programs, signs, and marketing or promotional

literature and material (collectively referred to as “Proprietary Materials”) used by Aramark at the Facilities shall remain Aramark’s property. Upon termination of this Agreement, Hospital shall forever cease using and accessing any trademarks, service marks and logos, software programs and files owned by Aramark or licensed to Aramark by third parties and shall immediately return all Proprietary Materials to Aramark (or, in the case of software, delete such software from Hospital’s systems). Aramark will make such information available for use or inspection by Hospital’s safety committee or any regulatory or compliance agency if necessary.

(iv) Pursuant to the Health Insurance Portability and Accountability Act (“HIPAA”), the Parties agree that Aramark is a “business associate” of Hospital in its provision of Management Services to Hospital, and the Parties agree to the terms and conditions of the Business Associate Addendum attached hereto as **Addendum BAA** and incorporated herein by this reference.

(c) Restrictions on Hiring Supervisory Employees. Hospital and Aramark acknowledge that the other has invested considerable amounts of time and money in training its Supervisory Employees in the systems, procedures, methods, forms, reports, formulas, computer programs, plans, techniques and other valuable information that are proprietary and unique to its manner of conducting its business and that it makes such information available to its Supervisory Employees, its subsidiaries and affiliates, on a confidential basis. Therefore, Hospital and Aramark agree that they will not employ, contract with, or utilize, directly or indirectly (such as through consulting contracts or contracts with companies that employ or otherwise retain any Supervisory Employees), any Supervisory Employee of the other Party (including its subsidiaries or affiliates) during the Term or the twelve months after the Term. Both Parties agree that this paragraph will not apply to any Supervisory Employees transitioned from Hospital to the Aramark Operations Team during the start-up phase for the transition of the Management Services to Aramark. If a Party violates the conditions of this subsection, then the other Party shall have the right to apply to a court of competent jurisdiction for an injunction without the need to post a bond, and the breaching Party shall be liable to the other Party for all reasonable attorney’s fees, costs and expenses incurred in enforcing this Section. Additionally, the breaching Party will pay to the other Party, as liquidated damages and not as a penalty, an amount equal to two times the annual salary of the Supervisory Employee(s) in question. The Parties agree that the foregoing restrictions are reasonably necessary to protect their respective legitimate business interests, and that they are reasonable as to their scope and duration. Nothing in this paragraph will prevent either Party from hiring of the other party’s Supervisory Employees if such Supervisory Employees independently apply for employment pursuant to a publicly available job posting.

(d) No Waiver. No waiver of any right, obligation, or remedy under this Agreement will be effective against either Party unless it is in writing and signed by the waiving Party.

(e) Severability. If a court holds that one or more provisions of this Agreement is invalid, unenforceable, or void, then that ruling will not affect any other provisions of this Agreement, and all other provisions will remain in full force and effect.

(f) Authority. Hospital and Aramark represent and warrant that they have the requisite

authority to enter into this Agreement, that the individuals who executed this Agreement on their behalf have all required authority and approvals to do so and to bind them, and that they have done and will do all things necessary so that this Agreement will be valid, binding and legally enforceable upon them.

(g) Entire Agreement and Amendments. This Agreement has been negotiated jointly and will not be construed as having been drafted by any one Party. The Vizient Agreement between Aramark and Vizient, along with this Agreement and its Exhibits contain the final and complete expression of all agreements between the Parties with respect to the subject matter of this Agreement and supersede all prior and contemporaneous agreements between the Parties, whether oral or written. Any change, modification or amendment of this Agreement must be in writing and signed by all Parties. In the event of any inconsistency between this Agreement and the Vizient Agreement, as it relates to: (i) any waiver or change to Aramark's Administrative Fee or reporting obligations or (ii) any limitation to any warranty, indemnity or liability described in the Vizient Agreement, the terms and conditions of the Vizient Agreement shall control.

(h) Counterparts. This Agreement may be executed in multiple counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. An electronic signature shall be considered valid as if an original signature.

(i) Accuracy of and Access to Records. Aramark shall maintain accurate books and records in connection with the Management Services and shall retain such records for at least four years. Hospital may audit such records at any time during regular business hours, upon reasonable advance notice. During the Term and for four years after the Term, Aramark shall make available, upon written request, to the Secretary of the United States Department of Health and Human Services, the Comptroller General of the United States, or any of their duly authorized representatives, this Agreement (including all amendments) and Aramark's supporting books, documents and records, to the extent necessary to verify Hospital's payments to Aramark. In addition, Hospital hereby authorizes all applicable third party performance measurement companies to send copies or provide directly to Aramark all Hospital scores including overall scores directly to Aramark, for all periods up to and including Aramark's last day of service under this Agreement.

(j) Regulatory Compliance. The Parties acknowledge and agree that the amounts paid to Hospital by Aramark (including the Financial Commitment) are intended to comply with Section 1128B of the Social Security Act (codified at 42 U.S.C. § 1320a-7b). Accordingly, Hospital acknowledges that it knows of the provisions governing the reporting of certain discounts and rebates pursuant to 42 C.F.R. § 1001.952(h) and agrees to report accurately to private and governmental third-party payors, health plan sponsors, patients and others, to the extent required under law, all such payments by Aramark.

(k) Assignment. Neither Party may assign this Agreement without the prior written consent of the other Party; except that Aramark may assign the Agreement to an Affiliate without the consent of Hospital. Subject to the foregoing, all rights and obligations of the Parties hereunder shall be binding upon and inure to the benefit of and be enforceable by and against any permitted successors and assigns.

(l) No Third Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any party other than the Hospital and Aramark.

(m) Relationship. Aramark will perform the Management Services as an independent contractor, and, unless specifically provided in any of the Exhibits, nothing in this Agreement shall make Aramark, or its employees, a common law employee, agent, partner, or fiduciary of or co-venturer with Hospital.

(n) Licensing. Aramark is not a licensed architect or engineer and shall not act as one when providing the Management Services.

(o) Exclusivity. Hospital shall not permit a third-party to provide any part of the Management Services during the Term.

(p) Information and Conditions. In determining the resources required to perform the Management Services, Aramark relied on the information provided by Hospital about its operations and finances and on conditions existing on the Effective Date (including, but not limited to, labor and supply costs; tax rates; license and permit fees; Hospital's employees at the Facilities; the size, condition, and uses of the Facilities; average bed occupancy rates; patient volume; staffing and shifts). Hospital represents that the information it provided is current, complete, and accurate. Hospital will continue to provide similar information to Aramark from time to time and represents that such information will also be current, complete, and accurate at the time provided. If such information materially changes or is inaccurate, or if applicable conditions materially change, then the Parties shall negotiate in good faith a reasonable adjustment of the financial provisions of this Agreement (including the Budget Guarantee) and memorialize the adjustment in a written amendment.

(q) Change in Scope. During the Term, Hospital and Aramark may agree that the scope of the Management Services should change. For example, the Parties may agree that Aramark should serve in additional areas of the Facilities, in new facilities, on a more frequent basis, in a different way, or with different resources. If the agreed-upon changes are material, then the Parties shall negotiate in good faith a reasonable adjustment of the financial provisions of this Agreement and memorialize the adjustment in a written amendment.

(r) Collections. If Aramark incurs legal fees and costs in enforcing its right to payment under this Agreement, Hospital shall reimburse Aramark for those fees and costs.

(s) Indemnification.

(1) Aramark Indemnity. In addition to Aramark's indemnification obligations pursuant to the Vizient Agreement, Aramark shall indemnify, defend, and hold harmless Hospital and their respective officers, directors, agents, subsidiaries, affiliates and employees (individually an "Indemnatee", collectively, the "Indemnitees") from and against any liability to any third party for loss or damage, or any cost or expense, including, without limitation, costs and reasonable attorneys' fees, resulting from claims for: (i) bodily injury or death, or damage

to property, caused by any negligent act by or omission of Aramark, its employees, or subcontractors, or (ii) any breach or default by Aramark under this Agreement, (iii) any misrepresentation by Aramark related to Aramark's Management Services covered by this Agreement, or (iv) any patent, copyright, trademark, or trade secret infringement arising from the Management Services or Aramark's other performance under this Agreement. However, Aramark shall not be obligated under this Agreement to so defend, indemnify or hold harmless any Indemnitee from any such liability, cost or expense, to the extent such liability, cost or expense results from that Indemnitee's misconduct or negligence. Indemnitees shall cooperate with Aramark at Aramark's expense in its defense or settlement of indemnified matters.

(2) Hospital Indemnity. Except for Aramark's indemnification obligations pursuant to the Vizient Agreement, Hospital hereby agrees to indemnify, defend and hold harmless Aramark and its affiliates, subsidiaries, directors, officers, and employees (collectively, the "Aramark Indemnitees") from and against any loss, liability, damage, cost or expense, including, without limitation, costs and reasonable attorneys' fees, resulting from claims by third parties for: (i) bodily injury or death, or damage to property, caused by any negligent act by or omission of Hospital, or any of their officers or employees, or (ii) any breach or default by Hospital under this Agreement. However, Hospital shall not be obligated under this Agreement to so defend, indemnify or hold harmless any Aramark Indemnitee from any such loss, liability, damage, cost or expense, to the extent such damages result from Aramark Indemnitee's misconduct or negligence. Aramark Indemnitee shall cooperate with Hospital at Hospital's expense in its defense or settlement of indemnified matters.

(t) Personnel Actions. If Hospital or Aramark takes a personnel action at the other Party's direction that it would not have taken but for the other Party's direction, then the other Party shall indemnify it against third-party claims concerning that action.

(u) Degree of Care. Aramark shall provide the Management Services with the same degree of care normally exercised by other management service providers under similar circumstances.

(v) Limitation of Liability. Except for Aramark's indemnification obligations pursuant to the Vizient Agreement, Aramark's liability shall not under any circumstances exceed the greater of the annual Aramark Payment or the actual proceeds of insurance (described in Section 7) for the applicable claim (including the deductible portion). Except with regard to Aramark's indemnification, reporting, and confidentiality obligations under the Vizient Agreement, neither Party will be liable to the other for any loss of business, business interruption, consequential, special, indirect or punitive damages.

(w) Hazardous Substances and Pre-Existing Conditions. Aramark has no duty to investigate, to detect, or to address any Hazardous Substances and will not be responsible for any Pre-Existing Conditions. Prior to the Effective Date, Hospital will inform Aramark of the presence of any Hazardous Substances or Pre-Existing Conditions. Hospital acknowledges that Aramark employees will not be required to work in any location where they could be exposed to such Hazardous Substances unless they are provided with the proper training and protections. In addition to the Aramark's indemnification obligations pursuant to the Vizient Agreement,

Aramark will indemnify Hospital against third-party claims to the extent based on Aramark's negligent use, handling or disposal of Hazardous Substances. Hospital will indemnify Aramark against any other third-party claims concerning Hazardous Substances or Pre-Existing Conditions.

(x) Force Majeure. If either Party is rendered unable to perform its duties under this Agreement, in whole or in part, by reason of any event that is not reasonably under its control (including, but not limited to, Acts of God, fires, floods, earthquakes, accidents, strikes, riots, national emergencies, pandemics, endemics, government ordered shutdowns, and other such force majeure events), then any duty so impacted will be suspended during such event. The Party rendered unable to perform due to force majeure must promptly notify the other Party, and neither party shall be responsible to the other Party for any losses resulting from such force majeure. The Parties agree that force majeure shall not excuse either Party from payment of monies owed for services rendered. If either Party's inability to perform exceeds 120 days, then either Party may terminate this Agreement by written notice, effective upon the other Party's receipt of such written notice.

(y) Emergency Services. The parties acknowledge that Hospital is a healthcare facility and may request Aramark to provide modified or additional Management Services in an emergency or crisis situation on an immediate and temporary basis ("Emergency Services"). To the extent, Aramark is willing to provide these Emergency Services, Hospital agrees to reasonably compensate Aramark for any Emergency Services provided.

(z) Intent to be Legally Bound. Hospital and Aramark intend to be legally bound to the terms of this Agreement.

(aa) Survival. The sections and subsections of this Agreement titled "Other Financial Matters," "Insurance," "Prepaid Vendor Contracts," "Start-Up Services," "Purchase of Inventory," and "General Provisions" shall survive the termination or expiration of this Agreement.

(bb) Exclusion. Aramark warrants that, to its knowledge, neither Aramark nor its employees or agents performing services under this Agreement have been excluded from participation in federal or state healthcare programs. If an employee/agent performing services under this Agreement is excluded, Aramark will replace that employee/agent within a reasonable time. If Aramark is excluded, Hospital may terminate this Agreement, upon written notice to Aramark.

10. Definitions

10.1 A Party's "Affiliate" shall mean a company which controls, is controlled by, or is under common control with that Party.

