



March 19, 2026

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 **SALINAS VALLEY HEALTH¹** will be held **MONDAY, MARCH 23, 2026, AT 4:00 P.M., HEART CENTER TELECONFERENCE ROOM, SALINAS VALLEY HEALTH MEDICAL CENTER, 450 E. ROMIE LANE, SALINAS, CALIFORNIA.**

(For Public Access Information Visit <https://www.salinasvalleyhealth.com/about-us/healthcare-district-information-reports/board-of-directors/board-committee-meetings-virtual-link/>.)

A handwritten signature in black ink, appearing to read "Allen Radner".

Allen Radner, MD

President/Chief Executive Officer

Committee Voting Members: **Victor Rey, Jr.**, Chair, **Joel Hernandez Laguna**, Vice Chair, **Allen Radner, MD**, President/CEO, **Iftikhar Hussain**, Chief Financial Officer, and **Steven Regwan, DO**, Medical Staff Member

Advisory Non-Voting Members: Sanjeev Tandon, Community Member

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

**MONDAY, MARCH 23, 2026, 4:00 P.M.
HEART CENTER TELECONFERENCE ROOM**

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

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

AGENDA

1. Call to Order / Roll Call
2. Public Comment

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.

3. Approve Minutes of the Finance Committee Meeting of February 23, 2026 (REY)
 - Motion/Second
 - Public Comment
 - Action by Committee/Roll Call Vote
4. Consider Recommendation for Board Approval of Project Funding and Award Construction Contract to Avila Construction for the Salinas Valley Health Ryan Ranch Server Room Development Project (MILLER/MCCOY)
 - 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 Contract Award to Vizient, Inc. for Vizient Data Connector (VDC) and Clinical Data Base (CDB) (ALBERT)
 - Staff Report
 - Committee Questions to Staff
 - Public Comment
 - Committee Discussion/Deliberation
 - Motion/Second
 - Action by Committee/Roll Call Vote

6. Consider Recommendation for Board Approval of Iatric Systems 3-year Service Agreement for Patient Privacy Managed Services (HUSSAIN/KATZENBERGER)
 - Staff Report
 - Committee Questions to Staff
 - Public Comment
 - Committee Discussion/Deliberation
 - Motion/Second
 - Action by Committee/Roll Call Vote

7. Consider Recommendation for Board Approval of the GE Healthcare OEC Medical Systems Seven (7) Year Service Agreement to include Three (3) Elite 31 Systems (MILLER/KAZEL)
 - Staff Report
 - Committee Questions to Staff
 - Public Comment
 - Committee Discussion/Deliberation
 - Motion/Second
 - Action by Committee/Roll Call Vote

8. Financial and Statistical Review (HUSSAIN)

9. Closed Session

10. Reconvene Open Session / Report on Closed Session

11. Consider Recommendation for Board Approval of the DaVinci Xi Lease Upgrade to the da Vinci 5 (DV5) (MILLER/HYLAND)
 - Staff Report
 - Committee Questions to Staff
 - Public Comment
 - Committee Discussion/Deliberation
 - Motion/Second
 - Action by Committee/Roll Call Vote

12. Adjournment

The next Finance Committee Meeting is scheduled for Monday, **April 20, 2026** at 4:00 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 Salinas Valley Health (SVH) Committee packet is available at the Committee Meeting, electronically at <https://www.salinasvalleyhealth.com/about-us/healthcare-district-information-reports/board-of-directors/meeting-agendas-packets/2026/>, and in the SVH Human Resources Department located at 611 Abbott Street, Suite 201, Salinas, California, 93901. All items appearing on the agenda are subject to action by the SVH Board.

Requests for a disability related modification or accommodation, including auxiliary aids or Spanish translation services, in order to attend or participate in-person at a meeting, need to be made to the Board Clerk during regular business hours at 831-759-3208 at least forty-eight (48) hours prior to the posted time for the meeting in order to enable the District to make reasonable accommodations.

**FINANCE COMMITTEE MEETING
COMMITTEE OF THE WHOLE
SALINAS VALLEY HEALTH**

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): 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)

PUBLIC COMMENT

DRAFT SALINAS VALLEY HEALTH¹
FINANCE COMMITTEE
COMMITTEE OF THE WHOLE
MEETING MINUTES FEBRUARY 23, 2026

Committee Member Attendance:

Voting Members Present: **Victor Rey, Jr.**, Chair, **Joel Hernandez Laguna**, Vice Chair, **Allen Radner, M.D.**, President/CEO, **Iftikhar Hussain**, CFO and **Steven Regwan, D.O.**, Medical Staff Member

Voting Members Absent: None

Advisory Non-Voting Members Present:

In person: Clement Miller, COO, Gary Ray, CLO, Alysha Hyland, CAO and Carla Spencer, CNO
Via teleconference: Michelle Childs, CHRO

Other Board Members Present, Constituting Committee of the Whole:

Via teleconference: Rolando Cabrera, MD, Catherine Carson

1. CALL TO ORDER/ROLL CALL

A quorum was present and Chair Victor Rey, Jr., called the meeting to order at 4:02 p.m. in the Heart Center Teleconference Room.

2. PUBLIC COMMENT: None

3. APPROVAL OF MINUTES FROM THE FINANCE COMMITTEE MEETING OF JANUARY 19, 2026

Approve the minutes of the January 19, 2026 Finance Committee meeting. The information was included in the Committee packet.

PUBLIC COMMENT: None

COMMITTEE MEMBER DISCUSSION: None

MOTION:

Upon motion by Vice-Chair Joel Hernandez Laguna, and second by Committee Member Dr. Radner, the minutes of the January 19, 2026 Finance Committee are approved as presented.

ROLL CALL VOTE:

Ayes: Chair Rey, Vice Chair Hernandez Laguna, Dr. Radner, Hussain and Dr. Regwan;

Nays: None;

Abstentions: None;

Absent: None;

Motion Carried

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

4. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF PRELIMINARY PROJECT BUDGET AND AWARD CONTRACT TO TREANOR FOR DESIGN AND ENGINEERING SERVICES FOR THE ENDOSCOPY SUITE PROJECT

SVH Administration is Seeking approval to move forward with design and project development activities to renovate and expand the existing Endoscopy Suite into the adjacent Cislini Plaza Conference Room. The total projected cost, including construction and equipment, is expected to come in at the \$8M to \$9M range. This current request seeks authorization of \$1,000,000, where a portion, in the amount of \$640,375, funds the design team contract, and the balance of funding supports ancillary consulting and permitting expenses.

A full report was included in the packet.

PUBLIC COMMENT: None

COMMITTEE MEMBER DISCUSSION: Committee discussed the \$1M dollar funding which includes soft costs, HCAI permit fees and construction management. The \$8M to \$9M total project costs includes reconfiguring of all endoscopy rooms in Cislini Plaza as well as deferred maintenance in the Cislini Plaza basement.

MOTION:

Upon motion by Committee Member Dr. Radner, and second by Committee Member Hussain, the Finance Committee recommendation to Board of Directors is to approve the project design development budget of \$1,000,000.00 and award contract for professional services to Treanor for the design and engineering of the Endoscopy Suite, in the amount of \$640,375.00.

ROLL CALL VOTE:

Ayes: Chair Rey, Vice Chair Hernandez Laguna, Hussain, Dr. Radner, and Dr. Regwan;

Nays: None;

Abstentions: None;

Absent: None;

Motion Carried

5. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF PROJECT FUNDING AND AWARD CONSTRUCTION CONTRACT TO TOMBLESON, INC. FOR THE SALINAS VALLEY HEALTH 559 ABBOTT STREET X-RAY ROOMS 1 & 2 EQUIPMENT REPLACEMENT PROJECT

In April 2025, the SVH Board approved the purchase of two new Canon X-Ray equipment packages to replace GE imaging equipment that is 15 years old and at end of life. We are now seeking approval of related costs for project design, permitting, and construction, including necessary modifications to the spaces to accommodate the equipment installation.

A full report was included in the packet.

PUBLIC COMMENT: None

COMMITTEE MEMBER DISCUSSION: Committee discussed the construction budget and the equipment approved last April.

MOTION:

Upon motion by Vice Chair Hernandez Laguna, and second by Committee Member Dr. Radner, the Finance Committee recommends Board approval of (i) the total estimated project cost to furnish and Install new X-Ray equipment in 559 Abbott Street Imaging Center Rooms 1 & 2 in the amount of \$1,186,000.00, and (ii) award construction contract to Contractor Tombleson, Inc. for Salinas Valley Health 559 Abbott Street X-Ray Rooms 1 & 2 Equipment Replacement Project in the amount of \$439,105.00.

ROLL CALL VOTE:

Ayes: Chair Rey, Vice Chair Hernandez Laguna, Hussain, Dr. Radner, and Dr. Regwan;

Nays: None;

Abstentions: None;

Absent: None;

Motion Carried

6. CONSIDER RECOMMENDATION FOR BOARD APPROVAL FOR THE PURCHASE OF EIGHT (8) EDWARDS LIFESCIENCES HEMOSPHERE ALTA HEMODYNAMIC MONITORING EQUIPMENT

Salinas Valley Health Medical Center desires to replace the hemodynamic monitoring equipment utilized in the cardiac Operating Rooms, Cath Lab and the Intensive Care Unit. The equipment requested is the HemoSphere Alta manufactured by Edwards Lifesciences. Upgrading to the HemoSphere Alta will ensure that these critical areas utilize the same equipment and allows the organization to utilize equipment that interfaces with our electronic medical record system. Anesthesiologist partnered with the team to ensure the appropriate equipment.

A full report was included in the packet.

PUBLIC COMMENT: None

COMMITTEE MEMBER DISCUSSION: Clement Miller, COO, confirmed this is stand-alone equipment. No construction is needed.

MOTION:

Upon motion the Finance Committee recommends Board approval of the purchase of eight (8) Edwards Lifesciences HemoSphere Alta hemodynamic monitoring equipment at the cost of \$685,172.30 subject to final negotiation and legal review.

ROLL CALL VOTE:

Ayes: Chair Rey, Vice Chair Hernandez Laguna, Hussain, Dr. Radner, and Dr. Regwan;

Nays: None;

Abstentions: None;

Absent: None;

Motion Carried

7. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF THE LEASE AGREEMENT TERMS BETWEEN SALINAS VALLEY HEALTHCARE SYSTEM AND JS & MR PROPERTIES, LLC FOR 1260 SOUTH MAIN STREET, SUITE 201, SALINAS CALIFORNIA

As part of the SVH Clinics strategy to increase primary and specialty care clinic space, and to leverage the existing plastic surgery practice, SVH Administration recommends enter into a commercial lease for approximately 6,767 sq. ft. of space located at 1260 South Main Street, Suite 201, Salinas, California to ensure that SVH maintains adequate space to meet the needs of the healthcare district. This location will also serve as a strategy to create available space at 355 Abbott Street for that location to undergo a phased cosmetic renovation.

A full report was included in the packet.

PUBLIC COMMENT: Josh Rivera, Director of Enterprise Informatics, knew a patient who had reconstructive surgery and having the physician and related services available locally greatly enhanced the quality, recovery and continuity of patient care.

COMMITTEE MEMBER DISCUSSION: Dr. Radner, CEO, stated that Dr. Romans and providers from Primecare will occupy this leased space on 2nd floor at 1260 South Main Street. Committee discussed the lease terms, ROI, space needs for providers, and the necessity for our patients.

