

Johnson K. Gill Health Care Agency Director

Setting the Standard in Health Care Excellence

Kim S. Milstien Chief Deputy Director

Matthew Sandoval
Chief Deputy Director
Compliance Officer

December 4, 2018

Board of Supervisors County of Ventura 800 South Victoria Avenue Ventura, CA 93009

## Subject:

Waiver of County Administrative Manual Policy No. Chapter VI-1 Prohibiting the Inclusion of Attorney's Fees and Interest Provisions in County Contracts, with Respect to the Terms and Conditions of Sale for Quote No. Q-00609570 with Olympus America Inc. for Gastroscopes and Colonoscopes.

## **Recommendation:**

That your Board waive County Administrative Manual Policy No. Chapter VI-1 prohibiting the inclusion of attorney's fees and interest provisions in County contracts, with respect to the terms and conditions of sale for Quote No. Q-00609570 with Olympus America Inc. (Olympus) for gastroscopes and colonoscopes for the Ventura County Medical Center Gastrointestinal Unit.

## **Discussion:**

Since 1919 Olympus has been renowned as a precision technology leader, creating innovative opto-digital solutions in healthcare, life science and consumer electronics products. In the healthcare arena, Olympus supports the work of medical professionals by providing advanced, minimally invasive therapeutic and diagnostic technologies to improve the quality of patient care around the globe. To take advantage of Olympus's expertise in these areas, the Health Care Agency seeks to acquire gastroscopes and colonoscopes from Olympus for the Ventura County Medical Center Gastrointestinal Unit. However, Olympus's standard terms and conditions of sale include interest and attorney's fees provisions prohibited by County Administrative Manual Policy No. Chapter VI-1. Olympus is unwilling to delete these provisions.

Therefore, the Health Care Agency requests that your Board waive County Administrative Manual Policy No. Chapter VI-1 prohibiting the inclusion of attorney's fees and interest provisions in County contracts with respect to the attached terms and conditions of sale (Exhibit 1) for Quote No. Q-00609570 with Olympus (Exhibit 2). The terms and conditions

of sale provide that, in the event the County fails to make any payment due under the quote, Olympus may apply a one percent (1%) per month service charge on the unpaid balance. The terms and conditions also provide that, if the County cancels the quote, Olympus shall be entitled to damages for cancellation up to the quote price plus attorney's fees expended in the collection of such amounts.

If your Board waives the prohibitions against attorney's fees and interest provisions, then the Purchasing Agent, pursuant to his delegated authority to purchase goods, will be able to execute the quote.

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 these recommendations, please contact Kim Milstien, Chief Deputy Director, at 652-6058.

Kim Milstien

**Chief Deputy Director** 

Jøknson K. Gill

Health Care Agency Director

**Exhibits** 

Exhibit 1-Olympus America Inc. Terms and Conditions V.1

Exhibit 2-Olympus Quote Q-00609570