10.2 The term "Accounting Period" shall mean the two accounting periods of four weeks each and the one accounting period of five weeks which occur in each quarter of a year; provided, however, that from time to time the Accounting Period shall consist of six (6) weeks, to allow accurate accounting, the next of which is in 2025.

10.3 The term “Aramark Operations Team” shall mean the team of Aramark employees whom Aramark will provide for the effective and efficient management of the Management Services.

10.4 The term “Confidential Information” shall mean all financial, statistical, operating and personnel materials and information, including, but not limited to, technical manuals, plans, policy and procedure manuals, computer/software programs, menus, recipes, methods, and procedures, relating to or utilized in (as applicable) either Party’s business or the business of any subsidiary or Affiliate and their respective Affiliates, operations, employees, services, patients or customers.

10.5 The term “Contract Year” shall mean the 12-month period beginning on the Effective Date and ending on the 364th day after the Effective Date and every subsequent 12-month period of the Term.

10.6 The term “Facilities” shall mean the particular buildings or locations, or portions of them, where Aramark shall provide the Management Services covered by this Agreement. The Facilities are specified in each of the Service Line Exhibits.

10.7 The term “Hazardous Substances” shall mean asbestos; lead; fuel storage tanks or contents; indoor air pollutants or contaminants; hazardous, toxic, or regulated waste substances (i.e., chemo waste); mold; fungi; mildew; pollutants; or contaminants, at the Facilities or their surrounding premises.

10.8 The term “indemnify” shall mean to indemnify against and to hold harmless from; shall include such indemnification for the indemnified Party’s officers, directors, and employees; and shall include damages awards, fines, and reasonable attorneys’ fees and costs.

10.9 The term “IT System” shall mean the information technology system that Aramark shall develop, implement, operate and maintain to support the Management Services, as provided in Section 4(d) and explained in the attached Information Technology Exhibit.

10.10 The term “Party” refers to Hospital or Aramark.

10.11 The term “Pre-Existing Conditions” shall mean conditions that existed at the Facilities or their surrounding premises before the Effective Date, including, without limitation, environmental impairments and other conditions.

10.12 The term “Service Employees” shall mean the non-management personnel whom Aramark deems necessary for the effective and efficient provision of the Management Services and who work in the departments of Hospital’s Facilities that are managed by Aramark

10.13 The term “Service Line Exhibits” shall mean the Exhibits (or Exhibit) that are attached to this Agreement, which describe Aramark’s Management Services in detail and have titles that correspond to specific Hospital department in question.

10.14 The term “Supervisory Employee” means a person who performed management or professional services for the Facilities, including but not limited to technicians and clinical dietitians, directly or indirectly, at any time during the preceding twelve months. The term

“Supervisory Employee” does not include any person employed by Aramark under this Agreement who was previously employed by Hospital.

10.15 The term “Term” shall mean the period of time during which this Agreement shall be effective.

ARAMARK HEALTHCARE SUPPORT SERVICES, LLC

SALINAS VALLEY HEALTH

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

INFORMATION TECHNOLOGY EXHIBIT

Aramark shall implement, operate and maintain an information technology system to support the Management Services (the "IT System"). The IT System may include hardware and software both owned and/or licensed by Aramark. Aramark will install the IT System on Hospital's computer network within departments managed by Aramark, consistent with Hospital's policies and procedures. Aramark shall perform all maintenance and operation of the IT System. Aramark also may utilize Hospital's other information technology systems, computer equipment, and software if necessary to provide the Management Services.

Computer equipment and software owned and provided by Aramark (including computer hardware) will remain the property of Aramark. Aramark will be responsible to repair, maintain and replace such equipment. Any costs associated with the repair and maintenance shall be billed to Hospital as a Direct Cost. All computer equipment, hardware, and/or software provided by Hospital shall remain the property of Hospital, and Hospital will be responsible to repair, maintain and replace such equipment at no additional cost to Aramark.

Aramark holds licenses to use any aspects of the IT System that are not Aramark-owned, and has the ability and authority to use same for Hospital without the further consent of any third party. Such licenses are not transferable to Hospital. Aramark warrants that its use of the IT System will not violate any intellectual property rights of any third party.

Aramark has no responsibility for the continued successful operation of any computer hardware, software, or equipment under computerized control (other than computer hardware, software and equipment provided by Aramark and Hospital's clinical equipment expressly maintained by Aramark under this Agreement), which malfunctions or ceases to operate as a result of software errors, operator errors, infection by computer virus, or tampering.

Any Aramark-owned or licensed software programs/files which have been placed on Hospital-owned computers or networks will be erased or deleted upon termination of the Agreement. Hospital agrees not to try to recover any of these removed programs or files following termination of the Agreement and that such recovery would constitute an infringement of Aramark's rights.

Exhibit A

(a) Hospital shall pay Aramark as follows. The total payment described in this subsection (a) shall be the “Aramark Payment.”

1. Direct Costs. Hospital shall reimburse Aramark for all costs incurred by Aramark in providing the Management Services, including, without limitation, the costs of employing Aramark employees at the Facilities (including the compensation, severance, and related payroll costs for such personnel) and the costs of all products, supplies, equipment and services purchased and used, or expenses incurred, by Aramark.

2. Allocated Charges. Hospital shall pay a reasonable allocation of charges established by Aramark for certain services, including, without limitation: fringe benefit and human resource services, provision of insurance coverage and related services, and the development, implementation, operation and maintenance of the IT System (which may include, but not be limited to, hardware, owned and licensed software and systems support and training); if state income tax will be charged, state income tax, calculated by applying the applicable state tax rate to the Management Fee;

3. General & Administrative Expense Allowance. Hospital shall pay Aramark’s general and administrative expense allowance (the “General and Administrative Expense Allowance”) for each Accounting Period of an amount equivalent to \$2,169 per week, for the financial reporting, legal, tax, audit services, other administrative expenses and management oversight provided to client locations by Aramark at the district, regional and corporate levels; and

4. Management Fee. Hospital shall pay a service fee (the “Management Fee”) for each Accounting Period in an amount equivalent to \$3,253 per week.

(b) Payment Increases. The fixed dollar amount of the General and Administrative Expense Allowance and the Management Fee each shall increase on an annual basis, on the anniversary of the Effective Date, as follows. Aramark shall notify Hospital of these increases in writing.

1. the Management Fee and the portion of the General and Administrative Expense Allowance attributable to Aramark’s employment-related costs (including without limitation costs attributable to salaries and wages, payroll taxes, benefits, workers’ compensation, and travel and entertainment) will increase by a percentage amount equal to the percentage increase, if any, during the prior 12-month period in the Employment Cost Index published by the United States Department of Labor, Bureau of Labor Statistics (June 1989 = 100% base period), Total Compensation for Private Industry Workers, or a comparable index if that index is not available; and

2. the remaining portion of the General and Administrative Expense Allowance will increase by a percentage amount equal to the percentage increase, if any, during the prior 12-month period in the Consumer Price Index for All Urban Consumers (“CPI-U”) published by the United States Department of Labor, Bureau of Labor Statistics (1982-1984 =

100% base period), U.S. City Average, Food Away From Home, or a comparable index if that index is not available.

(c) Budget Guarantee. The Parties agree to implement a budget guarantee. The details of the budget guarantee are set forth on **Exhibit GNB**.

Exhibit GNB

Guaranteed Net Budget.

(a) Discovery Period. The Parties agree that from the commencement date of services until a period of one hundred and twenty days (120) days is necessary to establish the Fiscal Year Budget (the “Discovery Period”). Accordingly, the Parties agree that the Budget Guarantee shall not apply during the Discovery Period. The Parties agree that the Budget Guarantee shall commence July 1, 2024. The Parties shall work together during the Discovery Period and mutually establish the Fiscal Year Budget.

(b) Fiscal Year Budget. With the exception of the first Fiscal Year Budget, which shall be established through the Discovery Period, as part of the Hospital budgeting process, but in no event less than ninety (90) days prior to the beginning of each subsequent Fiscal Year, Aramark shall submit to Hospital, for its approval, a projected budget for the applicable Fiscal Year. Items in the projected budgets shall include, but not be limited to, as line items, the aggregate Aramark Payment, and such other operating expenses as may be agreed upon by Aramark and Hospital.

The projected budget shall be reviewed and approved by the following: the Chief Financial Officer or designee from Hospital and the Regional Finance Director from Aramark. Hospital agrees that the review and approval of the projected budgets shall occur in a timely manner to ensure continuity of the Management Services and agrees not to unreasonably withhold its approval of this process. Any projected budget mutually agreed to in writing by Aramark and Hospital in accordance therewith shall hereinafter be referred to as a “Fiscal Year Budget.” To the extent the Parties cannot agree upon a Fiscal Year Budget prior to the start of a Fiscal Year, the Fiscal Year Budget for the prior Fiscal Year shall apply, including any Payment Increases as described in Section (b) of Exhibit A. Notwithstanding the forgoing, neither Party shall unreasonably withhold approval of a proposed Fiscal Year Budget. Fiscal Year Budgets, including any draft precursors thereto, shall be considered Confidential Information in accordance with Section 9(b) of this Agreement, and shall be treated accordingly. For purposes of clarity, the “Fiscal Year” is defined as July 1 through June 30.

(c) Penalty Payment to Hospital. Aramark shall pay a penalty payment to Hospital if the Net Operating Cost for the Hospital exceeds the Fiscal Year Budget (the “Budget Based Penalty”). Subject to the exceptions and adjustments described in this Agreement, “Net Operating Cost” for Hospital is defined as the actual Fiscal Year end costs for providing Management Services for the applicable departments, including the Aramark Payment, net of actual Retail Receipts for the Fiscal Year. The amount of the Budget Based Penalty shall be One Hundred Percent (100%) of the amount by which the Net Operating Cost exceeds the Fiscal Year Budget, but in no event shall exceed \$5,000 per Fiscal Year.

(d) Incentive Payment to Aramark. Hospital shall pay an Incentive Payment to Aramark if the Net Operating Cost for the Hospital are less than the Fiscal Year Budget (the “Budget Based Incentive”). The amount of the Budget Based Incentive shall be 5% of the amount by which Net Operating Cost are less than the Fiscal Year Budget, but in no event shall exceed \$5,000 per Fiscal Year.

(e) Calculation of Budget Based Penalty and Budget Based Incentive. The calculation of the actual Net Operating Cost will not include expenditures that Aramark has advised Hospital against making. Hospital (or each Facility) shall provide to Aramark applicable monthly accounts payable and general ledger reports within thirty (30) days of the end of any Fiscal Year. Aramark shall not be required to pay any Budget Based Penalty and Hospital shall not be required to pay any Budget Based Incentive until Aramark has an opportunity to examine Hospital's records and concludes that Hospital's calculation of the actual Net Operating Cost does not include amounts that are excluded from the Fiscal Year Budget or Net Operating Cost calculation pursuant to this Agreement. Any payments owed shall be paid in accordance with the Payments/Invoicing section of the Agreement.

(f) Exceptions and Adjustments to Fiscal Year Budgets. Fiscal Year Budgets shall also be subject to the following adjustments:

i. Controllable and Non-Controllable Costs. The Fiscal Year Budget includes both controllable and non-controllable department expenses. Controllable Department Expenses are defined as those expenses in which Aramark has the ability to manage through the scope of services and such amounts are included in the Fiscal Year Budgets. Non-controllable Department Expenses are defined as those expenses that Aramark does not have direct control to manage. Non-controllable Department Expenses will be billed through as a Direct Cost and any amounts over the Fiscal Year Budgets shall be excluded in the computation of the Net Operating Cost for the applicable Fiscal Year. Such Non-controllable Department Expenses are listed in the attached Schedule GNB-2. This Schedule GNB-2 shall be updated as agreed upon by the Parties for each Fiscal Year.

ii. Termination Benefits. Any termination benefits that are in excess of and are not included in the Fiscal Year Budget shall be excluded in the computation of the actual Net Operating Cost for the applicable Fiscal Year. Termination Benefits are defined to mean any benefits paid to Hospital Service Employees that are paid or payable in connection with the separation, termination or other cessation of employment of such Hospital Service Employees, including, but not limited to, severance pay, and accrued but unpaid vacation pay, holiday pay, sick pay and personal time off pay.

iii. Patient Days. The number of patient days per year shall be determined by Hospital's budgeted patient days. If the actual number of patient days at Hospital is more than 5% above or below the budget patient days as provided in the Fiscal Year Budget, then the Parties agree to adjust the Fiscal Year Budget by the variable rate included in the Fiscal Year Budget for each patient day above or below 5%. The Parties acknowledge that the budgeted patient days do not include certain meals provided by Aramark as part of the Management Services (i.e. ER, Observation, or other meals). In order to appropriately capture variation in total meals served, Aramark shall provide documentation to support any variance greater than the budgeted amount.

iv. Contingency Amounts. The Parties acknowledge that the Fiscal Year Budgets contain no contingency amounts for any extraordinary item of incurred expense or for any occurrences that were due to causes beyond Aramark's control and that could not be avoided by

exercise of due care (including, for purpose of example only and not by way of limitation, Acts of God such as extreme weather; water damage; fire; earthquake; equipment failure; changes in federal, state, or local code, regulation, statute, or requirement, whether enacted before or after the Effective Date; labor contracts or activity; utility rate increases; pandemics; endemics; or other such matters). Hospital understands that any such item of extraordinary expense or occurrences shall be excluded in the computation of the actual Net Operating Cost for the applicable Fiscal Year.

v. Material Change in Scope. Notwithstanding any exceptions or adjustments stated above, if, during the Term hereof, an unforeseen material change (or material change outside of Aramark's control) occurs in the scope, manner or extent in or to which any of the Management Services is provided, the cost of which is included in the actual costs for the Fiscal Year, the Fiscal Year Budget shall be adjusted, and mutually agreed to by the Parties, so as to be comparable in scope, manner and extent of actual costs attributable to the material change. Any such adjustment shall be documented in a writing, executed by the Parties. The nature and extent of any such adjustment resulting from a material change shall be demonstrated by Aramark to Hospital. If Aramark's costs increase due to material changes, then Aramark shall give Hospital written notice of such increase, and thirty (30) business days after such notice, the Parties shall, as mentioned, meet in good faith to mutually agree upon any adjustments to the Fiscal Year Budget. Upon such mutual agreement and documentation of any adjustment, Aramark shall automatically be entitled to a pro rata increase in its financial compensation to cover increased costs resulting directly or indirectly from such increase.