MOTION:

Upon motion the Finance Committee recommends Board approval of the terms of the Lease Agreement for 1260 South Main Street, Suite 201, Salinas, California for Three Years.

ROLL CALL VOTE:

Ayes: Chair Rey, Vice Chair Hernandez Laguna, Hussain, Dr. Radner, and Dr. Regwan;

Nays: None;

Abstentions: None;

Absent: None;

Motion Carried

8. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF CONTRACT TERMS FOR A PLASTIC SURGERY PROFESSIONAL SERVICES AGREEMENT FOR MATTHEW ROMANS, MD

As part of the expansion of Salinas Valley Health Clinics (SVHC) to include plastic surgery services, Salinas Valley Health (SVH) executive leadership has engaged with Matthew Romans, MD to transition Salinas Valley Plastic Surgery Associates into SVHC. The transition of Dr.

Romans from his private practice to SVHC will provide a platform to stabilize the service line and to expand access to our patients.

A full report was included in the packet.

PUBLIC COMMENT: None

COMMITTEE MEMBER DISCUSSION: Committee discussed the benefits for patients, the clinic system and physician access.

MOTION:

Upon motion the Finance Committee recommends Board approval of the Contract Terms for the Plastic Surgery Professional Services Agreement for Dr. Romans.

ROLL CALL VOTE:

Ayes: Chair Rey, Vice Chair Hernandez Laguna, Hussain, Dr. Radner, and Dr. Regwan;

Nays: None;

Abstentions: None;

Absent: None;

Motion Carried

9. FINANCIAL AND STATISTICAL REVIEW

An update was received from Iftikhar Hussain, CFO, on the Financial Performance Review for the month of December 2025. Highlights included the Consolidated Financial Results noting the \$12 million CCAH EPIC incentive payment, Operating Margin at 4.3%, Net Income Margin at 7.3%, Key Financial Indicators, Executive Summary December Financial Performance and Labor Productivity.

A full report was included in the packet.

PUBLIC COMMENT: Director Carson stated the low length of stay numbers during the winter months is a great accomplishment by the team.

COMMITTEE MEMBER DISCUSSION: None

10. CAPITAL SPENDING YTD DECEMBER 31, 2025 UPDATE

Meredith Peterson, Director of Financial and Decision Support, and Brad McCoy, VP of Facilities, Construction and Real Estate, provided an update on Capital Spending – Active Projects Approved by the Board.

A full report was included in the packet.

PUBLIC COMMENT: None

COMMITTEE MEMBER DISCUSSION: As requested by Vice Chair Hernandez Laguna, Brad McCoy provided an ED Expansion update. The construction team is finalizing the Design

and Development phase with HDR Architects, ED Physicians and staff and will soon start the schematic design phase of the project.

11. CLOSED SESSION

Chair Rey announced that the items to be discussed in Closed Session are; (1) *Report Involving Trade Secret – Report Involving Trade Secrets, Strategic Planning, Proposed New Programs and Services* and (2) *Hearings/Reports – Report of Internal Audit of Epic Implementation*. The meeting recessed into Closed Session under the Closed Session Protocol at 4:46 p.m.

12. RECONVENE OPEN SESSION / REPORT ON CLOSED SESSION

The Board reconvened Open Session at 5:10 p.m. Chair Rey announced that in Closed Session, the Board received; (1) *Report Involving Trade Secret – Trade Secret, Strategic Planning, Proposed New Programs and Services* and (2) *Hearings/Reports – Report of Internal Audit of Epic Implementation*. No action was taken.

13. CONSIDER RECOMMENDATION TO THE SVH BOARD OF DIRECTORS TO APPROVE (i) THE PURCHASE OF ADDITIONAL UNITS OF VOTING MEMBERSHIP INTEREST IN MONTEREY PENINSULA SURGERY CENTER, AND (ii) THE EXECUTION OF THE MPSC SUBSCRIPTION AGREEMENT BY THE SVH PRESIDENT / CEO, AS APPROVED BY DISTRICT LEGAL COUNSEL

Recognizing the importance of providing a low cost, high quality option for surgical services needed by our residents, Salinas Valley Health has been offered an opportunity to increase its investment in our partnership with Monterey Peninsula Surgery Center (MPSC), which operates surgery centers in Salinas, Monterey, and Santa Cruz. MPSC has notified SVH that there is an additional number of units of voting membership interest available for purchase, and MPSC's board has approved the sale of these units to SVH. This additional investment of \$3,966,000.00 will increase SVH's total ownership interest in MPSC to approximately twenty percent (20%).

A full report was included in the packet.

PUBLIC COMMENT: None

COMMITTEE MEMBER DISCUSSION: None

MOTION:

Upon motion by Vice Chair Hernandez Laguna, and second by Committee Member Dr. Radner the Finance Committee recommends Board approval of (i) the purchase of additional units of Voting Membership Interests in Monterey Peninsula Surgery Center for the amount of \$3,966,000.00, and (ii) the execution of the MPSC Subscription Agreement by the SVH President/CEO, as approved by District Legal Counsel.

ROLL CALL VOTE:

Ayes: Chair Rey, Vice Chair Hernandez Laguna, Hussain, Dr. Radner, and Dr. Regwan;

Nays: None;

Abstentions: None;

Absent: None;

Motion Carried

14. ADJOURNMENT

There being no other business, the meeting was adjourned at 5:13 p.m. The next Finance Committee Meeting is scheduled for **Monday, March 23, 2026** at 4:00 p.m.

Victor Rey, Jr., Chair
Finance Committee

Board Paper: Finance Committee

Agenda Item: Consider Recommendation for Board Approval of Project Funding and Award Construction Contract to Avila Construction for the Salinas Valley Health Ryan Ranch Server Room Development Project

Executive Sponsor: Clement Miller, Chief Operating Officer
Brad McCoy, Vice President of Facilities, Construction and Real Estate

Date: March 4, 2026

Executive Summary:

Facilities Management is pursuing activities to upgrade the existing Information Technology (IT) server room and add a new backup generator at the 5 Lower Ragsdale Drive medical office building. Approval for comprehensive project funding in the total estimated amount of **\$3,000,000.00** and award of construction contract to Avila Construction in the amount of **\$2,468,219.00** is requested. This project will establish the infrastructure needed for the Information Technology team to eliminate costly offsite expenses. Over a 10-year period of time, this project will save the Hospital an estimate \$10MM+ paying for itself within the first 2/3 years.

Background/Situation/Rationale:

SVH currently utilizes a cloud-based file storage service. The IT room at 5 Lower Ragsdale has capacity for additional server storage which will significantly reduce the long-term expenditure on cloud-based file storage. Because 5 Lower Ragsdale experiences PG&E outages at a high frequency, a backup generator to serve the entire building will mitigate power outage impacts to the new IT equipment and existing clinics (PrimeCare, Cardiology, and Advanced Imaging). The facility completed construction documents and specifications prepared by WRD. Permits have been secured through the City of Monterey Building Department and Monterey Bay Air Resources District (MBARD) for a new natural gas backup generator and upgrades to the IT room. A 3-Year Customer Service Agreement with the generator manufacturer, CAT Quinn Power Services, is to be obtained separately by SVH for preventative maintenance services including comprehensive multi-point inspections every 3-6 months, annual servicing, and annual load bank testing. The projected cost of the 3-year Customer Service Agreement is \$19,332.00. Project scope to include: (A) new 500 kW, 625 kVA natural gas backup generator, CAT model DG500 RZG, with sound attenuated enclosure; (B) new generator annunciator panel, emergency power off device, automatic transfer switch, switchboard, conduit, feeders, seismic anchoring, supports, and equipment pads, and electrical signage; (C) removal of existing previously decommissioned panel RPDP and an existing previously decommissioned 1000 kVA transformer and their associated feeders; (D) removal of the existing rooftop HVAC unit, AC-3, its associated ductwork, and electrical disconnect; (E) two new air conditioning units with electrical power supply serving the IT room, including piping, refrigerant leak detection sensor kits, ductwork, supply and return grilles, and control wiring. These units are to be located in the utility closet across the hall from the IT room; (F) two new rooftop condensing units; (G) a new uninterruptible power supply (UPS) in the IT room; (H) new server racks and ladder racks in the IT room; (I) upgrades to the utility closet including replacement of the floor, replacement of select drywall and installation of fiberglass reinforced panels around the existing mop sink.

Salinas Valley Health publicly solicited for construction services and acquired one (1) bid with Avila Construction submitting the lowest responsive and responsible bid. Six (6) general contractors were directly solicited for bids, four (4) general contractors were plan holders, two (2) general contractors attended the non-mandatory pre-bid walk, and one (1) bid was submitted.

Timeline/Review Process to Date:

March 2026: Anticipated Award of Construction and Project Funding

April 2026: Commence with construction activities.

March 2027: Project and administrative closeout.

Pillar/Goal Alignment:

Service People Quality Finance Growth Community

Financial/Quality/Safety/Regulatory Implications

Key Contract Terms	Contractor: Avila Construction
1. Proposed effective date	Issuance of Notice to Proceed anticipated on April 8, 2026
2. Term of agreement	345 calendar days
3. Renewal terms	Not Applicable
4. Termination provision(s)	Provided in Bid Specifications-Part 12 of General Conditions-Section 007000
5. Payment Terms	Lump Sum, with monthly payments upon successful completion of work with 5% retention.
6. Compensation	\$2,468,219.00
7. Cost over life of agreement	Not Applicable
8. Budgeted (indicate y/n)	Yes. Fiscal Years 2026 & 2027 Routine Capital Projects included funding for this project.

Recommendation:

Consider recommendation to Board of Directors (i) to approve the total estimated project cost for the SVH Ryan Ranch Server Room Development Project in the amount of \$3,000,000 and (ii) award construction contract to Avila Construction for SVH Ryan Ranch Server Room Development Project in the amount \$2,468,219.00.

Attachments:

- (1) Total project estimated costs prepared March 4, 2026, at procurement phase.
- (2) Bid Summary
- (3) Avila Construction Bid Forms

Salinas Valley Health - Ryan Ranch

Project Cost Model: RR SERVER ROOM DEVELOPMENT - 2025-924

Architect/Engineer: Aurum/Colebreit/WRD

Subject: Budget prepared at Award of Construction Contract

Date Printed: 3/4/2026

Budget Summary			
		A	B
Line Item	Description	Budget	Comments
	1	Construction	
100	Equipment-related construction on-site	\$2,468,219	Avila Construction + Generator/ATS/SWBD
101	Owner Contingency	\$40,000	
	2	Design	
200	Design Professionals	\$100,000	AOR, SEOR, MEOR, EEOR
	3	Inspections & Consultations	
300	Special Inspection	\$15,000	Concrete and Electrical
303	Hazmat Survey	\$6,000	
	4	Permits & Fees	
400	City of Monterey + MBARD	\$35,000	
	5	Soft Costs	
502	Construction Management	\$240,000	18 Month Program
	7	FF&E	
702	Generator - 500KW/625KVA	\$0	Included in BL 100
703	Data + Phone Equipment	\$50,000	
704	Safety Signage	\$5,000	
	9		
9900	Project Contingency	\$40,781	
Totals		\$3,000,000	

SALINAS VALLEY HEALTH
 SALINAS VALLEY HEALTH MEDICAL CENTER
 5 Lower Ragsdale Drive, Monterey, CA 93940

BACKUP GENERATOR & SERVER ROOM DEVELOPMENT
 Project ID 2025-924

****DRAFT** BID RESULT SUMMARY**

DATE: February 27, 2026
 BID TIME: 2:00 PM
 BID OPENING: 535 E Romie Lane, Suite 6, Salinas, CA 93901

	Contractor	Contact	Email Address	Phone Number	Base Bid + Allowances	Comments
1	Avila Construction **	Jonah Shannon	jonah@avilaconst.com	831-917-1271	\$ 2,468,219.00	
2						
3						
4						
	** Apparent Low Bidder					
	SVMHS reserves the right to reject any or all bids and to waive any informalities in the bidding, or in any bid received.					

