

*Setting the Standard in Health Care Excellence*

February 27, 2024

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, California 93009**SUBJECT:**

**Approval of, and Authorization for the County of Ventura Purchasing Agent or Designee to Issue Purchase Orders with South Coast Funding Group, Inc. for Various Repairs at Various Health Care Agency (HCA) Locations in the Amount of \$267,851 for Prior Fiscal Years, and \$2,476,171 for Fiscal Year 2023-24; Ratification of HCA's Authorization for South Coast Funding Group, Inc. to Provide Services in Anticipation of Your Board's Approval; and Authorization for the Auditor-Controller to Process Necessary Budgetary Transactions. (Recommendation #2 Requires 4/5ths Vote).**

**RECOMMENDATIONS:**

1. That your Board approve, and authorize the Purchasing Agent or designee to issue purchase documents with South Coast Funding Group, Inc. (QWIK Response) in the amounts of \$267,851 for prior fiscal years (Table No. 1) and \$2,476,171 for FY2023-24 (Table No. 2), and ratify the Health Care Agency's (HCA) authorization of the contractor to provide services in anticipation of your Board's approval.
2. That your Board authorize the Auditor-Controller to process the budgetary transactions necessary to revise appropriations and revenue as follows (Requires 4/5ths vote):

**VCMC Fund E500:**

INCREASE 3300-3301 Other Financing Sources	\$2,710,056
INCREASE 3300-3301 Services & Supplies	\$2,710,056
INCREASE 3300-3371 Other Financing Sources	\$ 33,966
INCREASE 3300-3371 Services & Supplies	\$ 33,966

## **REASON FOR RATIFICATION**

HCA did not request emergency purchase orders for repairs related to insurance claims and other emergency repairs and continued to use QWIK Response for these necessary repairs. HCA is now requesting your Board's approval for the Purchasing Agent to execute the necessary purchase documents for the repairs performed by QWIK Response.

## **FISCAL IMPACT:**

Mandatory: No  
Source of Funding: Insurance Claims, and VCMC Operating Revenues/Collections  
Funding Match Required: None  
Impact on Other Departments: N/A

Summary of Annual Revenues and Costs Under this agreement:

	<u>Fiscal Year 2023-24</u>	<u>Fiscal Year 2024-25</u>
REVENUE:	\$2,744,022	\$0
DIRECT COSTS:	\$2,744,022*	\$0
INDIRECT COSTS:	Minor	Minor
Net Revenue <cost>	\$0	\$0

\*\$267,851 was incurred in prior fiscal years.

**Table No. 1**

Date	Inv Num	QwikResponse Job Name	Insurance Claim Info	Job Total for EPO
<b>Historic Fiscal Year</b>				
06/16/2021	18378	County of Ventura - HCA:21-0064	Mclarens #: 002.055167.00 Date of Loss: 1/22/2021 Source: Sewer line in ceiling	\$ 29,670.77
11/24/2021	18840	County of Ventura - HCA:21-0064		\$ 57,866.54
11/30/2021	18847	County of Ventura - HCA:21-0064		\$ 11,356.50
05/31/2022	19412	County of Ventura - HCA:20-0489	Mclarens #: 002.053118.00 Date of Loss: 7/23/2020 Location: Room 314 North - VCMC	\$ 32,862.05
06/27/2022	19583	County of Ventura - HCA:20-0489		\$ 28,782.32
06/26/2022	19582	County of Ventura - HCA:20-0504	Mclarens #: 002.053119.00 Date of Loss: 7/27/2020 Location: 2nd Floor Surgical Center - remediation for leak in Room 314	\$ 53,767.91
05/31/2023	20551	County of Ventura - HCA:22-0793	Date of Service: 11/22/2022 3rd floor bio waste room leak	\$ 9,990.37
06/20/2023	20627	County of Ventura - HCA:22-0403	Date of Service: 06/21/2022 VCMC CT room & quiet room flood - crack in sewer line	\$ 9,588.00
06/30/2023	20677	County of Ventura - HCA:20-0908	Date of Rental: 7/01/2021 to 11/15/2022 Santa Paula Hospital - COVID room air scrubbers - to create negative pressure during the pandemic	\$ 33,965.78
<b>Total Prior FY</b>				<b>\$ 267,850.24</b>