For purposes of clarity, material changes may include, but are not limited to, labor, food and supply costs; federal, state and local sales, use and excise taxes; increases in employee health and welfare benefits costs; federal state and local minimum wage rates; changes in an applicable collective bargaining agreement covering Aramark's or Hospital's employees; or an increase in employer contributions to social security or payroll taxes (including retroactive changes to such contributions) and the opening and/or closing of Hospital facilities.

vi. Fill Rate. The Parties acknowledge that a vital factor in Aramark achieving Net Operating Cost less than or equal to the Fiscal Year Budget is an average fill rate of 95% or above of all vacant, approved, budgeted positions in the Food and Nutrition Services Departments. Accordingly, Hospital and Aramark agree to strive to achieve an average of 95% fill rate of all vacant, approved, budgeted positions at each Facility, commencing on the Effective Date and monitored thereafter every three (3) month quarterly period during a calendar year. For the sake of clarity, the first monitored period shall only consist of November – December 2023 with the first full period monitored consisting of January – March 2024, continuing quarterly thereafter. If this average fill rate is not achieved after a monitored quarterly period, the Parties agree to discuss in good faith any adjustments which would be necessary, which shall be mutually agreed on prior to implementation.

SCHEDULE GNB-1

Fiscal Year Budget -

Schedule GNB-2

Non-Controllable Department Expenses

- Amounts not consistent with budgeted methodology developed in the budget relating to the following components:
 - Expenses related to Hospital Service Employees, which are controlled by Hospital – i.e. average hourly wages, bonuses, fringe benefits, tuition reimbursement, etc.
 - Dietary supplements and nourishments and floor stocks (Aramark will provide departmental usage each Accounting Period)
 - Catering; the Parties agree to meet on an annual basis and discuss in good faith any specific details on catering for the given year, including but not limited to: menus, pricing, event dates, timing, and décor. Any such specific details for catering shall be mutually agreed to by the Parties and documented in writing.
 - Doctor's Dining
 - Emergency Department, Observation, Extended Recovery, or other meals (e.g. boxed lunch) excluded from the normal patient meal process
- Utilities related to the services provided, including but not limited to water, sewage, electrical, gas, internet, cable and LAN-based telecommunications

Addendum BAA

BUSINESS ASSOCIATE ADDENDUM

This Addendum (the “Addendum”) to the Management Services Agreement effective November 11, 2023 (the “Agreement”) between **Salinas Valley Memorial Healthcare System** (“Covered Entity”) and **Aramark Healthcare Support Services, LLC** (“Business Associate”) (each a “Party” and collectively the “Parties”), is made as of the Effective Date.

WHEREAS, Covered Entity and Business Associate have entered into the above-referenced Agreement under which Business Associate provides certain services or functions on behalf of Covered Entity (the “Services”);

WHEREAS, the use and disclosure of certain health-related information, the electronic transmission of certain health-related information, and the security of certain health-related information is regulated by the privacy and security provisions of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations promulgated thereunder, as amended and in effect (collectively referred to as “HIPAA”);

WHEREAS, Covered Entity, from time to time, discloses Protected Health Information (“PHI”) as defined in this Addendum to Business Associate, and Business Associate, from time to time, uses, creates and/or maintains PHI, and/or electronically transmits PHI; and

WHEREAS, both Parties are committed to complying with HIPAA and the Parties agree to enter into this mutually acceptable Addendum as necessary to so comply.

NOW, THEREFORE, for and in consideration of the agreements of the Parties set forth in the Agreement and this Addendum and intending to be legally bound hereby, Covered Entity and Business Associate agree as follows:

1. PERMITTED USES AND DISCLOSURES OF PHI

A. Use and Disclosure. Business Associate shall not use or further disclose PHI other than as permitted or required by this Addendum or as Required By Law. “Protected Health Information” or “PHI” shall have the meaning given to it under the Privacy Rule, but shall be limited to the information created, accessed, transmitted or maintained by Business Associate for or on behalf of Covered Entity. “Privacy Rule” means the Standards for Privacy of Individually Identifiable Health Information (HIPAA), codified at 45 CFR parts 160 and 164, Subparts A, D and E (“Privacy Rule”), and the HIPAA Regulation codified at 45 C.F.R Parts 160 and 164, Subparts A and C (“Security Rule”) as amended and in effect.

B. Compliance with Privacy Rule and Security Rule. Business Associate shall not use or disclose PHI received from Covered Entity in any manner that would constitute a violation of the Privacy Rule or Security Rule, as defined below, if used by Covered Entity except that Business Associate may use or disclose PHI for Business Associate’s proper management and administration, and to carry out any of its legal responsibilities. Any permitted disclosure of PHI to a third party must be either required by law or subject to reasonable assurances from the third party to whom the information is disclosed that (1) it shall be held confidentially, and be used or further disclosed only as Required by Law or the purpose for which it was disclosed to that third party and (2) the third party will notify Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached. “Security

Rule” means the Standards for Security for the Protection of Electronic Protected Health Information, codified at 45 CFR parts 160 and 164, Subparts A and C, as amended and in effect.

C. Services. Except as otherwise limited by this Addendum, Business Associate may use or disclose the PHI necessary to perform the Services.

D. Business Activities of Business Associate. Unless otherwise limited herein, Business Associate may:

1. Provide data aggregation services related only to Covered Entity’s Health Care Operations. Under no circumstances shall Business Associate disclose Covered Entity’s PHI to another covered entity to whom Business Associate also provides data aggregation services without Covered Entity’s express authorization.

2. De-identify any and all PHI provided that the de-identification conforms to the requirements of 45 C.F.R. §164.514. De-identified information does not constitute PHI and is not subject to the terms of this Addendum.

2. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

A. Responsibilities of Business Associate. Business Associate hereby agrees to do the following:

1. Appropriate Safeguards. Business Associate shall implement appropriate safeguards to prevent the use or disclosure of Protected Information other than as permitted by the Agreement or this Addendum, including, but not limited to, administrative, physical and technical safeguards in accordance with the Security Rule, including, but not limited to, 45 C.F.R. Sections 164.308, 164.310, and 164.312. Business Associate shall comply with the policies and procedures and documentation requirements of the Security Rule, including, but not limited to, 45 C.F.R. Section 164.316. “Electronic Protected Health Information” or “EPHI” shall have the same meaning as the term “electronic protected health information” in 45 CFR § 160.103, limited to the information that Business Associate creates, accesses, maintains or transmits for or on behalf of Covered Entity.

2. Mitigation. Business Associate shall mitigate, to the extent practicable, any harmful effects from the improper use and/or disclosure of PHI of which it becomes aware.

3. Agents and Subcontractors. Business Associate shall ensure that any agent and subcontractors that create, receive, maintain or transmit Protected Information on behalf of Business Associate, shall agree in writing to the same restrictions and conditions that apply to Business Associate with respect to such Protected Information and implement the safeguards required, with respect to Electronic PHI.

4. Reporting.

(i) Business Associate shall report to Covered Entity and in compliance with HIPAA, any Security Incident and any access, use or disclosure of PHI that is not permitted by this Addendum of which Business Associate becomes aware.

(ii) To the extent that any such reportable occurrence involves a Breach of Unsecured PHI, Business Associate shall provide notice to Covered Entity within ten (10) days of any

actual breach of Covered Entity's Protected Information any use or disclosure of Protected Information not permitted by the Agreement or this Addendum in accordance with the requirements of 45 C.F.R. § 164.410. Such notification shall include, to the extent possible, the following information: (1) the identity of each individual whose Unsecured PHI has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during the Breach, and (2) any particular information regarding the Breach that Covered Entity would need to include in its notification to the individual, the media and/or the Secretary of the U.S. Department of Health and Human Services ("Secretary"), as applicable, including, without limitation, a non-privileged description of the Breach, the date of the Breach and its discovery, the types of Unsecured PHI involved and a description of Business Associate's investigation, mitigation and prevention efforts.

(iii) Breach Pattern or Practice by Business Associate's Subcontractor and Agents. Pursuant to 42 U.S.C. Section 17934(b) and 45 C.F.R. Section 164.504 (e)(1)(iii); if the Business Associate knows of a pattern of activity or practice of a subcontractor or agent that constitutes a material breach or violation of the subcontractor or agent's obligations under the Agreement or this Addendum or other arrangement, the Business Associate must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, the Business Associate must terminate the contract with the subcontractor or agent or other arrangement if feasible.

(iv) For purposes of the above subsection (ii), the terms "Breach," and "Unsecured PHI" shall have the same meaning given those terms under 45 C.F.R. § 164.402.

5. Access to Internal Practices. At the request of Covered Entity or the Secretary, Business Associate shall make its internal practices, books and records (including policies and procedures) relating to the use and/or disclosure of PHI available to the Secretary for purposes of the Secretary determining Covered Entity's and Business Associate's compliance with HIPAA.

6. Access to PHI. Business Associate shall make PHI it maintains in a Designated Record Set available to Covered Entity for inspection and copying in accordance with 45 C.F.R. §164.524. In the event any individual requests access to PHI directly from Business Associate, Business Associate shall forward such request to Covered Entity.

7. Amendments to PHI. Upon receipt of request from Covered Entity, within ten (10) days, Business Associate and its agents and subcontractors shall make an Individual's PHI in a Designated Record Set available for amendment and shall incorporate any amendments to PHI in accordance with 45 C.F.R. §164.526. In the event any individual submits a request for amendment directly to Business Associate, Business Associate shall forward such request to Covered Entity.

8. Accounting of Disclosures. Upon receipt of request from Covered Entity, within ten (10) days, Business Associate shall make available the information required to provide an accounting of disclosures to an Individual pursuant to 45 C.F.R. §164.528. In the event the request for accounting is delivered directly to Business Associate, Business Associate shall forward such request to Covered Entity.

9. Governmental Access to Records. Business Associate shall make its internal practices, books, and records relating to the use and disclosure of Protected Information available to Covered Entity and to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining Business Associate's compliance with HIPAA 45 C.F.R. Section 164.504(e)(2)(ii)(I).

10. Restrictions/Alternatives. Upon Business Associate becoming aware of such arrangements, Business Associate shall abide by any arrangements that Covered Entity has made with an Individual regarding restricting the use or disclosure of the Individual's PHI, or providing the Individual with confidential communications of PHI by alternative means or at an alternative location pursuant to 45 C.F.R. §164.522.

11. Minimum Necessary. Business Associate and subcontractors shall use and disclose only the minimum amount of PHI necessary to accomplish the purpose of the request, use or disclosure in accordance with 45 C.F.R. §164.502(b).

12. Covered Entity's Privacy Rule Obligations. To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under the Privacy Rule, Business Associate shall comply with the requirements of HIPAA that apply to Covered Entity in the performance of such obligation(s).

13. Data Ownership. Business Associate acknowledges that Business Associate has no ownership rights with respect to the Protected Information.

B. Responsibilities of Covered Entity.

1. Notification Requirement. With regard to the use and/or disclosure of PHI by Business Associate, Covered Entity hereby shall:

(i) Provide Business Associate with its Notice of Privacy Practices (the "Notice") that Covered Entity provides to Individuals in accordance with 45 C.F.R. §164.520, as well as any changes to or limitations in such Notice to the extent that the changes or limitations affect Business Associate's use or disclosure.