	Documents Accompanying Bid	Contractor 1	Contractor 2	Contractor 3	Contractor 4
A	Bid Letter	X			
B	Addenda A & B	X			
C	List of Subcontractors	X			
D	Disqualification Questionnaire	X			
E	Insurance Requirements	X			
F	Bid Bond	X			
G	Non-Collusion Affidavit	X			

**BID LETTER
FOR SALINAS VALLEY HEALTH**

SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

Pursuant to the Notice Inviting Bids, the undersigned bidder herewith submits a bid on the Bid Forms attached hereto and made a part hereof, and binds itself on award by Salinas Valley Health under this bid to execute a Contract in accordance with its bid and the Contract Documents.

The Notice Inviting Bids, Instructions to Bidders, General Requirements, Supplementary Conditions, Technical Specifications, Appendices, Contract Drawings, and Addenda, if any, are made part of this bid and all provisions thereof are hereby accepted, and all representations and warranties required thereby are hereby affirmed.

This offer shall be irrevocable for a period of ninety (90) days after the date on which bids are opened.

The undersigned bidder understands that any clarification made to the above or any new and different conditions or information submitted on or with its Bid Forms, other than that requested, may render the bid non-responsive.

The undersigned, as bidder, declares that the only persons or parties interested in this bid as principals are those named herein; that this bid is made without collusion with any other person, firm or corporation and in submitting this bid, that it has carefully examined the location of the proposed work, the attached proposed form of contract, and the plans, specifications and the other Contract Documents; and agrees if this bid is accepted, that it will contract with SVH, on the form of contract included with these specifications, to provide all necessary labor, materials, equipment, machinery, apparatus and other means of construction, and to do all the work specified in the Contract Documents, in the manner and time therein prescribed, and according to the requirements of the Owner's Designated Representative as therein set forth, and that he will accept all full payment therefore based on the item prices set forth in its Schedule of Bid Prices.

The prices included within the Schedule of Bid Prices include all costs for labor, materials, tools, equipment, services, subcontractors, suppliers, taxes, insurance, shipment, delivery, overhead, profit and all other costs necessary to perform the work in accordance with the Contract Documents.

The undersigned bidder acknowledges receipt, understanding, and full consideration of the following addenda to the Contract Documents:

ADDENDA NOS. (if none, so state): A - 1/29/26 and B - 2/23/26

Name of Bidder: Avila Brothers Inc. dba Avila Construction Company

Business Address: 12 Thomas Owens Way, Suite 200 Monterey, CA 93940

Phone: 831-372-5580 Fax: 831-372-5584

Contractor's License No. 550380

License Expiration Date 12/31/2026

Classification Type

If SOLE OWNER, sign here:

I sign as sole owner of the business named above:

If PARTNERSHIP, one or more partners sign here:


The undersigned certify that we are partners in the business named above and that we sign this bid with the full authority to do so:

If CORPORATION, execute here:

Corporate Name: Avila Brothers Inc. dba Avila Construction Company

Incorporated under the laws of the State of California

The undersigned certify that they sign this bid with the full and proper authorization so to do:

By 

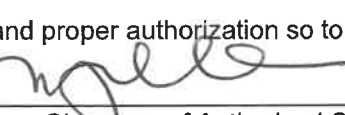
*Signature of Authorized Official**

President

Title

Steven M. Avila

Typewritten or Printed Name

By 

*Signature of Authorized Official**

CFO

Title

Michael J. Avila

Typewritten or Printed Name

If JOINT VENTURE, execute here:

Joint Venture name composed of: _____

The undersigned certify that they sign this bid with the full and proper authorization so to do:

*Signature of Authorized Official**

Title

Typewritten or Printed Name

*Signature of Authorized Official**

Title

Typewritten or Printed Name

*If bidder is a partnership or Joint Venture, give the full names of all partners and/or Joint Ventures in the space provided (use additional sheet if required). If bidder is a corporation, two signatures are required as follows: (1) the Chairman, President, or Vice-President 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 SVH is provided demonstrating that such individual is authorized to bind the corporation (example, a copy of a certified resolution from the corporation's board or a copy of the corporation's bylaws)

END OF BID LETTER

ISSUED FOR BID
01-27-2026
PROJECT ID 2025-924

BID LETTER
Section 00 40 00
Page 3

SALINAS VALLEY HEALTH
BACKUP GENERATOR & SERVER ROOM
DEVELOPMENT
1774147.6

SECTION 00 41 00

SCHEDULE OF BID PRICES

7.03 GENERAL INSTRUCTIONS

- A. Bidders are directed to submit a lump sum price for all Work set forth in the Contract Documents in the space for the "Base Bid" amount in the Schedule of Bid Prices. This lump sum shall include all costs for labor, materials, tools, equipment, services, subcontractors, suppliers, taxes, insurance, shipment, delivery, overhead, profit and all other costs necessary to perform the Work in accordance with the Contract Documents.

- B. Unit prices and lump sum prices must be entered in the appropriate spaces provided in the Schedule. Unit prices shall be multiplied by the Quantities shown, and the total shall be inserted in the AMOUNT column. In the event of any error or discrepancy between the Unit Price and the calculated AMOUNT, the Unit Price shall govern. Owner may correct any mathematical errors apparent on the face of the bid.

**SALINAS VALLEY HEALTH
BACKUP GENERATOR & SERVER ROOM DEVELOPMENT
SCHEDULE OF BID PRICES**

BASE BID:

Contractor shall provide all materials, labor, tools, equipment and superintendence necessary to complete this project for the following amount. Contractor shall provide Contractor's profit and overhead for all allowance items identified below in the Base Bid item "A". If costs incurred exceed allowance item, Contractor shall be allowed to markup the difference between the allowance and actual by a maximum of 5%. If the actual cost is less than the allowance item, Contractor shall credit the Owner the difference, including profit and overhead added to item "A".

"A" \$ 2,446,719.00

ALLOWANCE B:

Contractor shall include an allowance of \$7,500 in their bid to provide all labor, equipment, transportation and superintendence necessary to replace landscaping adjacent to exterior area of work. Contractor shall submit complete documentation of costs incurred for this work during the project and any remaining balance will be adjusted by deductive change order credited back to the Owner. All profit and overhead for this allowance item shall be provided for in item "A".

"B" \$ 7,500.00

COMPENSABLE DELAY AMOUNT:

Contractor shall provide all materials, labor, tools, equipment and superintendence necessary to complete any additional work required as a result of non-Contractor caused delays for the following amount:

\$ 1,400.00 per day x 10 days delay (est.) = "C" \$ 14,000.00

GRAND TOTAL BID PRICE:

Base bid plus total (A + B + C)

\$ 2,468,219.00

END OF SECTION 00 41 00

SALINAS VALLEY HEALTH
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM
Monterey, California

ADDENDUM A
TO THE
BID DOCUMENTS FOR SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

ISSUED: January 29, 2026

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

SEE ATTACHED ADDENDUM ITEM


Prepared By:



Brianna Jesse
SVH Designated Representative

BIDDER'S CERTIFICATION

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



Bidder's Signature

02/24/2026
Date

Avila Brothers Inc. dba Avila Construction Company
Name of Company

Please return this signed page to Brianna Jesse at SVH as soon as possible and include with Bid Forms to confirm receipt of this addendum. Please email as a PDF to bjesse@bogardconstruction.com.

SALINAS VALLEY HEALTH
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM
Monterey, California

ADDENDUM B
TO THE
BID DOCUMENTS FOR SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

ISSUED: February 23, 2026

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

SEE ATTACHED ADDENDUM ITEM

Prepared By:



Brianna Jesse
SVH Designated Representative

BIDDER'S CERTIFICATION

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



Bidder's Signature

02/24/2026

Date

Avila Brothers Inc. dba Avila Construction Company
Name of Company

Please return this signed page to Brianna Jesse at SVH as soon as possible and include with Bid Forms to confirm receipt of this addendum. Please email as a PDF to bjesse@bogardconstruction.com.

LIST OF SUBCONTRACTORS

The Bidder is required to furnish the following information in accordance with the provisions of Sections 4100 to 4114, inclusive, of the Public Contract Code of the State of California. This list and information shall include all subcontractors that will perform work, provide labor or render services to the Bidder in connection with the project in an amount in excess of one-half of one percent of the total amount of Bidder's Grand Total Bid Price.

Do not list alternative subcontractors for the same work. Use additional sheets if necessary.

NAME OF SUBCONTRACTOR	LICENSE NUMBER AND DIR REG NO.	LOCATION OF/ PLACE OF BUSINESS	PORTION OF WORK
1. GOLZ CONSTRUCTION INC	946565 / 1000025049	Salinas, CA	Sitework/Concrete
2. California Acoustics	991823 / 1000007264	Carmel Valley, CA	Acoustic Ceilings
3.			
4.			
5. Quality Plumbing Associates Inc	927690 / 1000022160	Salinas, CA	Plumbing
6. Geo Wilson	950443/1042403 / 1000058980	Santa Cruz, CA	HVAC
7. Central Valley Electric, Inc.	663863 / 1000022574	Modesto, CA	Electrical
8. Johnson Electronics	850025 / 1000000049	Salinas, CA	Low Voltage
9.			
10.			

END LIST OF SUBCONTRACTORS

DISQUALIFICATION QUESTIONNAIRE

The Bidder shall complete, under penalty of perjury, the following questionnaire:

Has the Bidder, any officer of the Bidder, or any employee of the Bidder who has proprietary interest in the Bidder, ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or a safety regulation?

Yes _____ No X

If the answer is yes, explain the circumstances in the following space.

NAME OF BIDDER: Avila Brothers Inc. dba Avila Construction Company

NOTE: This questionnaire constitutes a part of the Bid, and signature on the portion of this Bid shall constitute signature on this questionnaire.