**Table No. 2**

Date	Inv Num	QwikResponse Job Name	Insurance Claim Info	Job Total for EPO
Current Fiscal Year				
7/28/2023	20742	County of Ventura - HCA:23-0455	Mclarens #: 002.059632.00.G Date of Loss: 4/27/2023 Location: 5-Story - VCMC - 1st flood due to a broken shut off valve	\$1,535,808.74
10/25/2023	21027	County of Ventura - HCA:23-0455		
7/28/2023	20743	County of Ventura - HCA:23-0455		
TBD	TBD	County of Ventura - HCA:23-0455		
11/9/2023	21102	County of Ventura - HCA:23-0455	Mclarens #: 002.060065.00 Date of Loss: 6/17/2023 Location: 5-Story - VCMC - 2nd flood - due to a broken shut off valve	
TBD	TBD	County of Ventura - HCA:23-0455		
7/28/2023	20744	County of Ventura - HCA Clinics:23-0488	Mclarens #: 002.058919.00 Date of Loss: Approx May 2023 Location: Santa Paula Medical Clinic Flood and mold issue	\$ 779,228.18
8/31/2023	20855	County of Ventura - HCA Clinics:23-0488		
9/14/2023	20887	County of Ventura - HCA Clinics:23-0488		
2/4/2024	21297s	County of Ventura - HCA Clinics:23-0488		
9/20/2023	20919	County of Ventura - HCA Clinics:23-0488		
11/30/2023	21163	County of Ventura - HCA Clinics:23-0488		
8/3/2023	20770	County of Ventura - HCA:23-0583	Mclarens #: Unknown Date of Loss: 6/17/2023 Location: Med Surg 3 - VCMC - backflow malfunction, floor sink overflow	\$ 161,133.98
TBD	TBD	County of Ventura - HCA:23-0583		
Total FY2023-24				\$ 2,476,170.90
Grand Total				\$ 2,744,021.14

**CURRENT FISCAL YEAR BUDGET:**

<b>Current FY 2023-24 Budget Projections for Ventura County Medical Center #3300</b>				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Expenditures	\$673,790,899	\$673,790,899	\$673,790,899	\$0
Revenue	\$665,452,626	\$665,452,626	\$665,452,626	\$0
Operational Income/(Loss)	(\$8,338,273)	(\$8,338,273)	(\$8,338,273)	\$0

The operational income includes "Operating Transfers In" that are primarily attributed to County contribution.

**STRATEGIC PLAN PRIORITY:**

The item presented in this Board letter supports the Healthy, Safe, and Resilient Communities strategic priority of the County Strategic Plan as it is designed to meet the goal of providing access to quality healthcare required for our community to thrive.



**DISCUSSION:**

The County has contracted with QWIK Response to provide services for damage mitigation and assessments. HCA has used QWIK Response to provide remediation services related to water intrusions, as well as sewer, or mold damage caused by broken pipes, storms, or other unforeseen issues. HCA has spent approximately \$89,000 this fiscal year for remediation work at the hospitals. In addition, there were two major intrusions that occurred at two ambulatory care clinic sites. This includes a pipe burst at 340 Hillmont Avenue in Ventura, sending water cascading throughout the 5th floor and subsequently down all floors, an elevator shaft, and the main lobby, and another water intrusion at the Santa Paula medical clinic, located at 1334 Main Street in Santa Paula where mold damage was also found, requiring the clinic to relocate to an alternate site during cleanup. Much of the damages identified above has been covered by insurance.

This letter has been reviewed by the County Executive Office, County Counsel, Auditor-Controller's Office, and General Services Agency Procurement Services. If you have any questions regarding this item, please call John Fankhauser, M.D., Chief Executive Officer, County Hospitals, at 805-652-6058, or Theresa Cho, M.D., Chief Executive Officer, Ambulatory Care, at 805-677-5223.

  
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