(ii) Inform Business Associate of any changes in, or revocation of, an authorization provided to Covered Entity by an Individual pursuant to 45 C.F.R. §164.508, to the extent that such changes or revocation affect Business Associate's permitted or required uses and disclosures.

(iii) Inform Business Associate of any amendments to PHI that Covered Entity has agreed to under 45 C.F.R. §164.526 that relate to PHI upon which Business Associate relies to perform the Services.

(iv) Notify Business Associate of any arrangements Covered Entity has agreed to that restrict disclosures or provide Individuals with confidential communications pursuant to 45 C.F.R. §164.522 that may impact the use and disclosure of PHI by Business Associate.

2. No Impermissible Requests. Covered Entity shall not request that Business Associate use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

3. TERM AND TERMINATION

A. Term. This Addendum shall become effective on the Effective Date and shall continue in effect until all PHI is destroyed or returned to Covered Entity. If it is infeasible to return or destroy all PHI, the protections of this Addendum are extended to such information in accordance with the termination provisions in this Section.

B. Termination for Cause by Covered Entity. Any other provision of this Addendum notwithstanding, if Covered Entity determines that Business Associate has breached a material term of this Addendum, Covered Entity shall provide Business Associate with a reasonable opportunity to cure the breach or may terminate the Agreement if cure is not feasible.

C. Termination for Cause by Business Associate. Any other provision of this Addendum notwithstanding, if Business Associate knows of a pattern of activity or practice of Covered Entity that constitutes a material breach or violation of this Addendum, Business Associate shall provide Covered Entity with a reasonable opportunity to cure the breach or may terminate the Agreement if cure is not feasible.

D. Material Breach. A breach by either Party of any provision of this Addendum shall constitute a material breach of the Agreement and shall provide grounds for termination of the Agreement, any provision in the Agreement to the contrary notwithstanding. The non-breaching Party shall provide the breaching Party with a reasonable opportunity to cure the breach or may terminate the Agreement if cure is not feasible.

E. Judicial or Administrative Proceedings. Covered Entity may terminate the Agreement, effective immediately if a finding or stipulation has been entered that Business Associate has violated any standard or requirement of HIPAA, HITECH, or other security or privacy laws is made in any administrative or civil proceeding in which the Business Associate has been named.

F. Effect of Termination.

1. Upon termination of the Agreement for any reason, Business Associate shall, at the option of Covered Entity, return or destroy all Protected Information that Business Associate and its agents and subcontractors still maintain in any form, and shall retain no copies of such Protected Information. If return or destruction is not feasible, as mutually determined by the Parties, Business Associate shall continue to extend the protections and satisfy the obligations of Paragraph 2 of this Addendum to such information, and limit further use and disclosure of such PHI to those purposes that make the return or destruction of the information infeasible. If Covered Entity elects destruction of the PHI, Business Associate shall certify in writing to Covered Entity that such PHI has been destroyed in accordance with the Secretary's guidance regarding proper destruction of PHI.

4. MISCELLANEOUS

A. Definitions. Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms defined in the Privacy Rule and Security Rule, the HITECH Act, the HIPAA regulations or other applicable laws.

B. Entire Agreement. This Addendum contains the final and complete expression of all agreements between the Parties with respect to the subject matter of this Addendum and supersedes all prior and contemporaneous agreements between the Parties, whether oral or written, with respect to the subject matter of this Addendum.

C. Interpretation. Any ambiguity in this Addendum shall be resolved to permit Covered Entity to comply with HIPAA.

D. Amendments. This Addendum may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed by authorized representatives of the Parties. The

Parties agree and acknowledge that state and federal laws relating to data security and privacy are evolving and that amendment of this Addendum may be required to ensure compliance with such developments. Upon the request of either Party, the other Party agrees to promptly enter into negotiations concerning the terms of an amendment to this Addendum embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other applicable laws.

E. Relation to Agreement. The Parties acknowledge and agree that this Addendum amends, supplements, and is made a part of the Agreement. With the exception of the terms and conditions set forth in this Addendum, all other terms and conditions of the Agreement shall remain unaltered and in full force and effect. If there is any conflict between the terms of this Addendum and the Agreement, this Addendum shall govern.

F. No Third Party Beneficiaries. Nothing express or implied in this Addendum is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

G. Counterparts; Facsimiles. This Addendum may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

H. Indemnification. (Each Party (“Indemnifying Party”) shall, to the fullest extent permitted by law, indemnify and hold harmless the other Party and its directors, officers and employees from and against any and all losses, out-of-pocket costs, claims, penalties, fines, or liabilities in association with third-party claims from or related to the acts or omissions of the Indemnifying Party or its employees, directors, or agents, related to the performance or nonperformance of this Agreement and Addendum or a breach of the requirements of HIPAA. This indemnification provision shall survive termination of this Agreement and Addendum for any reason.

I. Disputes. If any controversy, dispute or claim arises between the Parties with respect to this Addendum, the Parties shall make good faith efforts to resolve such matters informally.

J. Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party’s address given below.

If to Business Associate, to:

Aramark Healthcare Support Services, LLC
2400 Market Street
Philadelphia, PA 19103
ATTN: President

with a copy (which shall not constitute notice) to:

Aramark Healthcare Support Services, LLC
2400 Market Street
Philadelphia, PA 19103
ATTN: Vice President, Compliance

If to Covered Entity, to its Privacy Officer at the address set forth in the Agreement.

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner herein-above provided.

ARAMARK HEALTHCARE SUPPORT SERVICES, LLC

SALINAS VALLEY HEALTH

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT FOOD

FOOD SERVICE MANAGEMENT PROGRAM

Aramark will provide a Food Service Management Program (the “Food and Nutrition Program”) to Hospital, as described in this **Exhibit Food**.

I. AREAS SERVED

All Food and Nutrition Program services will be rendered at Hospital’s facilities (the “Facilities”), located at:

Salinas Valley Health Medical Center
450 E. Romie Ln.
Salinas, CA 93901

Specific Food and Nutrition Program services provided for different users and areas within the Facilities are described below in Section IV.

II. STAFFING: MANAGER AND SERVICES EMPLOYEES

Aramark will provide a manager for the Food and Nutrition Program (the “Food and Nutrition Director”). The Food and Nutrition Director will coordinate the management and the activities of the Service Employees within the Food Department, which personnel will be provided by, and will be employees of, Hospital. Aramark will provide other management and supervisory personnel as necessary to assist the Food and Nutrition Director in the coordination and management of the clinical, retail and other activities described in this **Exhibit Food**.

The Food and Nutrition Director’s duties will be:

- To consult with, and make recommendations to, Hospital on Food and Nutrition Program functions and services;
- To provide initial recommendations and review of staffing levels, implementation of procedures, and utilization of resources within Hospital’s Food Department;
- To work with Hospital to develop, implement, and maintain a Food and Nutrition Program that will comply with applicable standards as set forth in the most recent edition of the “Accreditation Manual for Hospitals” under the Hospital Accreditation Program, published by The Joint Commission (“TJC”), or such other mutually acceptable source of standards as may be applicable to Hospital;
- To produce reports related to the operation of Hospital’s Food Department, as required by Hospital;
- To develop standards of performance for each position under Aramark’s management;
- To track employment and training;
- To conduct Service Employee performance and progress evaluations;

- To hold team meetings for Food Department employees for training and other relevant activities; and
- To attend certification, training, and awards meetings and seminars, as may be required from time to time.

Aramark shall cause all of its employees assigned to duty at the Facilities to submit to periodic health examinations as required by law, and shall submit satisfactory evidence of compliance with all health regulations to Hospital's medical department upon request. The cost of such examinations shall be a direct cost of operations.

III. MATERIALS, SUPPLIES, AND EQUIPMENT

A. General Provisions.

1. Food and Supplies Inventory. All food and related supplies to be utilized in the Food and Nutrition Program are and will remain the property of Hospital.

2. Smallwares Inventory. Hospital will provide all equipment needed for implementation of the Food and Nutrition Program. This equipment includes, but is not limited to fixed equipment (for example, furniture, furnishings, and fixtures), movable equipment (for example, mobile and portable equipment and accessories such as unitized bases), an adequate initial inventory of Servicewares and Small Expendable Equipment (each as hereinafter defined) and all other equipment required for the Food and Nutrition Program, together with utilities, gas, electricity, hot and cold running water needed to operate that equipment and all kitchen, food preparation, and food service areas. All such Servicewares and Small Expendable Equipment are and will remain the property of Hospital, and Hospital will, at its expense, maintain such equipment in a fully operable and safe condition, and will, also at its expense, repair (including provision of replacement parts), replace, and provide additional equipment as necessary for the Food and Nutrition Program to be performed. For purposes of this Agreement, "Servicewares" shall mean items utilized in the service of food, including such things as chinaware, glassware and silverware; and "Small Expendable Equipment" shall mean items utilized in the preparation of food, including such things as pots, pans and kitchen utensils.

3. Hospital shall furnish building maintenance services for the Facilities, shall promptly make all equipment and building repairs and replacements, and shall be responsible for compliance with all federal, state, and local safety and health law and regulations with respect to the Facilities.

4. Hospital will provide all such safety equipment as may be necessary for safe performance of the Food and Nutrition Program (including, but not limited to, rescue gear, personal protective equipment, lockout equipment, monitoring equipment, etc.).

B. Government Donated Foods.

1. Government donated commodities received by Hospital will inure only to the benefit of Hospital's patient meal service operation. Aramark's normal food expenditures for Hospital's patient meal service operation will not be reduced because of the receipt of government donated commodities in compliance with the United States Department of Agriculture's regulations set forth in 7 CFR § 250.12 and 7 CFR § 250.13.

2. In order to enable Hospital to fulfill its obligations under the terms of its agreement with the state agency designated to administer the direct distribution program of the United States Department of Agriculture and the regulations set forth in 7 CFR Part 250, Aramark agrees to allow the designated state agency and the United States Department of Agriculture to (a) inspect donated commodities in storage at the Facilities, as well as storage facilities and practices followed by Aramark on behalf of Hospital; and (b) review or audit financial records of food purchases relative to Hospital's patient meal service operation in order to insure that donated commodities are used in addition to and not in substitution for food normally purchased or funds normally expended for food. Such records shall be kept by Aramark for a period of three years from the close of the federal fiscal year to which they pertain.

IV. DESCRIPTION OF SERVICES

A. Generally. Hospital and Aramark shall mutually determine hours and type of service. The Food and Nutrition Program services consist of certain services for Hospital's patients, for Hospital's retail food service, and for Hospital's credit/transfer food service, in accordance with the following:

<u>TABLE 1</u>			
Food and Nutrition Program for Hospital's Patients			
Patient Food Service	Included	Excluded	Annual Patient Food Service Volume
Patient Meal Delivery	X		48,320 inpatient days per year
Other Patient Meal Services (ER, Outpatient meals, etc.)	X		\$35,775 per year (gross revenue)

<u>TABLE 2</u>			
Food and Nutrition Program for Hospital's Retail Food Service			
Retail Food Service	Included	Excluded	Volume of Annual Sales Revenue
Cafeteria(s)	X		\$839,475 per year
Starbucks	X		\$1,106,672 per year
Cash Catering	X		\$145,774 per year
Vending Machines		X	
Meals on Wheels		X	

TABLE 3			
Food and Nutrition Program for Hospital's Credit/Transfer Food Service			
Credit/Transfer Service	Included	Excluded	Volume of Annual Sales Revenue
Floor Supplies/Nourishments	X		\$124,666 per year
Supplements	X		\$10,147 per year
ER Meals	X		\$29,940 per year
Outpatient Meals	X		\$5,835 per year
Transfers		X	To be determined by the Parties at a later date
Special Functions		X	
Free Meals		X	

NOTE: The Food and Nutrition Program and the corresponding Aramark Payment are based on the foregoing data provided by Hospital. **ANY FOOD SERVICES OR OTHER DATA NOT LISTED ABOVE, AND THOSE THAT ARE INDICATED AS "EXCLUDED" IN THE ABOVE TABLES, ARE EXCLUDED FROM THE FOOD AND NUTRITION PROGRAM.**

B. Clinical Nutrition Services. As part of the Food and Nutrition Program, Aramark will manage the services provided by Hospital's Clinical Dietitians.