END OF DISQUALIFICATION QUESTIONNAIRE

ISSUED FOR BID
01-27-2026
PROJECT ID 2025-924

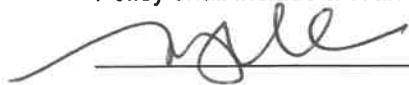
**DISQUALIFICATION
QUESTIONNAIRE**
Section 00 40 00
Page 5

SALINAS VALLEY HEALTH
BACKUP GENERATOR & SERVER ROOM
DEVELOPMENT
1774147.6

ACKNOWLEDGEMENT OF INSURANCE REQUIREMENTS

Included in the Bid Price is full compensation for the requirements set forth in Section 00 86 00, INSURANCE REQUIREMENTS of the Contract Documents, including:

- a) Workers' Compensation (per statutory requirement).
Policy shall include a waiver of subrogation.
- b) Employer's Liability coverage.
Two Million Dollars (\$2,000,000) per accident; and
Two Million Dollars (\$2,000,000) each employee by disease.
- c) Commercial General Liability coverage (including but not limited to premises and operations; contractual liability; personal and advertising injury; explosion, collapse, and underground coverage; products and completed operations, and; broad form property damage) of not less than:
Two Million Dollars (\$2,000,000) combined single limit per occurrence or claim; and
Two Million Dollars (\$2,000,000) general aggregate.
Policy shall include a Waiver of Subrogation and Additional Insured endorsement. Policy will also contain either a Cross Liability endorsement or Severability of Interests Clause.
- d) Business Automobile Liability Insurance coverage of not less than:
Two Million Dollars (\$2,000,000) combined single limit occurrence.
Policy shall include a Waiver of Subrogation and Additional Insured endorsement.

	CFO	2-27-2026
_____ Signature of Bidder/Title		_____ Date

END OF ACKNOWLEDGEMENT OF INSURANCE REQUIREMENTS

BIDDER'S BOND

KNOW ALL PERSONS BY THESE PRESENTS:

That Avila Brothers, Inc. dba Avila Construction Company, as Principal, and Nationwide Mutual Insurance Company, as Surety, are held and firmly bound unto Salinas Valley Health, hereinafter called SVH, in the sum of (\$)Ten Percent, being at least ten percent (10%) of the total amount of the bid, for the payment of which sum in lawful money of the United States of America to SVH we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

The condition of the above obligation is such that, whereas the Principal has submitted said bid to SVH;

NOW, THEREFORE, if the principal is awarded a Contract by SVH and, within the time and in the manner required by the Specifications, enters into a written Contract with SVH and furnishes the requisite bond or bonds and insurance certificates, then this obligation shall become null and void, otherwise to remain in full force and effect.

In the event suit is brought upon this bond by SVH and judgment is recovered, the Surety shall pay all costs incurred by SVH in such suit, including a reasonable attorneys fee to be fixed by the Court.

Dated February 17, 2026.

TO BE CONSIDERED COMPLETE, BOTH THE PRINCIPAL AND SURETY MUST SIGN THIS BIDDER'S BOND. IN ADDITION, THE SURETY'S SIGNATURE MUST BE NOTARIZED AND A COPY OF THE SURETY'S POWER OF ATTORNEY MUST BE ATTACHED.

Avila Brothers, Inc. dba Avila Construction Company
Principal

By:  _____

Nationwide Mutual Insurance Company
Surety

By:  _____
Patricia S. Arana, Attorney-In-Fact
One West Nationwide Blvd., 1-14-301
Columbus, OH 43215-2220

Address of Surety

END OF BIDDERS BOND

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

Civil Code § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of California)
) ss
County of Los Angeles)

On Feb. 17, 2026, before me, C.L. Hernandez, Notary Public, personally appeared Patricia S. Arana, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



(Seal)

Signature: C.L. Hernandez
C.L. Hernandez, Notary Public

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

CHARLENE K NAKAMURA; EDGAR S ALBRECHT; LISA L THORNTON; MARIA PENA; NATALIE K TROFIMOFF; NOEMI QUIROZ; PATRICIA S ARANA; TIMOTHY M TOMKO

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf on the date thereof any and all: (i) bonds and undertakings; (ii) Proposal Bonds; (ii) Letters of Surety; (iv) Consent of Surety; and (v) other obligatory instruments of similar nature, in penalties not exceeding the sum of

UNLIMITED

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 23rd day of October, 2025.

Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF OHIO COUNTY OF FRANKLIN: ss

On this 23rd day of October, 2025, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.



Karen L. Karn
Notary Public, State of Ohio
No. 2018-RE-719796
Commission Expires July 7, 2028

Notary Public
My Commission Expires
July 7, 2028

CERTIFICATE

I, Lezlie F. Chimienti, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 17th day of

February, 2026

Assistant Secretary

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Monterey }

On February 18, 2026 before me, Natalie A. Rainaud, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared ***Michael J Avila*****
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Natalie A. Rainaud
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document
 Title or Type of Document: Bidder's Bond-SVH Backup Generator
 Document Date: February 17, 2026 Number of Pages: 1
 Signer(s) Other Than Named Above: Patricia S Arana, Attorney-In-Fact

Capacity(ies) Claimed by Signer(s)
 Signer's Name: Michael J Avila Signer's Name: _____
 Corporate Officer – Title(s): _____
 Partner – Limited General
 Individual Attorney in Fact Individual Attorney in Fact
 Trustee Guardian or Conservator Trustee Guardian or Conservator
 Other: _____
 Signer is Representing: _____ Signer is Representing: _____

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 1

Title of Issue: Alternate Pricing

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section 00 41 00 Article/Paragraph _____

Description of Issue:

Plans indicate alternate pricing is being requested for generator system but bid documents 00 41 00 Schedule of Bid Prices do not reflect this request. Please provide direction .

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila
Signature and printed name of Contractor's representative

2/9/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
PROJECT ID 2025-924

**BIDDER'S REQUEST FOR
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Section 00 40 00
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SALINAS VALLEY HEALTH
BACKUP GENERATOR & SERVER ROOM
DEVELOPMENT
1774147.6

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 2

Title of Issue: Flooring Scope

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph _____

Description of Issue:

At the pre-bid walk through it was mentioned that flooring would be replaced but plans do not reflect this neither do the specifications, if needed please provide scope and specifications for pricing into bid scope

Contractor's Proposed Solution:

 Avila Construction Company
Contractor

 Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila
Signature and printed name of Contractor's representative

 2/9/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
PROJECT ID 2025-924

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SALINAS VALLEY HEALTH
BACKUP GENERATOR & SERVER ROOM
DEVELOPMENT
1774147.6

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 3

Title of Issue: Distribution Panel RPDP

Contract Document Reference Pertaining to Issue:

Drawing Sheet E101 Detail N/A Specification Section N/A Article/Paragraph _____

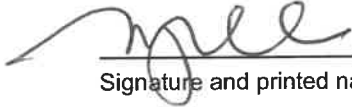
Description of Issue:

~~Sheet E101 indicates removal of distribution panel RPDP but onsite review there are existing live circuits being fed from this panel. Please provide single line and revised panel schedule to reflect what is to be done with existing live circuits upon removal of panel~~

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor



Michael J. Avila

2/9/2026
Date

Signature and printed name of Contractor's representative

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 3.1

Title of Issue: Branch Conduit & Subpanel Feeds

Contract Document Reference Pertaining to Issue:

Drawing Sheet E101 Detail N/A Specification Section N/A Article/Paragraph _____

Description of Issue:

Please confirm that where circuits in the referenced panel are indicated to be shut off at the breaker (per RFI Item 3), the associated branch conduits and any subpanels fed from this panel are also to be removed as part of the scope of work.

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila
Signature and printed name of Contractor's representative

2/9/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
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SALINAS VALLEY HEALTH
BACKUP GENERATOR & SERVER ROOM
DEVELOPMENT
1774147.6

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 4

Title of Issue: Ceiling Scope of Work

Contract Document Reference Pertaining to Issue:

Drawing Sheet A202 Detail 2 Specification Section N/A Article/Paragraph N/A

Description of Issue:

Please confirm that scope of work stated on 2/A202 is not the complete area of work and that the ceiling system in the adjacent room will need to be removed and replaced to install new mechanical scope per the mechanical drawing and note 8 will apply to the space adjacent that is not shown

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila

Signature and printed name of Contractor's representative

2/9/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 5

Title of Issue: Missing Notes

Contract Document Reference Pertaining to Issue:

Drawing Sheet A202 Detail 3 & 4 Specification Section N/A Article/Paragraph N/A

Description of Issue:

Note number 8 A/A202 is missing on detail 3/A202 please confirm

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila
Signature and printed name of Contractor's representative

2/9/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
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**BIDDER'S REQUEST FOR
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SALINAS VALLEY HEALTH
BACKUP GENERATOR & SERVER ROOM
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BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 6

Title of Issue: Plumbing Specifications

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

Please provide plumbing specificatins for condensate drainage and gas lines required

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila

Signature and printed name of Contractor's representative

2/9/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
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**BIDDER'S REQUEST FOR
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SALINAS VALLEY HEALTH
BACKUP GENERATOR & SERVER ROOM
DEVELOPMENT
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BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 7

Title of Issue: Wet Fire Sprinkler System

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

Modifications to the wet fire sprinkler system is noted as deferred but actual scope is unclear if new HVAC or Electrical system will require a re-design of existing system,

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila

Signature and printed name of Contractor's representative

2/9/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
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SALINAS VALLEY HEALTH
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BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 8

Title of Issue: Fire Alarm System

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

Modifications to the fire alarm system is noted as deffered but actual scope is unclear if new HVAC or Electrical system will require a re-design of existing system,

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila

Signature and printed name of Contractor's representative

2/9/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 9

Title of Issue: As Built Drawings

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

Please provide available as-built drawings or original design documents for above-ceiling conditions, including Electrical, Fire Alarm, Mechanical ductwork, and Plumbing piping. The current bid documents do not appear to reflect existing improvements within concealed ceiling spaces, which are necessary to accurately determine the scope required for installation of new work.

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila

2/11/2026
Date

Signature and printed name of Contractor's representative

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
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SALINAS VALLEY HEALTH
BACKUP GENERATOR & SERVER ROOM
DEVELOPMENT
1774147.6

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 10

Title of Issue: Hallway Closure

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

When ceilings are removed to facilitate installation of new work, please confirm the anticipated duration of hallway closure required to perform the work. If hallway closure is not permitted and work must be performed during off-hours, please clarify the required daytime lighting levels and operational requirements for the corridor. Refer to attached sketch.