The Clinical Dietitian duties will be:

- To conduct the Nutrition Care Process for patients at nutritional risk (as identified by Hospital's medical team upon initial nutrition screening/consult or by Clinical Dietitian during ongoing nutrition monitoring) in an inpatient and outpatient setting. Nutrition Care Process includes:
 - Nutrition Screening
 - To review appropriate nutrition screening data for patients at nutritional risk as identified by Hospital's medical team during initial nutrition screening/consult
 - To perform ongoing nutrition monitoring of patients
 - Nutrition Assessment
 - To assess the nutrition-related health needs/status of patients identified to be at nutritional risk during Nutrition Screening process by analyzing/interpreting appropriate data based on evidence-based practice standards;
 - Appropriate data may include but is not necessarily limited to; anthropometrics, biochemical data, medical test results, nutrition focused physical assessment, nutrient intake, client/ social history, etc.
 - Nutrition Diagnosis
 - To determine nutrition diagnosis(es) after identifying the problem(s) and clarifying cause of the problem(s)
 - Nutrition Intervention
 - To develop, recommend and/or initiate an individual therapeutic nutrition care plan in accordance with the patient's medical program

goals and objectives, nutrition prescription, and self-management training

- To develop, recommend and/or initiate frequency of therapeutic nutrition care plan/ intervention appropriate for diseases, conditions and data including therapeutic diet, enteral and parenteral nutrition if necessary;
- To develop and initiate nutrition counseling/ education programs for inpatients and outpatients;
- Nutrition Monitoring and Evaluation
 - To evaluate the effectiveness of medical nutrition therapy care plan/ interventions. Reassess nutrition care process and implement changes as appropriate;
- If the Parties desire utilize the Academy of Nutrition and Dietetics Scope of Practice Algorithm to obtain approval for advanced clinical practice. For the avoidance of doubt, any advanced clinical practice shall require the Parties to agree and such practice be evaluated using the Academy of Nutrition and Dietetics Scope of Practice Algorithm;
- To participate in the coordination of patient care by collaborating and communicating with the Hospital's multidisciplinary medical team through medical record documentation, meetings, rounds and medical conferences;
- To provide appropriate and timely documentation of the nutrition care plan in the patient's medical record, utilizing the Nutrition Care Process and standardized terminology (eNCPT) in accordance with professional practice guidelines;
- To identify, collect data and participate in performance improvement projects, monitor outcomes, and initiate corrective actions;
- To properly use and protect patients' protected health information in accordance with applicable laws and regulations and Hospital's policies and procedures;
- To maintain Aramark's clinical productivity standards through accurate data entry of clinical activities, including information for scheduling and billing
- To assist in achieving compliance with applicable accrediting organizations' regulatory agency standards including the Joint Commission (JC), Det Norske Veritas (DNV-GL) and/or state and federal regulations;
- To maintain dietetic registration and continuing professional education requirements;
- To maintain state licensure/certification and comply with applicable law;
- To document and implement an individualized professional development plan including participation in professional organizations/ activities, workshops, seminars/ conferences, and staff development programs;
- To attend and participate in departmental and multidisciplinary meetings;
- To work cooperatively with food and nutrition services staff to assure conformance to prescribed nutrition care orders.

C. **Host/Hostess Services.** As part of the Food and Nutrition Program, Aramark will manage the services provided by the Host/Hostess.

The Host/Hostess duties will be:

- To meet with patients prior to mealtime to receive meal selection from patient per their prescribed nutrition care orders;
- To check patient trays for accuracy and completeness;
- To deliver and collect patient trays during meal service;
- To carry an assortment of condiments and supplies to the patient floors to meet patient’s requests within prescribed nutrition care orders;
- To report all meal service-related problems as observed on patient floors to the patient services manager and Nursing and Nutrition Office (as necessary); records problems on appropriate documentation;
- To attend and participate in meetings and in-services as directed;
- To follow safety rules at all times and report accidents and unsafe conditions to manager;
- To demonstrate knowledge of proper infection control and food safety standards as evidenced by good hand washing, proper use of cutting boards, FIFO, assurance of proper food temperatures, etc.;
- To adjust tray stands;
- To assist patients in opening containers and utensils on the tray;
- To maintain friendly, efficient service attitude toward patients and coworkers;
- To assemble and deliver patient nourishments;
- To inventory, assemble, and deliver unit floor stock.

D. Retail Food Services. As part of the Food and Nutrition Program, Aramark will coordinate operations of Hospital’s Retail Food Services (as specified in **Table 2** above) with Hospital, as follows:

1. Aramark will plan and coordinate retail menus, including quantities of portions to be served, which will be established jointly by Aramark and Hospital.
2. Prices charged for food and beverages sold in retail points will be mutually agreed upon in writing by the Parties. Prices charged for food and beverages will be adjusted on an annual basis.
3. Client will collect and retain all receipts and all money from the sale of all food and beverages in retail points (“Retail Receipts”) and will be responsible for the safekeeping and banking of such receipts and money.

D. Definition of Service Areas. The scope of the Food and Nutrition Program includes the provision of therapeutic diets and other clinical services for the patients of the Facilities. The Food and Nutrition Program and the corresponding Aramark Payment are based on the following data provided by Hospital.

Floor/Unit	Service	Beds

	TOTAL INPATIENT BEDS	263
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E. Hours of Operation and Service Definition. The scope of the Food and Nutrition Program includes the production of meals for patients, employees/staff and authorized visitors of the Facilities. The Food and Nutrition Program and the corresponding Aramark Payment are based on the following data provided by Hospital.

CAFETERIA & OTHER RETAIL

	Service Definition	Open	Close
Breakfast	Grill	6:30 a.m.	10:00 a.m.
AM Break	Beverages & Cold Table	10:00 a.m.	10:30 a.m.
Lunch	Main Service	11:00 a.m.	2:00 p.m.
PM Break	Snacks/Beverages	2:00 p.m.	4:30 p.m.
Dinner	Main Service	4:30 p.m.	7:30 p.m.

F. Cleaning Responsibilities.

1. Aramark’s Responsibilities. Aramark shall maintain high standards of sanitation and shall be responsible for routine cleaning and housekeeping in the food preparation and service areas (including food service equipment, kitchen floors, and grease filters) and for the routine cleaning of cafeteria tables and chairs. Aramark shall weekly pull down and wash vents.

2. Hospital’s Responsibilities. Hospital, at its cost, shall provide regular cleaning service for cafeteria walls, windows, floors, light fixtures, draperies and blinds, and periodic waxing and buffing of floors. In addition, Hospital will be responsible for routine cleaning of grease traps, duct work, plenum chambers and roof fans. Hospital will be responsible for monthly cleaning of all hoods. The maintenance and cleaning of all pantries (including refrigerators) located on patient units shall be the responsibility of Hospital. Hospital, at its cost, shall be responsible for trash and garbage removal and extermination service.

G. Licenses and Permits. Aramark shall obtain all federal, state and local licenses and permits required for the Food Department. The cost of all such licenses, permits and taxes, including an estimated amount for state income taxes based on the operating unit’s income, that Aramark shall obtain shall be charged as a direct cost of operation. Hospital shall obtain all licenses and permits required for the café and Starbucks locations.

H. Taxes. Hospital shall be responsible for all sales, use, excise, state and local income taxes and all other state and local taxes attributable to the Food Department, including all such taxes as may arise in connection with retail sales.

V. VENDOR CONTRACTS

Aramark will provide coordination and administrative oversight, but not management, of certain vendor contracts identified in **Schedule Vendor Contracts**. All such vendors will be paid directly by Hospital. Any costs that Aramark incurs in performing its services, due to a vendor's performance, will be invoiced to Hospital as a direct cost. **Schedule Vendor Contracts** shall be updated on an annual basis and mutually agreed upon by the Parties.

VI. EXTRA SERVICES

Upon request, Aramark may agree to schedule and provide various services that are not included in the Food and Nutrition Program, as Extra Services, for an additional fee on which Aramark and Hospital will agree.

VII. EXCLUSIONS

The scope of the Food and Nutrition Program is limited to the description provided above and the Schedule(s) to this Exhibit. Other duties, frequencies, and areas are excluded. Without limiting the foregoing statement, the following items are specifically excluded:

- **Utilities** – Hospital will provide, and pay for, all utilities.
- **Pest Control** - Hospital will provide, and pay for, all pest control services.
- **Trash Removal** - Hospital will provide, and pay for, all trash and garbage removal services.

Schedule Vendor Contracts

VENDOR CONTRACTS UTILIZED IN THE FOOD AND NUTRITION PROGRAM

VENDOR	SERVICE PROVIDED
Cintas	Rental Service- Terry Towels and 20" microfiber mop
Abbott Nutrition	Purchasing Agreement- Infant Formula Products

NOTE: ANY VENDOR CONTRACT NOT LISTED ABOVE IS EXCLUDED FROM THE FOOD AND NUTRITION PROGRAM.

PUBLIC INPUT

CLOSED SESSION

*(Report on Item to be
Discussed in Closed Session)*

*RECONVENE OPEN SESSION/
REPORT ON CLOSED SESSION*

Financial Performance Review

September 2023

Augustine Lopez
Chief Financial Officer

Consolidated Financial Summary For the Month of September 2023

\$ in Millions	For the Month of September 2023					
			Variance fav (unfav)			
	Actual	Budget	\$VAR	%VAR		
Operating Revenue (*)	\$ 56.5	\$ 59.0	\$ (2.5)	-4.2%		
Operating Expense	\$ 60.6	\$ 59.1	\$ (1.5)	-2.5%		
Income from Operations	\$ (4.1)	\$ (0.1)	\$ (4.0)	-4000.0%		
<i>Operating Margin %</i>	<i>-7.3%</i>	<i>-0.1%</i>	<i>-7.2%</i>	<i>-7200.00%</i>		
Non Operating Income	\$ 1.3	\$ 1.9	\$ (0.6)	-31.6%		
Net Income	\$ (2.8)	\$ 1.8	\$ (4.6)	-255.6%		
<i>Net Income Margin %</i>	<i>-5.0%</i>	<i>3.1%</i>	<i>-8.1%</i>	<i>-261.3%</i>		

Consolidated Financial Summary

YTD September 2023

\$ in Millions	FY 2023 YTD September				
			Variance fav (unfav)		
	Actual	Budget	\$VAR	%VAR	
Operating Revenue (*)	\$ 170.9	\$ 180.1	\$ (9.2)	-5.1%	
Operating Expense	\$ 179.8	\$ 179.1	\$ (0.7)	-0.4%	
Income from Operations	\$ (8.9)	\$ 1.0	\$ (9.9)	-990.0%	
<i>Operating Margin %</i>	<i>-5.2%</i>	<i>0.6%</i>	<i>-5.8%</i>	<i>-966.7%</i>	
Non Operating Income	\$ 8.5	\$ 5.7	\$ 2.8	49.1%	
Net Income	\$ (0.4)	\$ 6.7	\$ (7.1)	-106.0%	
<i>Net Income Margin %</i>	<i>-0.2%</i>	<i>3.8%</i>	<i>-4.0%</i>	<i>-105.3%</i>	

SVHMC Revenue Highlights September 2023

Gross Revenues were 0.4% favorable to budget

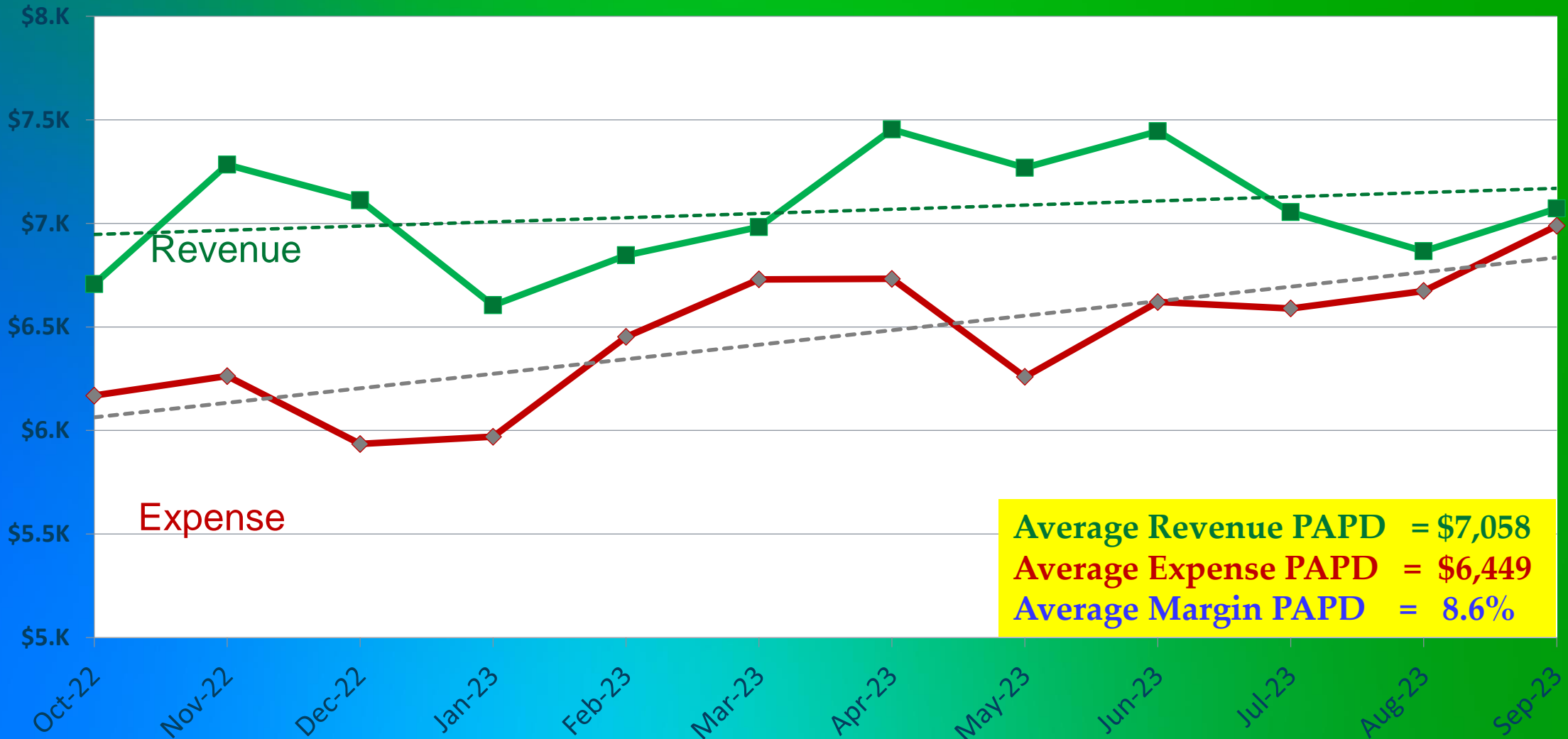
- IP Gross Revenues were 5% unfavorable to budget
- ED Gross Revenues were 4% unfavorable to budget
- OP Gross Revenues were 10% favorable to budget in the following areas:
 - OP Infusion
 - OP Surgery
 - Cath Lab
 - Radiology