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila
Signature and printed name of Contractor's representative

2/11/2026
Date

Additional 1 sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

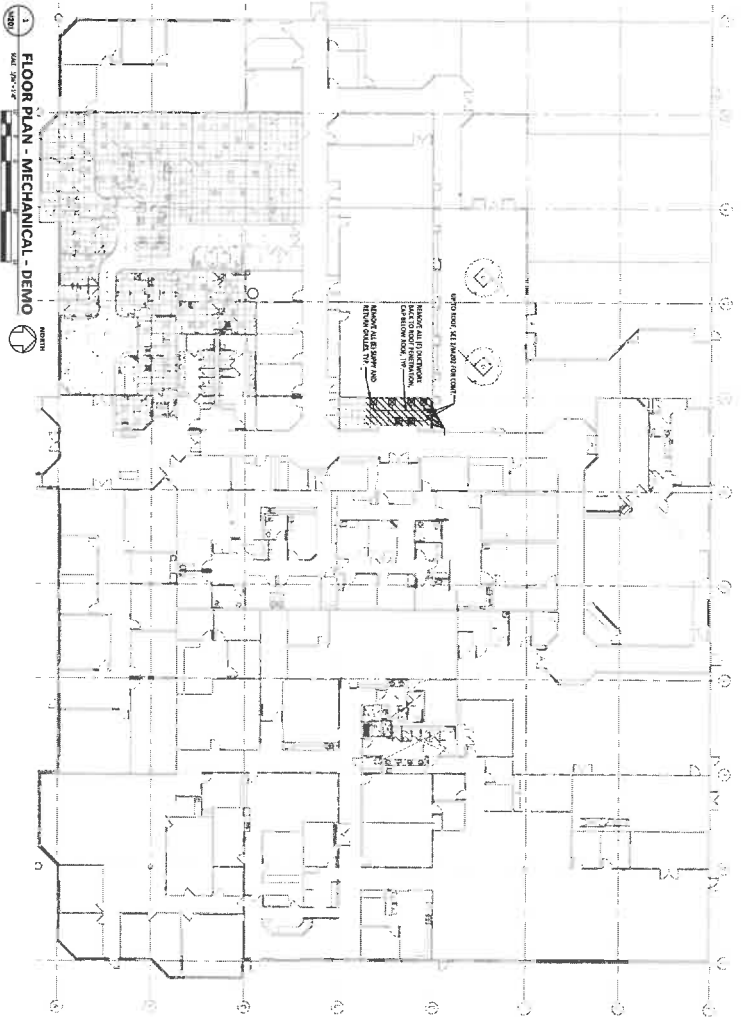
Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

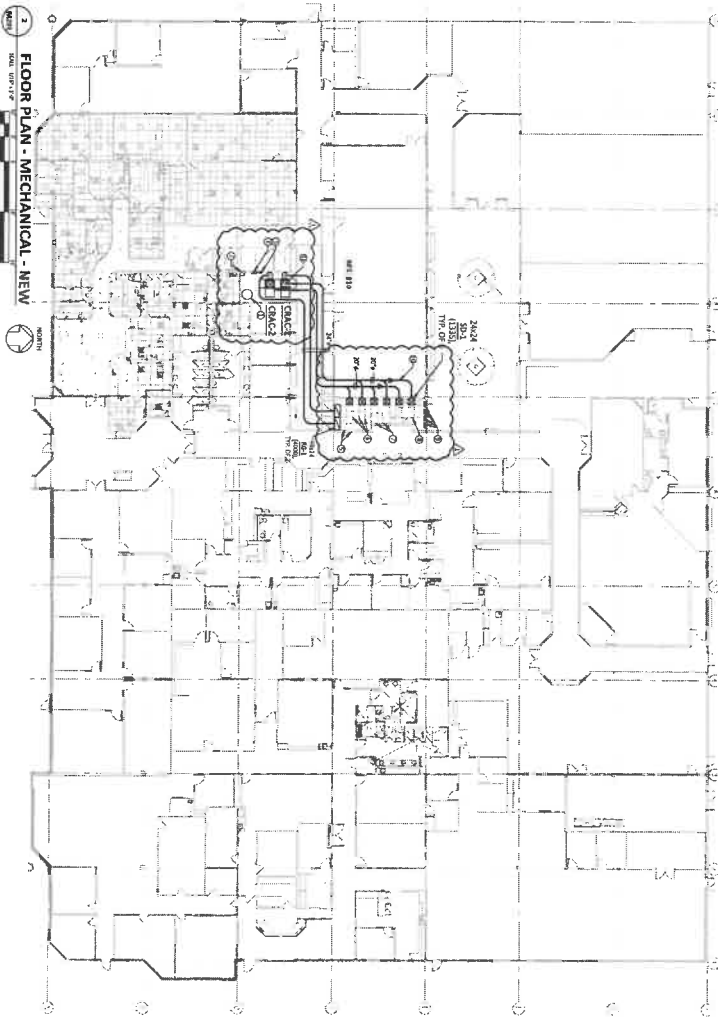
ISSUED FOR BID
01-27-2026
PROJECT ID 2025-924

**BIDDER'S REQUEST FOR
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Section 00 40 00
Page 10

SALINAS VALLEY HEALTH
BACKUP GENERATOR & SERVER ROOM
DEVELOPMENT
1774147.6



1 FLOOR PLAN - MECHANICAL - DEMO



2 FLOOR PLAN - MECHANICAL - NEW

- NOTES:**
- 1. REFER TO SHEET 25125 FOR GENERAL NOTES.
 - 2. ALL WORK SHALL BE IN ACCORDANCE WITH THE 2019 CALIFORNIA MECHANICAL CODE.
 - 3. ALL WORK SHALL BE IN ACCORDANCE WITH THE 2019 CALIFORNIA ELECTRICAL CODE.
 - 4. ALL WORK SHALL BE IN ACCORDANCE WITH THE 2019 CALIFORNIA PLUMBING CODE.
 - 5. ALL WORK SHALL BE IN ACCORDANCE WITH THE 2019 CALIFORNIA FIRE CODE.
 - 6. ALL WORK SHALL BE IN ACCORDANCE WITH THE 2019 CALIFORNIA BUILDING CODE.
 - 7. ALL WORK SHALL BE IN ACCORDANCE WITH THE 2019 CALIFORNIA SAFETY CODE.
 - 8. ALL WORK SHALL BE IN ACCORDANCE WITH THE 2019 CALIFORNIA ENVIRONMENTAL CODE.
 - 9. ALL WORK SHALL BE IN ACCORDANCE WITH THE 2019 CALIFORNIA HEALTH CARE FACILITY DESIGN AND CONSTRUCTION CODE.
 - 10. ALL WORK SHALL BE IN ACCORDANCE WITH THE 2019 CALIFORNIA HEALTH CARE FACILITY DESIGN AND CONSTRUCTION CODE.
 - 11. ALL WORK SHALL BE IN ACCORDANCE WITH THE 2019 CALIFORNIA HEALTH CARE FACILITY DESIGN AND CONSTRUCTION CODE.
 - 12. ALL WORK SHALL BE IN ACCORDANCE WITH THE 2019 CALIFORNIA HEALTH CARE FACILITY DESIGN AND CONSTRUCTION CODE.

**SALINAS VALLEY HEALTH
BACKUP GENERATOR ADDITION**

SALINAS VALLEY HEALTH
5 LOWER RAGANVILLE DRIVE
MONTEREY, CALIFORNIA 93940

A.P.N. 259-031-053-000

WRPD
ARCHITECTS & ENGINEERS
1345 CALIFORNIA STREET, SUITE 200
MONTEREY, CALIFORNIA 93940
PHONE: (831) 384-4443
FAX: (831) 384-3434
WWW.WRPDARCHITECTS.COM

60



PROJECT NAME:
FLOOR PLAN
MECHANICAL

SHEET NO.:
M201

DATE:
2/20/24

PROJECT NUMBER:
19-0003

CITY REVIEW:
2/15/2024

DATE:
2/25/25

PROJECT NAME:
SALINAS VALLEY HEALTH
BACKUP GENERATOR ADDITION

PROJECT NO.:
19-0003

DATE:
2/20/24

DESIGNED BY:
WRPD

CHECKED BY:
WRPD

DATE:
2/20/24

PROJECT NUMBER:
19-0003

CITY REVIEW:
2/15/2024

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 11

Title of Issue: Temporary Hard partition

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

Please confirm whether a temporary hard partition (metal studs and drywall) will be required to separate ceiling ductwork operations within the occupied space, or if a temporary containment system (e.g., zip wall or equivalent) will be considered acceptable.

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila

Signature and printed name of Contractor's representative

2/11/2026
Date

Additional 1 sheets are attached.

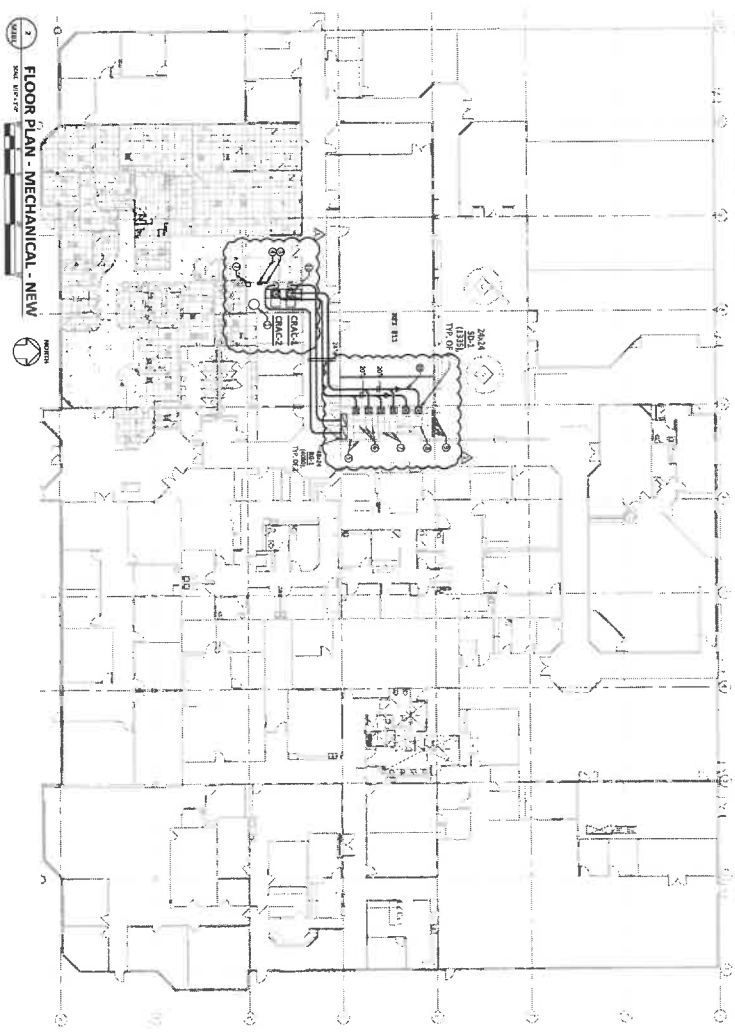
Architect's Response:

For Architect & Engineer of Record

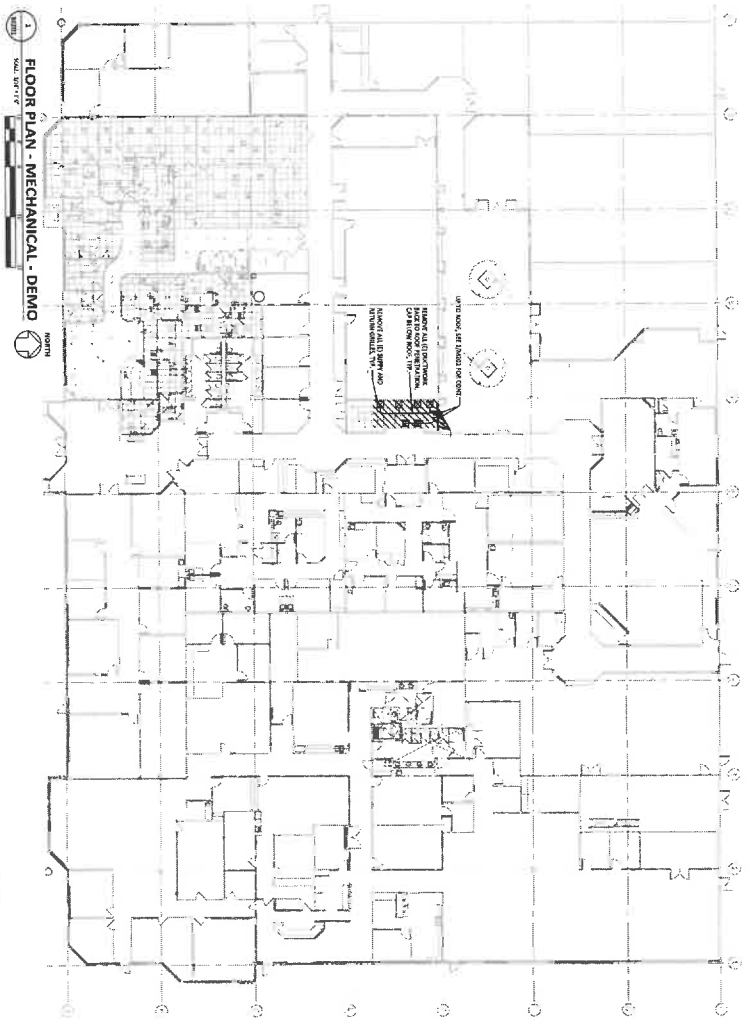
Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION



2 FLOOR PLAN - MECHANICAL - NEW



1 FLOOR PLAN - MECHANICAL - DEMO

KEY NOTES:

- ① SEE MECHANICAL TO BE DEMO
- ② SEE MECHANICAL TO BE DEMO
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GOLDBERRY
 CIVIL ENGINEER
 2250113

CITY OF MONTEREY APPOINTAL

SHEET NAME:
 FLOOR PLAN
 MECHANICAL
M201

JOB NO. 25125
 PROJECT: SALINAS VALLEY HEALTH BACKUP GENERATOR ADDITION
 PROJECT DATE: 1.18.2024
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 DATE: [Date]
 PROJECT LOCATION: SALINAS VALLEY HEALTH, 5 LOWER RAGSDALE DRIVE, MONTEREY, CALIFORNIA 95364

**SALINAS VALLEY HEALTH
 BACKUP GENERATOR ADDITION**

SALINAS VALLEY HEALTH
 5 LOWER RAGSDALE DRIVE
 MONTEREY, CALIFORNIA 95364

A.P.N. 259-051-053-000

WR&D
 WILL RHINE & DOOT
 ARCHITECTS LLP
 234 GARDEN ROAD, SUITE 100
 MONTEREY, CALIFORNIA 95360
 PHONE: 831.661.4447
 FAX: 831.661.5208
 WWW.WR&D.COM

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 12

Title of Issue: Soil Preparation & Subgrade

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

Please provide specifications for excavation, soil preparation, and compaction requirements for generator pad installation, including subgrade preparation and compaction testing criteria.

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila
Signature and printed name of Contractor's representative

2/11/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
PROJECT ID 2025-924

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SALINAS VALLEY HEALTH
BACKUP GENERATOR & SERVER ROOM
DEVELOPMENT
1774147.6

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 13

Title of Issue: Existing Floor Finishes

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

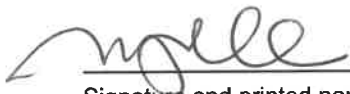
Description of Issue:

Please confirm whether existing floor finishes are to be removed in areas where new housekeeping pads are being installed.

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila
Signature and printed name of Contractor's representative

2/11/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
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BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 14

Title of Issue: Concrete Mix Design

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

Please provide concrete mix design specifications for the generator pad and housekeeping pads, including aggregate size, sand-to-cement ratio, required compressive strength, and any admixtures required for interior concrete placement.

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila
Signature and printed name of Contractor's representative

2/11/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
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PROJECT ID 2025-924

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BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 15

Title of Issue: Payment for Permit Fees

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

Please clarify responsibility for payment of permit fees, as the specifications do not clearly identify the responsible party.

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila
Signature and printed name of Contractor's representative

2/11/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
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BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 16

Title of Issue: Testing & Special INspections

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

Please clarify responsibility for payment of required testing, including but not limited to soil compaction testing, concrete compressive strength testing, and electrical system testing.

Contractor's Proposed Solution:

Avila Construction Company Avila Construction Company
Contractor Name/Company of party originating BRFI and Relationship to Contractor

 Michael J. Avila
Signature and printed name of Contractor's representative

2/11/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
PROJECT ID 2025-924

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BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 17

Title of Issue: Prequalification

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

Please confirm that bidder prequalification is not required, as no prequalification section or forms are included in the specifications. Clarification is requested to reconcile this with Section 2.07, Responsibility of Bidders, referenced in the Advertisement for Bids.

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor

 Michael J. Avila

Signature and printed name of Contractor's representative

2/11/2026
Date

Additional 1 sheets are attached.

Architect's Response:

For Architect & Engineer of Record _____

_____ Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
PROJECT ID 2025-924

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BACKUP GENERATOR & SERVER ROOM
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1774147.6

2.07 RESPONSIBILITY OF BIDDERS

- A. All bidders which have been pre-qualified to bid on the project have been deemed to be responsible bidders, as defined in Public Contract Code Section 1103: "a bidder who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the public works contract." However, the Owner may consider any information about the bidder, including new or additional information acquired after the pre-qualification process, and revisit this determination.

BIDDER'S REQUEST FOR INFORMATION

Type in all required blanks. Include additional information on separate sheets as necessary.
Please email Word document to Owner's Representative.

Project Name: SVH BACKUP GENERATOR & SERVER ROOM DEVELOPMENT

SVH Project ID: 2025-924 BRFI Number _____ Bidder's Tracking Number 18

Title of Issue: Generator Lead Time

Contract Document Reference Pertaining to Issue:

Drawing Sheet N/A Detail N/A Specification Section N/A Article/Paragraph N/A

Description of Issue:

Generator has a very long lead time that includes shop drawing preparation of 35 weeks for delivery that does not include installation of unit, testing, commissioning nor approval review time by the engineer. Can notice to proceed be held after contract execution until supplier confirms delivery date after receiving approved shop drawings back from Engineer to allow enough time for construction onsite?

Contractor's Proposed Solution:

Avila Construction Company
Contractor

Avila Construction Company
Name/Company of party originating BRFI and
Relationship to Contractor


Signature and printed name of Contractor's representative

2/11/2026
Date

Additional _____ sheets are attached.

Architect's Response:

For Architect & Engineer of Record

Date

Additional _____ sheets are attached.

END OF BIDDER'S REQUEST FOR INFORMATION

ISSUED FOR BID
01-27-2026
PROJECT ID 2025-924

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BACKUP GENERATOR & SERVER ROOM
DEVELOPMENT
1774147.6



[Knowledge](#)

[Public Works](#)

[Register](#)

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[Home](#) > [Customer Account Lookup](#) > 1000000982 - AVILA BROS., INC. DBA AVILA CONSTRUCTION

1000000982 - AVILA BROS., INC. DBA AVILA CONSTRUCTION

Customer Account Lookup

PWCR

1000000982

Contractor Status

DIR Approved

CSLB

550380

Business Phone

(831) 372-5580

Ext

Registration Start Date

2025-07-01

Legal Entity Name

AVILA BROS., INC. DBA AVILA CONSTRUCTION

Doing Business As (DBA)

Avila Construction Company

Business Structure

-- None --

President

Steven M. Avila

Email

keith@avilaconst.com

Registration End Date

2028-06-30

Crafts

Carpenter

Laborer and Related Classifications

Cement Mason

Address

Mailing Address

12 THOMAS OWENS WAYSuite 200

Mailing Address - City

MONTEREY

Mailing Address - State

CA

Mailing Address - Zip

93940

Mailing Address - Country

USA

Physical Address

12 THOMAS OWENS WAY, STE. 200

Physical Address - City

MONTEREY

Physical Address - State

CA

Physical Address - Zip

93940

Physical Address - Country

[Empty input field for Physical Address - Country]

Related Lists

Registration Dates: **8**

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[dir.ca.gov](#)

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APPENDIX I
RESTATED ARTICLES OF INCORPORATION
OF
STEVE AVILA CONSTRUCTION, INC.

ARTICLE I

The name of this corporation is: Avila Brothers, Inc..

ARTICLE II

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporation Code.

ARTICLE III

This corporation is authorized to issue one class of shares to be designated common stock. The total number of shares of common stock this corporation shall have authority to issue is 1,000,000, without par value.

ARTICLE IV

The liability of the directors of this corporation for monetary damages shall be eliminated to the fullest extent permissible under California law. Any repeal or modification of this Article IV, or the adoption of any provision of the articles of incorporation inconsistent with this Article IV, shall only be prospective and shall not adversely affect the rights under this Article IV in effect at the time of the alleged occurrence of any act or omission to act giving rise to liability.

ARTICLE V

This corporation is authorized to provide indemnification of agents (as defined in Section 317 of the California Corporation Code) through bylaw provisions, agreements with agents, vote of share holders or disinterested directors, or otherwise, in excess of the indemnification otherwise permitted by Section 317 of the California Corporations Code, subject only to the applicable limits on indemnification set forth in Section 204 of the California Corporations Code with respect to actions for breach of duty to the corporation or its shareholders. Any repeal or modification of this Article V, or the adoption of any provision of the Articles of Incorporation inconsistent with this Article V shall only be prospective and shall not adversely affect the rights under this Article V in effect at the time of the alleged occurrence of any action or omission to act giving rise to indemnification.

ACTION BY UNANIMOUS WRITTEN CONSENT
OF THE DIRECTORS OF
STEVE AVILA CONSTRUCTION, INC.

The undersigned, constituting all of the members of the board of directors of (the "Board") of Steve Avila Construction, Inc., a California corporation (the "Corporation"), by their signature below, hereby adopt the following resolutions on behalf of the Corporation, pursuant to Section 307(b) of the California Corporations Code:

ISSUANCE OF SHARES

WHEREAS, the Board desires to compensate Michael Avila for services rendered by him to the Corporation;

NOW THEREFORE, BE IT RESOLVED, for services rendered by Michael Avila to the Corporation valued at \$1000, the Board hereby sells and issues to Michael Avila 1,000 shares of common stock of the Corporation.

RESOLVED FURTHER, the officers of this Corporation are, and each acting alone is, hereby authorized and directed to issue to Michael Avila one or more share certificates of this Corporation representing the above described shares.

RESOLVED FURTHER, that the officers of this Corporation shall cause the Corporation to withhold from the compensation payable to Michael Avila all taxes required to be withheld by Federal, state or local laws as a result of the above issuance and sale of shares to him.

RESOLVED FURTHER, that it is contemplated that above issuance and sale of the Corporation's common stock shall be exempt from registration under the Securities Act of 1933, as amended, pursuant to Sections 4(2) and 3(a)(11) thereof, and from qualification under the California Corporate Securities Laws of 1968, as amended, pursuant to Section 25102(f) thereof, and each officer of this Corporation is hereby authorized and directed to take all steps necessary or desirable to comply with the applicable legal requirements of the above named exemptions, including the filing of a Notice of Transaction Pursuant to Section 25102(f) with the California Department of Corporations.

RESTATEMENT OF ARTICLES OF INCORPORATION

WHEREAS, the Board desires to change the name of the Corporation to reflect the change in ownership of the Corporation;

NOW, THEREFORE, BE IT RESOLVED, that the Restated Articles of Incorporation; attached hereto as Appendix I, are hereby approved and adopted, and the President and Secretary of the Corporation are authorized to certify the same and to file the same with the California Secretary of State.