- Commercial: 9% above budget
- Medicaid: 3% below budget
- Medicare: 3% below budget

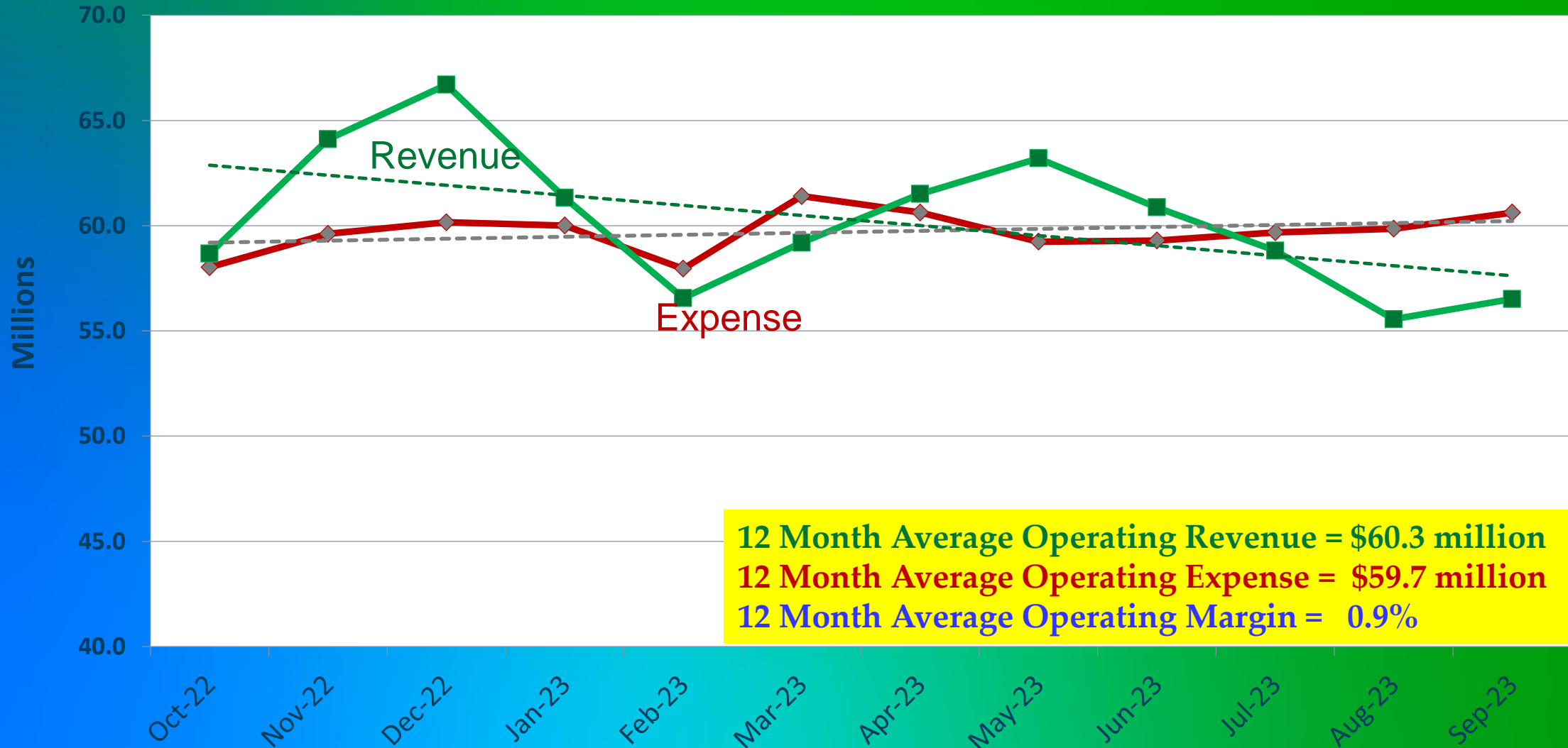
Payor Mix – Favorable

Total Normalized Net Patient Revenues were \$46M, which was unfavorable to budget by \$3M or 6.2%

SVHMC Revenues & Expenses Per Adjusted Patient Day Rolling 12 Months: Oct 22 to September 23



SVH Consolidated Revenues & Expenses Rolling 12 Months: Oct 22 to September 23



Salinas Valley Health Key Financial Indicators

Statistic	YTD	SVH		S&P A+ Rated		YTD	
	9/30/23	Target	+/-	Hospitals	+/-	9/30/22	+/-
Operating Margin*	-5.2%	5.0%		4.0%		4.2%	
Total Margin*	-0.2%	6.0%		6.6%		4.3%	
EBITDA Margin**	-1.0%	7.4%		13.6%		8.1%	
Days of Cash*	343	305		249		340	
Days of Accounts Payable*	50	45		-		53	
Days of Net Accounts Receivable***	53	45		49		49	
Supply Expense as % NPR	14.0%	14.0%		-		13.0%	
SWB Expense as % NPR	57.7%	53.0%		53.7%		54.0%	
Operating Expense per APD*	6,725	6,739		-		6,291	

*These metrics have been adjusted for normalizing items

**Metric based on Operating Income (consistent with industry standard)

***Metric based on 90 days average net revenue (consistent with industry standard)

Days of Cash and Accounts Payable metrics have been adjusted to **exclude** accelerated insurance payments (COVID-19 assistance)

Questions / Comments

SALINAS VALLEY HEALTH MEDICAL CENTER
SUMMARY INCOME STATEMENT
September 30, 2023

	<u>Month of September,</u>		<u>Three months ended September 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 46,012,594	\$ 54,134,723	\$ 141,523,756	\$ 152,340,762
Other operating revenue	1,092,460	550,444	3,320,858	2,123,543
Total operating revenue	<u>47,105,054</u>	<u>54,685,167</u>	<u>144,844,614</u>	<u>154,464,305</u>
Total operating expenses	46,704,544	46,961,216	141,312,135	138,421,519
Total non-operating income	<u>(2,862,253)</u>	<u>(5,400,920)</u>	<u>(4,099,043)</u>	<u>(8,055,351)</u>
Operating and non-operating income	<u>\$ (2,461,743)</u>	<u>\$ 2,323,032</u>	<u>\$ (566,564)</u>	<u>\$ 7,987,436</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
BALANCE SHEETS
September 30, 2023

	<u>Current year</u>	<u>Prior year</u>
ASSETS:		
Current assets	\$ 343,091,060	\$ 396,616,709
Assets whose use is limited or restricted by board	159,161,047	149,879,860
Capital assets	247,619,275	238,080,267
Other assets	277,420,772	188,380,719
Deferred pension outflows	<u>116,911,125</u>	<u>95,857,027</u>
	<u>\$ 1,144,203,279</u>	<u>\$ 1,068,814,582</u>
LIABILITIES AND EQUITY:		
Current liabilities	88,848,359	105,501,364
Long term liabilities	16,586,197	18,514,233
Lease deferred inflows	2,391,461	1,911,058
Pension liability	124,875,355	79,111,485
Net assets	<u>911,501,907</u>	<u>863,776,442</u>
	<u>\$ 1,144,203,279</u>	<u>\$ 1,068,814,582</u>

**SALINAS VALLEY HEALTH MEDICAL CENTER
SCHEDULES OF NET PATIENT REVENUE
September 30, 2023**

	<u>Month of September,</u>		<u>Three months ended September 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Patient days:				
By payer:				
Medicare	1,558	1,762	5,211	5,658
Medi-Cal	934	1,146	2,881	3,271
Commercial insurance	747	704	1,999	2,252
Other patient	171	76	375	295
Total patient days	<u>3,410</u>	<u>3,688</u>	<u>10,466</u>	<u>11,476</u>
Gross revenue:				
Medicare	\$ 98,943,079	\$ 96,219,935	\$ 323,155,386	\$ 297,290,893
Medi-Cal	65,009,550	67,211,441	193,252,953	190,759,092
Commercial insurance	54,980,549	52,928,243	156,981,893	156,753,414
Other patient	10,046,899	6,978,176	29,039,726	23,629,799
Gross revenue	<u>228,980,077</u>	<u>223,337,794</u>	<u>702,429,958</u>	<u>668,433,197</u>
	71.6%	73.2%	73.5%	73.0%
Deductions from revenue:				
Administrative adjustment	103,717	107,512	650,042	610,292
Charity care	275,573	535,361	2,202,258	2,253,469
Contractual adjustments:				
Medicare outpatient	30,706,988	30,181,299	102,634,602	91,759,869
Medicare inpatient	39,450,671	35,407,331	135,260,412	125,700,425
Medi-Cal traditional outpatient	2,806,770	3,220,276	7,915,786	9,948,427
Medi-Cal traditional inpatient	3,318,265	4,195,198	13,102,625	13,182,718
Medi-Cal managed care outpatient	29,060,443	27,313,755	86,685,237	75,497,264
Medi-Cal managed care inpatient	22,828,838	25,823,325	66,104,711	71,310,003
Commercial insurance outpatient	23,767,568	18,201,106	65,714,927	53,320,836
Commercial insurance inpatient	23,981,186	20,268,730	62,932,393	58,712,860
Uncollectible accounts expense	4,233,461	4,021,602	12,720,931	11,922,369
Other payors	2,434,003	(72,422)	4,982,278	1,873,905
Deductions from revenue	<u>182,967,483</u>	<u>169,203,071</u>	<u>560,906,202</u>	<u>516,092,435</u>
Net patient revenue	<u>\$ 46,012,594</u>	<u>\$ 54,134,723</u>	<u>\$ 141,523,756</u>	<u>\$ 152,340,762</u>
	20.09%	24.24%	20.15%	22.79%
Gross billed charges by patient type:				
Inpatient	\$ 117,121,416	\$ 112,650,472	\$ 354,642,336	\$ 348,700,935
Outpatient	83,818,583	81,402,029	258,157,289	235,084,367
Emergency room	28,040,078	29,285,293	89,630,334	84,647,896
Total	<u>\$ 228,980,077</u>	<u>\$ 223,337,794</u>	<u>\$ 702,429,959</u>	<u>\$ 668,433,197</u>