ELECTION OF OFFICERS

WHEREAS, the Board believes it to be in the best interest of the Corporation to elect officers at this time in lieu of the holding of an annual meeting of the Board during the 1998 calendar year;

WHEREAS, Ursula V. Avila has tendered her resignation as Secretary of the Corporation effective as of June 1, 1998;

NOW, THEREFORE, BE IT RESOLVED, that the following persons are elected to the office(s) indicated next to their names to serve until their successor(s) shall be duly elected or appointed, unless they resign, are removed from office or are otherwise disqualified from serving as an officer of this Corporation, and to take their respective office(s) effective as of June 1, 1998:

<u>Office</u>	<u>Name</u>
President and Chief Executive Officer	Steve M. Avila
Chief Financial Officer and Secretary	Michael Avila

ACCEPTANCE OF RESIGNATION

WHEREAS, Ursula V. Avila desires to resign from the Board effective as of June 1, 1998;

RESOLVED, the resignation of Ursula V. Avila as a member of the Board is hereby accepted effective as of June 1, 1998.

OMNIBUS RESOLUTIONS.

RESOLVED FURTHER, that the officers of this Corporation be, and each individually is, hereby authorized to do and perform any and all such acts, including execution of any and all documents and certificates, as said officers shall deem necessary or advisable, to carry out the purposes of the foregoing resolutions.

This Action by Unanimous Written Consent shall be filed in the minute book of this Corporation and become a part of the records of this Corporation.

Dated: May 30, 1998

Steve M. Avila
Steve M. Avila, Director

Ursula V. Avila
Ursula V. Avila, Director

Board Paper: Finance Committee

Agenda Item: Consider Recommendation for Board Approval of Contract Award to Vizient, Inc. for Vizient Data Connector (VDC) and Clinical Data Base (CDB)

Executive Sponsor: Timothy Albert, MD, CCO

Date: March 16, 2026

Executive Summary

The Vizient, Inc. Clinical Data Base (CDB) and Vizient Data Connector (VDC) together are a powerful healthcare analytics platform that helps hospitals benchmark performance, identify improvement opportunities, and ensure regulatory compliance. By providing high-quality, transparent data on patient outcomes — such as mortality, length of stay, complications, and readmissions — CDB enables organizations to reduce care variation, optimize resource utilization and improve documentation and coding. With clinical benchmarking tools like dashboards and customizable reports, providers can quickly assess performance and make data-driven decisions. Ultimately, CDB and VCD empower healthcare organizations to enhance quality, safety, and financial outcomes through actionable insights tailored to their patient population.

Background/Situation

Vizient, Inc. helps drive quality, efficiency, and cost-performance across the care continuum. Members gain insight into clinical, financial and operational performance improvement opportunities through advanced analytics and advisory services. They share leading practices, improve target outcomes for quality and safety, and build market strategies that help organizations position themselves to thrive in today’s health care industry

Timeline/Review Process to Date:

- Fall 2025, contract negotiations initiated
- March 2026, contract finalization
- April 2026, implementation initiated
- September 2026, implementation and data validation completed

Strategic Plan Alignment:

This implementation will be in support of the quality metrics in the balanced scorecard

Pillar/Goal Alignment:

- Service People Quality Finance Growth Community

Financial/Quality/Safety/Regulatory Implications:

Key Contract Terms	Vendor:
1. Proposed effective date	Implementation to begin April 1, 2026. Implementation and data validation complete September 30, 2026.
2. Term of agreement	5-years

3. Renewal terms	No automatic renewal
4. Termination provision(s)	For cause
5. Payment Terms	Annually
6. Annual cost	*See attachment 1
7. Cost over life of agreement	\$1,400,782
8. Budgeted (indicate y/n)	N

Recommendation

Consider Recommendation for Board Approval of Contract Award to Vizient, Inc. for Vizient Data Connector (VDC) and Clinical Data Base (CDB) in the amount of \$1,400,782.

Attachments

- (1) Table of full expenses
- (2) Competitive Solicitation Checklist
- (3) Sole Source Justification
- (4) Clinical Data Base (CDB) Contract
- (5) Vizient Data Connector (VDC) Contract

Attachment 1:

Vizient Clinical Data Base (CDB) Annual Fees:

Date	4/1/2026	4/1/2027	4/1/2028	4/1/2029	4/1/2030	
Meditech Implementation Fee	\$20,000					
VDC	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275	
CDB	\$205,274	\$211,432	\$217,775	\$224,308	\$231,037	
Total	\$275,274	\$262,932	\$270,820	\$278,944	\$287,312	\$1,375,282
Reimplementation Fee (MAY NOT APPLY)						\$25,500

BOARD or CEO Packet Submission Checklist

Consider Recommendation for Board Approval of Contract Award to Vizient, Inc. for Vizient Data Connector (VDC) and Clinical Data Base (CDB)

The original of this completed/fully signed checklist and all required supporting documents are to be hand-delivered to reviewer listed below:

- BOARD or CEO PAPER – required for all submissions; see attached instructions/sample
- KEY CONTRACT TERMS – required for all submissions – see table in Board/CEO Paper
- CONTRACT – negotiated final contract with vendor signature
- PROCUREMENT PROCESS DOCUMENTATION – required for all submissions requiring Board/CEO review/approval per Procurement Management Policy (see policy for details; indicate which sub-category is applicable):

If for data processing/telecommunications goods/services of \$25,000 or more, check applicable option and include documentation: **VP IT must review.**

RFP documentation *unless sole source or GPO applies.*

If Sole source – provide detailed justification

If GPO, submit qualifying verification from Materials Management

If for professional/other services or medical/surgical equipment and supplies \$400,000 or more, check applicable option and include documentation:

RFP documentation *unless sole source or GPO applies.*

If Sole source – provide detailed justification

If GPO, submit qualifying verification from Materials Management

If for non-medical materials/supplies/Public Works \$25,000 or more, check applicable option and include documentation:

RFP/Invitation for bids documentation

If Sole source – provide detailed justification

If GPO, submit qualifying verification from Materials Management

Legal counsel/Contract Administrator/Specialist reviewed: No ___ or Yes By Whom: Jon Baird & Natalie James

SUBMITTED BY DEPARTMENT DIRECTOR OR DEPARTMENT ADMINISTRATOR:

Brenda Inman Signature Title/Dept. VP Quality & RM Date 03/11/2026

Signature: Tim Albert
Tim Albert (Mar 12, 2026 11:57:30 PDT)

Email: talbert@salinasvalleyhealth.com

REVIEWED BY: (In the following order) – If Capital; Axiom approval in lieu of signature.

VP IT: (if applicable) Audrey Parks Date: 03/12/2026

Director Supply Chain: Gary Ray, SVH CLO Date: 03/12/2026
Gary Ray, SVH CLO (Mar 12, 2026 09:28:55 PDT)

Gary Ray, CLO, on behalf of Judi Melton, Director, Supply Chain

Justification for Sole Source Form

To: Contract Review Committee

From: Brenda Inman, Quality and Risk Management

Type of Purchase:

- Data Processing/Telecommunication Goods/Service of \$25,000 or more
- Purchase Service, Medical/Surgical – Supplies/Equipment of \$400,000 or more
- Non-Medical materials/supplies/Public Works of \$25,000 or more

<i>Total Cost \$:</i>	\$1,400,782
<i>Vendor Name:</i>	Vizient, Inc.
<i>Agenda Item:</i>	Consider Recommendation for Board Approval of Contract Award to Vizient, Inc. for Vizient Data Connector (VDC) and Clinical Data Base (CDB)

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 SVHMC. The procurements proposed for acquisition through sole source are the only ones that can meet the district’s need. 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 SVHMC. See typical examples below.

Licensed or patented product or service. No other vendor provides this. Warranty or defect correction service obligations of the consultant.
Vizient, Inc., is the country’s largest member-owned healthcare services company. More than 69% of acute care hospitals in the country are clients of Vizient, Inc. There is no other vendor in the country that provides this same level of service to acute care hospitals.

Uniqueness of the service.
Vizient, Inc. helps drive quality, efficiency, and cost performance across the care continuum. Member hospitals gain insight into clinical, financial, and operational performance improvement opportunities through advanced analytics and advisory services. Member hospitals learn from peers and share leading practices, improve target outcomes for quality and safety, and build market strategies that position them to thrive in today’s health care industry.

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

Submitter Signature Brenda Inman Date: 03/11/2026



Clinical Data Base Services Statement of Work

Vizient, Inc., a Delaware corporation, ("**Vizient**") will provide the services detailed in this **Clinical Data Base Services Statement of Work** (this "**SOW**") to **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**, ("**Member**") and its covered facilities set forth in **Exhibit A** ("**Covered Facilities**"), if any, for the Service Fees indicated hereunder. This SOW is made pursuant to the terms and conditions set forth in the **Master Services Agreement** between the Parties dated March 1, 2023 (the "**Master Agreement**"). As such, all capitalized terms used herein and not otherwise defined in this SOW will have the meanings ascribed to such terms in the Master Agreement. **This SOW is effective as of April 1, 2026** (the "**Effective Date**"). Vizient and Member are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**." Any reference to, or description of any right or obligation of, "Member" in this SOW will also include Covered Facilities unless specifically delineated.

1. **Services.** Vizient will provide a subscription to Vizient's Clinical Data Base ("**CDB**") which allows subscribing members to compare and analyze comprehensive clinical, supply spend, and resource utilization data across service lines and expedite data collection to fulfill agency reporting requirements. Specifically, CDB leverages patient charge detail, supply spend, and resource utilization data for transparent and comprehensive comparative analysis so members can compare internal trends and performance with other member peer organizations and identify clinical practice variation, assess resource need, optimize utilization to reduce costs, and identify opportunities for clinical, operational, and financial improvement. Member will have access to clinical benchmarking tools such as dashboards, simulation calculators, and templated and customizable reports, which allow members to generate customized analytical reports to evaluate performance across Member's organization and for specific categories for in depth review of Member's supply spend and utilization performance for high-cost categories such as pharmaceuticals, imaging, and medical-surgical supplies (collectively, the "**Services**"). Services also include:
 - 1.1 **Support Services.** Ongoing remote support services to assist Member with data submission and other technical support needs. Access to training (self-service and web-based training) and educational resources. Requests for on-site training may result in additional Service Fees as mutually agreed to by the Parties in an amendment to this SOW.
 - 1.2 **Implementation Services.** New facilities require implementation and initial data upload ("**Implementation Services**") before it can access CDB. Implementation Services are provided on a per facility basis and include remote training sessions.
 - 1.3 **Reimplementation Services.** If Client terminates its Vizient Data Connector ("**VDC**") SOW during the Term, Vizient will perform a reimplementation of CDB with Client, similar to the process performed during an initial data submission for new subscribers ("**Reimplementation Services**"), for an additional fee described below (the "**Reimplementation Services Fee**").
 - 1.4 **Core Measures Reporting Optional Services.** In addition to the Services, Vizient will provide Client access to optional core measure reporting services ("**CM Services**") delivered by a third-party vendor, Medisolv, Inc. ("**Medisolv**"), for no additional fee. In order to subscribe to optional CM Services, Client and Medisolv must execute a mutually agreeable: i) Medisolv Product Subscription Agreement attached hereto as **Exhibit B**; ii) Data Authorization Form attached hereto as **Exhibit D**; and iii) Business Associate Agreement (collectively, the "**Medisolv Agreements**"). Continued participation in CM Services is contingent on the continued effectiveness of the Medisolv Agreements. CM Services will be discontinued upon the expiration or termination of any of the Medisolv Agreements, this SOW, or upon 90 days' notice from either Party to the other Party. Client acknowledges and agrees that the CM Services are provided subject solely to the terms, conditions, and obligations set forth in the Medisolv Agreements and Vizient disclaims any liability with respect to the CM Services or the Medisolv Agreements.