**SALINAS VALLEY HEALTH MEDICAL CENTER
STATEMENTS OF REVENUE AND EXPENSES
September 30, 2023**

	<u>Month of September,</u>		<u>Three months ended September 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 46,012,594	\$ 54,134,723	\$ 141,523,756	\$ 152,340,762
Other operating revenue	<u>1,092,460</u>	<u>550,444</u>	<u>3,320,858</u>	<u>2,123,543</u>
Total operating revenue	<u>47,105,054</u>	<u>54,685,167</u>	<u>144,844,614</u>	<u>154,464,305</u>
Operating expenses:				
Salaries and wages	15,957,942	17,421,381	48,393,068	53,059,981
Compensated absences	2,761,043	2,519,565	8,706,705	7,959,046
Employee benefits	8,071,962	7,358,322	25,937,521	22,163,547
Supplies, food, and linen	6,647,977	7,497,972	20,566,727	20,470,893
Purchased department functions	4,534,538	4,356,683	12,358,909	11,572,083
Medical fees	2,624,703	2,049,972	7,669,865	5,420,274
Other fees	2,034,277	2,527,182	6,421,924	7,166,910
Depreciation	2,231,809	1,651,869	5,843,409	5,683,598
All other expense	1,840,293	1,578,270	5,414,007	4,925,187
Total operating expenses	<u>46,704,544</u>	<u>46,961,216</u>	<u>141,312,135</u>	<u>138,421,519</u>
Income from operations	<u>400,510</u>	<u>7,723,951</u>	<u>3,532,479</u>	<u>16,042,786</u>
Non-operating income:				
Donations	0	169,553	1,132,687	2,301,378
Property taxes	333,333	333,333	1,000,000	1,000,000
Investment income	1,148,556	(3,134,114)	5,689,294	(3,374,640)
Taxes and licenses	0	0	0	0
Income from subsidiaries	<u>(4,344,142)</u>	<u>(2,769,692)</u>	<u>(11,921,024)</u>	<u>(7,982,089)</u>
Total non-operating income	<u>(2,862,253)</u>	<u>(5,400,920)</u>	<u>(4,099,043)</u>	<u>(8,055,351)</u>
Operating and non-operating income	<u>(2,461,743)</u>	<u>2,323,032</u>	<u>(566,564)</u>	<u>7,987,436</u>
Net assets to begin	<u>913,963,650</u>	<u>861,453,410</u>	<u>912,068,471</u>	<u>855,789,006</u>
Net assets to end	<u>\$ 911,501,907</u>	<u>\$ 863,776,442</u>	<u>\$ 911,501,907</u>	<u>\$ 863,776,442</u>
Net income excluding non-recurring items	\$ (2,461,743)	\$ 2,323,032	\$ (566,564)	\$ 7,987,436
Non-recurring income (expense) from cost report settlements and re-openings and other non-recurring items	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating and non-operating income	<u>\$ (2,461,743)</u>	<u>\$ 2,323,032</u>	<u>\$ (566,564)</u>	<u>\$ 7,987,436</u>

**SALINAS VALLEY HEALTH MEDICAL CENTER
SCHEDULES OF INVESTMENT INCOME
September 30, 2023**

	Month of September,		Three months ended September 30,	
	current year	prior year	current year	prior year
Detail of other operating income:				
Dietary revenue	\$ 185,507	\$ 111,488	\$ 578,276	\$ 373,419
Discounts and scrap sale	370,827	824	659,062	274,499
Sale of products and services	23,157	17,596	135,954	97,167
Clinical trial fees	0	0	0	0
Stimulus Funds	0	0	0	0
Rental income	151,804	173,485	532,572	523,336
Other	361,165	247,051	1,414,994	855,122
	<u>\$ 1,092,460</u>	<u>\$ 550,444</u>	<u>\$ 3,320,858</u>	<u>\$ 2,123,543</u>
Detail of investment income:				
Bank and payor interest	\$ 1,308,603	\$ 662,142	\$ 4,173,054	\$ 1,179,962
Income from investments	(160,047)	(3,791,540)	1,573,126	(4,549,887)
Gain or loss on property and equipment	0	(4,715)	(56,887)	(4,715)
	<u>\$ 1,148,556</u>	<u>\$ (3,134,114)</u>	<u>\$ 5,689,294</u>	<u>\$ (3,374,640)</u>
Detail of income from subsidiaries:				
Salinas Valley Medical Center:				
Pulmonary Medicine Center	\$ (205,991)	\$ (88,756)	\$ (565,980)	\$ (496,170)
Neurological Clinic	(60,052)	(155,202)	(195,483)	(231,778)
Palliative Care Clinic	(86,344)	(51,001)	(232,998)	(183,255)
Surgery Clinic	(176,189)	(90,825)	(576,556)	(381,241)
Infectious Disease Clinic	(33,095)	(31,748)	(94,544)	(86,592)
Endocrinology Clinic	(211,593)	(109,335)	(630,153)	(469,673)
Early Discharge Clinic	0	0	0	0
Cardiology Clinic	(595,432)	(354,671)	(1,592,397)	(1,104,945)
OB/GYN Clinic	(352,727)	(273,134)	(1,051,643)	(885,552)
PrimeCare Medical Group	(1,012,388)	(261,713)	(2,510,265)	(1,150,011)
Oncology Clinic	(303,853)	(251,289)	(922,274)	(754,547)
Cardiac Surgery	(428,015)	(349,700)	(918,192)	(787,400)
Sleep Center	(46,075)	23,695	(118,431)	(59,389)
Rheumatology	(57,820)	(69,476)	(188,765)	(185,698)
Precision Ortho MDs	(404,490)	(391,338)	(1,206,252)	(835,554)
Precision Ortho-MRI	0	0	0	0
Precision Ortho-PT	(29,389)	104,925	(131,259)	(120,069)
Vaccine Clinic	0	(1,030)	0	(1,254)
Dermatology	(54,681)	82,258	(104,450)	(43,040)
Hospitalists	0	0	0	0
Behavioral Health	(36,384)	(716,454)	(110,185)	(72,336)
Pediatric Diabetes	(51,652)	(50,614)	(143,266)	(140,148)
Neurosurgery	(21,600)	(12,719)	(81,954)	(70,965)
Multi-Specialty-RR	4,216	10,191	15,632	20,937
Radiology	(103,764)	(94,632)	(530,727)	(413,748)
Salinas Family Practice	(119,391)	(63,707)	(385,155)	(237,411)
Urology	(251,025)	47,502	(489,277)	(174,126)
Total SVMC	(4,637,734)	(3,148,773)	(12,764,574)	(8,863,965)
Doctors on Duty	113,982	64,212	300,313	289,319
LPCH NICU JV	0	0	0	0
Monterey Peninsula Surgery Center	130,531	211,934	356,288	401,453
Coastal	21,306	64,627	108,687	35,977
GenesisCare USA	(22,618)	(19,752)	(21,601)	28,000
Monterey Bay Endoscopy Center	50,390	58,061	99,862	127,127
	<u>\$ (4,344,142)</u>	<u>\$ (2,769,692)</u>	<u>\$ (11,921,024)</u>	<u>\$ (7,982,089)</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
BALANCE SHEETS
September 30, 2023

	Current year	Prior year
A S S E T S		
Current assets:		
Cash and cash equivalents	\$ 233,398,034	\$ 289,479,971
Patient accounts receivable, net of estimated uncollectibles of \$26,453,726	87,402,981	84,941,326
Supplies inventory at cost	7,929,121	7,599,460
Current portion of lease receivable	1,634,496	534,201
Other current assets	12,726,429	14,061,752
Total current assets	343,091,060	396,616,709
Assets whose use is limited or restricted by board	159,161,047	149,879,860
Capital assets:		
Land and construction in process	65,515,184	39,324,547
Other capital assets, net of depreciation	182,104,091	198,755,720
Total capital assets	247,619,275	238,080,267
Other assets:		
Right of use assets, net of amortization	5,202,770	7,137,296
Long term lease receivable	919,422	1,462,610
Investment in securities	246,887,410	141,849,676
Investment in SVMC	4,768,395	12,007,778
Investment in Aspire/CHI/Coastal	1,790,328	1,679,677
Investment in other affiliates	21,281,623	23,538,548
Net pension asset	(3,429,176)	705,134
Total other assets	277,420,772	188,380,719
Deferred pension outflows	116,911,125	95,857,027
Total assets	\$ 1,144,203,279	\$ 1,068,814,582

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable and accrued expenses	\$ 63,338,193	\$ 61,648,381
Due to third party payers	6,144,249	23,067,473
Current portion of notes payable	0	0
Current portion of self-insurance liability	17,525,546	17,849,542
Current portion of lease liability	1,840,371	2,935,968
Total current liabilities	88,848,359	105,501,364
Long term portion of notes payable	0	0
Long term portion of workers comp liability	13,027,333	14,058,922
Long term portion of lease liability	3,558,864	4,455,311
Total liabilities	105,434,556	124,015,597
Lease deferred inflows	2,391,461	1,911,058
Pension liability	124,875,355	79,111,485
Net assets:		
Invested in capital assets, net of related debt	247,619,275	238,080,267
Unrestricted	663,882,632	625,696,175
Total net assets	911,501,907	863,776,442
Total liabilities and net assets	\$ 1,144,203,279	\$ 1,068,814,582

SALINAS VALLEY HEALTH MEDICAL CENTER
STATEMENTS OF REVENUE AND EXPENSES - BUDGET VS. ACTUAL
September 30, 2023

	Month of September,				Three months ended September 30,			
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var
Operating revenue:								
Gross billed charges	\$ 228,980,077	\$ 228,115,069	865,008	0.38%	\$ 702,429,958	\$ 699,612,758	2,817,200	0.40%
Deductions from revenue	182,967,483	179,068,316	3,899,167	2.18%	560,906,202	550,005,655	10,900,547	1.98%
Net patient revenue	46,012,594	49,046,753	(3,034,159)	-6.19%	141,523,756	149,607,103	(8,083,347)	-5.40%
Other operating revenue	1,092,460	1,332,540	(240,080)	-18.02%	3,320,858	3,997,620	(676,762)	-16.93%
Total operating revenue	47,105,054	50,379,293	(3,274,239)	-6.50%	144,844,614	153,604,723	(8,760,109)	-5.70%
Operating expenses:								
Salaries and wages	15,957,942	16,706,442	(748,500)	-4.48%	48,393,068	50,643,792	(2,250,724)	-4.44%
Compensated absences	2,761,043	2,984,265	(223,222)	-7.48%	8,706,705	9,502,594	(795,889)	-8.38%
Employee benefits	8,071,962	7,815,273	256,689	3.28%	25,937,521	23,903,458	2,034,063	8.51%
Supplies, food, and linen	6,647,977	6,679,670	(31,693)	-0.47%	20,566,727	20,478,227	88,500	0.43%
Purchased department functions	4,534,538	3,539,228	995,310	28.12%	12,358,909	10,617,688	1,741,221	16.40%
Medical fees	2,624,703	2,359,060	265,643	11.26%	7,669,865	7,077,181	592,684	8.37%
Other fees	2,034,277	2,222,815	(188,538)	-8.48%	6,421,924	6,761,871	(339,947)	-5.03%
Depreciation	2,231,809	2,116,532	115,277	5.45%	5,843,409	6,396,014	(552,605)	-8.64%
All other expense	1,840,293	1,801,863	38,430	2.13%	5,414,007	5,484,524	(70,517)	-1.29%
Total operating expenses	46,704,544	46,225,149	479,395	1.04%	141,312,135	140,865,348	446,787	0.32%
Income from operations	400,510	4,154,144	(3,753,634)	-90.36%	3,532,479	12,739,376	(9,206,897)	-72.27%
Non-operating income:								
Donations	0	166,667	(166,667)	-100.00%	1,132,687	500,000	632,687	126.54%
Property taxes	333,333	333,333	(0)	0.00%	1,000,000	1,000,000	0	0.00%
Investment income	1,148,556	1,185,806	(37,250)	-3.14%	5,689,294	3,557,417	2,131,878	59.93%
Income from subsidiaries	(4,344,142)	(4,099,360)	(244,782)	5.97%	(11,921,024)	(11,513,835)	(407,189)	3.54%
Total non-operating income	(2,862,253)	(2,413,555)	(448,698)	18.59%	(4,099,043)	(6,456,419)	2,357,376	-36.51%
Operating and non-operating income	\$ (2,461,743)	\$ 1,740,590	(4,202,333)	-241.43%	\$ (566,564)	\$ 6,282,957	(6,849,521)	-109.02%

**SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT**

For the month of Sep and three months to date

	<u>Month of Sep</u>		<u>Three months to date</u>		<u>Variance</u>
	<u>2022</u>	<u>2023</u>	<u>2022-23</u>	<u>2023-24</u>	
<u>NEWBORN STATISTICS</u>					
Medi-Cal Admissions	40	30	114	101	(13)
Other Admissions	84	79	266	250	(16)
Total Admissions	124	109	380	351	(29)
Medi-Cal Patient Days	63	55	181	162	(19)
Other Patient Days	134	139	434	415	(19)
Total Patient Days of Care	197	194	615	577	(38)
Average Daily Census	6.6	6.5	6.7	6.3	(0.4)
Medi-Cal Average Days	1.8	1.9	1.7	1.7	0.0
Other Average Days	1.2	1.8	1.6	1.7	0.1
Total Average Days Stay	1.7	1.8	1.6	1.7	0.1
<u>ADULTS & PEDIATRICS</u>					
Medicare Admissions	356	335	1,157	1,098	(59)
Medi-Cal Admissions	331	218	824	723	(101)
Other Admissions	395	290	949	861	(88)
Total Admissions	1,082	843	2,930	2,682	(248)
Medicare Patient Days	1,387	1,288	4,637	4,456	(181)
Medi-Cal Patient Days	1,183	977	3,401	2,995	(406)
Other Patient Days	1,005	891	3,072	2,262	(810)
Total Patient Days of Care	3,575	3,156	11,110	9,713	(1,397)
Average Daily Census	119.2	105.2	120.8	105.6	(15.2)
Medicare Average Length of Stay	3.9	3.9	4.0	4.1	0.1
Medi-Cal Average Length of Stay	3.6	3.9	3.5	3.6	0.0
Other Average Length of Stay	2.6	2.5	2.6	2.1	(0.6)
Total Average Length of Stay	3.3	3.3	3.4	3.2	(0.2)
Deaths	22	18	64	69	5
Total Patient Days	3,772	3,350	11,725	10,290	(1,435)
Medi-Cal Administrative Days	4	0	27	5	(22)
Medicare SNF Days	0	0	0	0	0
Over-Utilization Days	0	0	0	0	0
Total Non-Acute Days	4	0	27	5	(22)
Percent Non-Acute	0.11%	0.00%	0.23%	0.05%	-0.18%

**SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT**

For the month of Sep and three months to date

	<u>Month of Sep</u>		<u>Three months to date</u>		<u>Variance</u>
	<u>2022</u>	<u>2023</u>	<u>2022-23</u>	<u>2023-24</u>	
<u>PATIENT DAYS BY LOCATION</u>					
Level I	250	270	796	709	(87)
Heart Center	338	329	1,025	996	(29)
Monitored Beds	641	616	1,933	1,839	(94)
Single Room Maternity/Obstetrics	326	308	1,043	950	(93)
Med/Surg - Cardiovascular	809	718	2,703	2,374	(329)
Med/Surg - Oncology	272	261	675	818	143
Med/Surg - Rehab	463	364	1,549	1,270	(279)
Pediatrics	127	126	366	371	5
Nursery	197	194	615	577	(38)
Neonatal Intensive Care	111	164	370	386	16
<u>PERCENTAGE OF OCCUPANCY</u>					
Level I	64.10%	69.23%	66.56%	59.28%	
Heart Center	75.11%	73.11%	74.28%	72.17%	
Monitored Beds	79.14%	76.05%	77.82%	74.03%	
Single Room Maternity/Obstetrics	29.37%	27.75%	30.64%	27.91%	
Med/Surg - Cardiovascular	59.93%	53.19%	65.29%	57.34%	
Med/Surg - Oncology	69.74%	66.92%	56.44%	68.39%	
Med/Surg - Rehab	59.36%	46.67%	64.76%	53.09%	
Med/Surg - Observation Care Unit	0.00%	0.00%	0.00%	0.00%	
Pediatrics	23.52%	23.33%	22.10%	22.40%	
Nursery	39.80%	39.19%	20.26%	19.01%	
Neonatal Intensive Care	33.64%	49.70%	36.56%	38.14%	

**SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT**

For the month of Sep and three months to date

	<u>Month of Sep</u>		<u>Three months to date</u>		<u>Variance</u>
	<u>2022</u>	<u>2023</u>	<u>2022-23</u>	<u>2023-24</u>	
<u>DELIVERY ROOM</u>					
Total deliveries	108	105	362	341	(21)
C-Section deliveries	31	32	102	109	7
Percent of C-section deliveries	28.70%	30.48%	28.18%	31.96%	3.79%
<u>OPERATING ROOM</u>					
In-Patient Operating Minutes	18,595	14,247	55,887	48,163	(7,724)
Out-Patient Operating Minutes	29,255	32,012	78,279	89,279	11,000
Total	47,850	46,259	134,166	137,442	3,276
Open Heart Surgeries	16	9	38	30	(8)
In-Patient Cases	126	105	403	351	(52)
Out-Patient Cases	295	305	818	877	59
<u>EMERGENCY ROOM</u>					
Immediate Life Saving	20	36	80	111	31
High Risk	545	654	1,605	2,097	492
More Than One Resource	3,019	2,770	8,891	8,542	(349)
One Resource	2,020	2,030	5,944	5,588	(356)
No Resources	96	104	278	329	51
Total	<u>5,700</u>	<u>5,594</u>	<u>16,798</u>	<u>16,667</u>	<u>(131)</u>

**SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT**

For the month of Sep and three months to date

	Month of Sep		Three months to date		Variance
	2022	2023	2022-23	2023-24	
CENTRAL SUPPLY					
In-patient requisitions	15,056	12,139	43,964	39,927	-4,037
Out-patient requisitions	9,748	10,151	28,503	31,301	2,798
Emergency room requisitions	605	888	1,810	2,641	831
Interdepartmental requisitions	6,570	6,360	21,062	18,923	-2,139
Total requisitions	31,979	29,538	95,339	92,792	-2,547
LABORATORY					
In-patient procedures	36,192	33,797	113,589	105,329	-8,260
Out-patient procedures	11,321	10,924	33,326	33,383	57
Emergency room procedures	12,866	12,633	38,412	39,080	668
Total patient procedures	60,379	57,354	185,327	177,792	-7,535
BLOOD BANK					
Units processed	292	273	966	938	-28
ELECTROCARDIOLOGY					
In-patient procedures	1,060	997	3,210	3,093	-117
Out-patient procedures	355	344	1,111	1,166	55
Emergency room procedures	1,124	1,210	3,354	3,669	315
Total procedures	2,539	2,551	7,675	7,928	253
CATH LAB					
In-patient procedures	95	97	287	337	50
Out-patient procedures	88	97	271	290	19
Emergency room procedures	1	0	1	0	-1
Total procedures	184	194	559	627	68
ECHO-CARDIOLOGY					
In-patient studies	379	337	1,173	1,020	-153
Out-patient studies	217	233	679	726	47
Emergency room studies	3	0	3	0	-3
Total studies	599	570	1,855	1,746	-109
NEURODIAGNOSTIC					
In-patient procedures	134	120	447	376	-71
Out-patient procedures	11	13	51	55	4
Emergency room procedures	0	0	0	0	0
Total procedures	145	133	498	431	-67

**SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT**

For the month of Sep and three months to date

	Month of Sep		Three months to date		Variance
	2022	2023	2022-23	2023-24	
SLEEP CENTER					
In-patient procedures	0	0	0	0	0
Out-patient procedures	129	202	443	636	193
Emergency room procedures	0	0	0	0	0
Total procedures	129	202	443	636	193
RADIOLOGY					
In-patient procedures	1,294	1,278	3,994	3,746	-248
Out-patient procedures	381	377	1,122	1,235	113
Emergency room procedures	1,553	1,489	4,370	4,478	108
Total patient procedures	3,228	3,144	9,486	9,459	-27
MAGNETIC RESONANCE IMAGING					
In-patient procedures	155	136	504	441	-63
Out-patient procedures	116	113	336	391	55
Emergency room procedures	7	5	23	25	2
Total procedures	278	254	863	857	-6
MAMMOGRAPHY CENTER					
In-patient procedures	3,948	4,231	12,667	12,234	-433
Out-patient procedures	3,920	4,197	12,559	12,136	-423
Emergency room procedures	0	4	2	4	2
Total procedures	7,868	8,432	25,228	24,374	-854
NUCLEAR MEDICINE					
In-patient procedures	17	17	66	56	-10
Out-patient procedures	100	95	297	317	20
Emergency room procedures	0	0	1	0	-1
Total procedures	117	112	364	373	9
PHARMACY					
In-patient prescriptions	85,619	78,767	272,341	240,760	-31,581
Out-patient prescriptions	14,998	16,001	45,757	48,060	2,303
Emergency room prescriptions	8,507	9,056	25,732	27,329	1,597
Total prescriptions	109,124	103,824	343,830	316,149	-27,681
RESPIRATORY THERAPY					
In-patient treatments	14,204	17,170	44,605	45,080	475
Out-patient treatments	1,237	1,129	2,950	3,914	964
Emergency room treatments	430	548	1,013	1,236	223
Total patient treatments	15,871	18,847	48,568	50,230	1,662
PHYSICAL THERAPY					
In-patient treatments	2,305	2,569	7,253	7,345	92
Out-patient treatments	153	270	569	767	198
Emergency room treatments	0	0	0	0	0
Total treatments	2,458	2,839	7,822	8,112	290

**SALINAS VALLEY HEALTH MEDICAL CENTER
PATIENT STATISTICAL REPORT**

For the month of Sep and three months to date

	Month of Sep		Three months to date		Variance
	2022	2023	2022-23	2023-24	
OCCUPATIONAL THERAPY					
In-patient procedures	1,720	1,554	4,901	4,511	-390
Out-patient procedures	174	212	491	687	196
Emergency room procedures	0	0	0	0	0
Total procedures	<u>1,894</u>	<u>1,766</u>	<u>5,392</u>	<u>5,198</u>	<u>-194</u>
SPEECH THERAPY					
In-patient treatments	379	508	1,319	1,395	76
Out-patient treatments	30	15	81	88	7
Emergency room treatments	0	0	0	0	0
Total treatments	<u>409</u>	<u>523</u>	<u>1,400</u>	<u>1,483</u>	<u>83</u>
CARDIAC REHABILITATION					
In-patient treatments	0	0	0	2	2
Out-patient treatments	474	424	1,349	1,508	159
Emergency room treatments	0	0	0	0	0
Total treatments	<u>474</u>	<u>424</u>	<u>1,349</u>	<u>1,510</u>	<u>161</u>
CRITICAL DECISION UNIT					
Observation hours	<u>346</u>	<u>280</u>	<u>1,010</u>	<u>891</u>	<u>-119</u>
ENDOSCOPY					
In-patient procedures	84	72	297	209	-88
Out-patient procedures	62	56	132	151	19
Emergency room procedures	0	0	0	0	0
Total procedures	<u>146</u>	<u>128</u>	<u>429</u>	<u>360</u>	<u>-69</u>
C.T. SCAN					
In-patient procedures	679	673	2,090	2,075	-15
Out-patient procedures	417	325	1,242	1,287	45
Emergency room procedures	705	692	2,100	2,258	158
Total procedures	<u>1,801</u>	<u>1,690</u>	<u>5,432</u>	<u>5,620</u>	<u>188</u>
DIETARY					
Routine patient diets	42,805	21,324	84,154	63,649	-20,505
Meals to personnel	<u>25,145</u>	<u>27,758</u>	<u>75,402</u>	<u>84,391</u>	<u>8,989</u>
Total diets and meals	<u>67,950</u>	<u>49,082</u>	<u>159,556</u>	<u>148,040</u>	<u>-11,516</u>
LAUNDRY AND LINEN					
Total pounds laundered	<u>92,310</u>	<u>94,184</u>	<u>288,416</u>	<u>287,593</u>	<u>-823</u>

**Capital Spending Update
Active Projects Approved By The Board
FY2024 September YTD**

Rolf Norman & Dave Sullivan

FY24 YTD September Capital Spending, Active Projects

Board Approvals Capital Projects From BOD Minutes Through September 2023

	(1) Project Name	(2) Board Approved Month	(3) Board Approved Amount	(4) FY2024 Spend	(5) Total Project Spend Since Inception	(6) Under / (Over) Spend Since Inception
1	Parking Garage Annex Design/Build	Mar 20, Jan 21, Jul 21, & Jan 22	\$36,000,000	\$3,471,285	\$22,074,975	\$13,925,025
1a	Medical Center Campus Painting (currently included in #1)	Sep. 2023	\$3,500,000			
2	Surgery Addition + Seismic Retrofit, Master Plan	Aug 2019 & Sep 2019 & April 2022	\$12,821,264	\$215,074	\$7,254,608	\$5,566,656
2a	Surgery Addition/Patient Tower (included in #2)			\$0	\$1,012,462	
2b	Seismic Retrofit (included in #2)			\$217,462	\$803,630	
2c	Welcome Center (included in #2)			\$0	\$99,067	
3	Renovations to 559 Abbott Street for Urology Services	Sep. 2022	\$3,379,628	\$1,629,713	\$2,532,307	\$847,321
4	CT Equipment Replacement Project,	Aug 2022	\$3,139,050	\$123,237	\$404,550	\$2,734,500
5	Nuclear Medicine Equipment Replacement	Aug 2022	\$3,002,053	\$241,931	\$569,504	\$2,432,549
6	Elevator Modernization	December 2021	\$2,600,000	\$151,394	\$1,147,440	\$1,452,560
7	Bulk Oxygen tank replacement project	Aug 2022, Oct 2022	\$2,800,000	\$158,091	\$674,182	\$2,125,818
Total			\$63,741,995	\$5,990,725	\$34,657,566	\$29,084,429
Other projects:						
8	IT Switches, Servers, Network, Computers, AV Upgrades.	N/A		\$848,477		
9	All Other SVMH/SVMC Capital Spending	N/A		\$492,262		
Grand Total				\$7,331,464		

*QUESTIONS /
COMMENTS?*

ADJOURNMENT