- 1.5 **Protected Health Information.** Services include the use of Protected Health Information (“PHI”) and thus, any PHI disclosed hereunder, will be subject to the Parties’ Business Associate Agreement (“BAA”) dated August 9, 2021.
- 1.6 **Optional Services.** In addition to the Services described herein, Vizient may from time to time provide Member access to optional components under this SOW for no additional fee; provided, however, access to an optional component may be conditioned on Member’s regular submission of certain data relevant to the functionality of such optional component. Vizient reserves the right to terminate or discontinue any optional components at any time without notice.
- 1.7 **Member Data.** Member acknowledges Services rely solely on timely receipt of complete, accurate, and relevant Member data, including clinical data, operational data, and Spend Data (as defined in the Master Agreement) (collectively, “Member Data”) and Member will submit all required Member Data on a monthly basis and as may otherwise be requested by Vizient from time to time. Member Data also includes all data submitted to Medisolv for CM Services (individually, “CM Data” and collectively as, Member Data). Vizient has the right to use Member Data submitted in connection with any other Vizient services to which Member subscribes. Member’s failure to provide Member Data may limit Vizient’s ability to provide all or part of the Services. Vizient reserves the right to terminate this SOW immediately if Member fails to comply with this section.
- 1.8 **Meditech Historical Data.** Vizient will provide data associate support to guide specification mapping and validate file format/structure/content through an iterative process for Meditech Historical Data.

2. **Materials, Licenses, and Member Obligations.**

- 2.1 **“Materials”** means all data, databases, or property owned, licensed, leased, or developed by, or on behalf of, Vizient and provided to or accessed by Member, including all reports generated with the use of Services, pursuant to the terms of this SOW, including, without limitation, Program Data, Program Content, and Derivative Works (as defined below).
- A. **“Program Data”** means all data, programs, databases, resources, and property accessed by or provided to Member as part of the Services, including all subsequent copies, reproductions, modifications, updates, reports, literary works, and other works of authorship including, but not limited to, clinical and operational databases, clinical performance data, resource utilization data, spend data, and other data provided hereunder.
- B. **“Program Content”** means all Services components, including software, hardware, storage media, functionality, manuals, products, processes, calculations, algorithms, reports, user interfaces, know-how, techniques, design or submission specifications, or any other web-based application or platform or technical information made available to Member in providing access to Services, including usage and access data and information contained in websites accessed as part of the Services.
- C. **“Derivative Works”** means all deliverables created by Vizient, including deliverables created by Vizient with the use of Member Data, and used for analysis purposes, to create Program Data, or made available to other Services subscribers in connection with the Services.

2.2 **Licenses**

- A. **Ownership.** Vizient owns all Materials, Program Data, Derivative Works, and all other documentation and information not specifically granted to Member hereunder. Member owns all Member Data, as submitted by Member, subject to the license and right of use expressly granted to Vizient.

- B. **Member License**. Member hereby grants Vizient a royalty-free, non-exclusive, and perpetual license to access, incorporate, create, display, transmit, reproduce, and otherwise use Member Data to create Materials as necessary to provide the Services and for use by other subscribing Vizient members as part of the Services. Vizient will aggregate Member Data and apply any Services specific processing, including, but not limited to, applying risk and cost adjustment modifiers to create Materials pursuant to Vizient's standards, processes, schedules, data privacy and security, and internet security policies.
- C. **Vizient License**. Vizient hereby grants Member the non-exclusive right to access and use Services, including, but not limited to, website or storage media, user manuals, or Materials, solely for Member's own internal purposes, during the Term and in accordance with the terms and conditions of this SOW.
- D. **License Reservations**. Vizient reserves all rights not specifically granted to Member hereunder, including all rights, title and interest, and all derivative works thereof, including all related intellectual property rights. Except as expressly provided herein or otherwise upon Vizient's express written consent, Member will not, nor will it permit, any third party to use, receive, copy, market, sell, distribute, license, sublicense, lease, timeshare, rent, transfer, disclose, display, view, translate, modify, improve, adapt, disassemble, decompile, or reverse engineer Materials, Derivative Works, or Program Data, or any portions thereof; nor will Member create, use, or permit third parties to access or use Materials to create derivative works, improvements, products, reports, or other documentation, without Vizient's express written consent.
- E. **License Limitations**. Member agrees Services are contingent on the express condition Member will: i) treat all Materials, as defined in this SOW and at all stages of creation or completion, as Vizient's intellectual property and Confidential Information (as defined in the Master Agreement); ii) use the Services for Member's internal use only; and iii) immediately notify Vizient of any unauthorized use of Services.

2.3 **Member Obligations**.

- A. **General**. Member will: i) comply with the terms and conditions of this SOW; ii) complete all survey or intake tools; iii) submit complete, accurate, and relevant Member Data through appropriate and secure data feeds and in accordance with Vizient's data submission standards, processes, schedules, data security, and internet security policies for all Services; and iv) comply with Vizient's security and privacy procedures and maintain associated physical, technical, and administrative safeguards as needed to ensure Materials are accessed by authorized personnel only and will remain de-identified in accordance with 45 CFR Part 164.514(b), as amended.
- B. **Access**. Member will not alter, modify, remove, obscure, or cover any trademark, copyright notices, or other legends or proprietary notices placed on or embedded by Vizient in the Materials, Program Data, Derivative Works, or other documentation or modify or copy any of the foregoing in any digital or electronic form without the express written permission of Vizient. Member will reproduce all such notices and legends on and in any and all backup copies of all Materials created by Member as permitted herein. In addition, Member will not attempt, nor allow or request others to attempt, to circumvent any technological measures implemented by Vizient to protect its Materials and copyrightable property. Furthermore, Member will not permit access to anyone other than through i) terminals located on Member's business premises or ii) through a Member-owned virtual private network ("VPN") accessed with Member-owned and secured equipment, which may be within Member's employee's home office(s).
- C. **Internal Use Only**. Member will not, nor will it permit, any other person, entity, or party to: i) identify or re-identify, or attempt to identify or re-identify, any specific institution, physician, patient, or individual in the Materials; or ii) link any other data elements to de-identified data sets within Program Data without obtaining an expert determination that all such data sets have been statistically de-identified and will remain de-identified pursuant to 45 CFR Part 164.514(b), as amended. Notwithstanding the foregoing, Member will only use Confidential Information that is wholly or partially identifiable for internal use only and will not use any Materials or Confidential Information in any form outside Member's institution, unless

it meets all requirements in this SOW and is masked, blinded, or otherwise protected to preclude the identification of all institutions, providers, and patients. Member understands Vizient shares non-PHI Materials with other subscribers, and may do so on a hospital-specific basis, in accordance with Services standards and guidelines, and subject to contractual obligations of confidentiality with the other subscribers (see also Publication Rights below).

- D. **Publication Rights.** Member may publish a review, analysis, or conduct research based on Program Data ("Publication") subject to Member's compliance of the following restrictions: i) no institution or group of institutions may be identified or identifiable; ii) Member will not compare data or other performance information with any identifiable institution or identifiable group of institutions; iii) Member will, if applicable, only use Program Data, including data generated based on or with the use of Program Data or arising from the Services provided hereunder, by aggregating such data with at least 5 other institutions; and iv) Member will obtain Vizient's prior written consent for any Publication containing Materials, including Program Data, and such Publication will include the following statement: "***The information contained in this article was based in part on data accessed as part of Vizient's Clinical Data Base subscription services.***"
- E. **Disclaimer.** ALL SERVICES, MATERIALS, PROGRAM DATA, DERIVATIVE WORKS, OR ANY OTHER INFORMATION OR DATA PROVIDED HEREUNDER ARE PROVIDED "AS IS" AND WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED, AS TO THE VALIDITY OF ANY MATERIALS, DATA OR OTHER INFORMATION PROVIDED OR ACCESSED HEREUNDER, OR OF ITS APPROPRIATENESS FOR USE IN ANY MANNER, AND THE PARTIES EXPRESSLY EXCLUDE FROM THIS SOW ALL WARRANTIES OR MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER WARRANTIES ARISING BY LAW, STATUTE, USAGE OF TRADE, OR COURSE OF DEALING. MEMBER ACKNOWLEDGES AND AGREES ANY INFORMATION, MATERIALS, DATA, OR OTHER DOCUMENTATION AVAILABLE HEREUNDER IS NOT A SUBSTITUTE FOR MEMBER'S INDEPENDENT PROFESSIONAL JUDGMENT AND MEMBER ASSUMES ANY AND ALL RISKS ASSOCIATED WITH THE ACCURACY, USE, AND RELIANCE ON THE SERVICES, MATERIALS, OR OTHER DOCUMENTATION PROVIDED HEREUNDER.
- F. **Covered Facilities.** Member may share Materials with Covered Facilities for Covered Facilities' internal purposes only. Member represents and warrants it the right and legal authority to enter into this SOW on behalf of the Covered Facilities and has obtained all necessary and required consents and authorizations or approvals as dictated by applicable laws, rules, regulations, or policies necessary to share Materials, including Program Data, with Covered Facilities.
- G. **Meditech Historical Data Implementation.** Client will provide technical resources to build, refine, validate, and securely transfer Meditech extracts/files in alignment with Vizient specifications, including SFTP setup and collaboration on content/quality validation. Client will also provide SMEs to support mapping, validation, and business/context review as needed.
3. **Term and Termination.**
- 3.1 **Term.** The term of this SOW will commence on the Effective Date and continue for **60 months** ("Term").
- 3.2 **Termination for Convenience.** This SOW may not be terminated for convenience. If the Master Agreement terminates or expires prior to the expiration of this SOW, the applicable terms and conditions of the Master Agreement will survive for the limited purpose of governing this SOW for its remaining Term.
- 3.3 **Termination for Cause.** The Parties may terminate this SOW for material breach in accordance with the terms of the Master Agreement.
- 3.4 **Effect of Termination.** Upon any termination of this SOW: i) Member will return all Materials to Vizient; and ii) all rights and licenses granted to Member hereunder will immediately terminate, together with Member's

access to Services. Member's obligations and any licenses granted to Vizient hereunder will survive any termination of this SOW indefinitely.

3.5 Sunset. Vizient reserves the right to sunset, discontinue, or outsource any element of the Services, as well as merge one or more elements of Services into another product upon reasonable notice to Member. Should Vizient sunset, discontinue, or outsource any element of the Services, Vizient shall provide Member the option at its sole discretion to terminate this SOW without penalty or additional cost.

4. Service Fees and Invoicing.

4.1 Service Fees. Vizient will provide the Services described herein to Member for an annual service fee as set forth in the table below ("Service Fees"). Vizient will provide implementation of Member's Meditech data for a fee of \$20,000 ("Meditech Service Fee"). Member acknowledges and agrees Service Fees are for the Covered Facilities set forth in **Exhibit A** as of the Effective Date. Any requests to add additional facilities after the Effective Date will result in additional Service Fees as mutually agreed to by the Parties in an amendment to this SOW and Vizient has no obligation to provide Services to any facility not set forth in this SOW.

4/1/2026 – 3/31/2027	4/1/2027 – 3/31/2028	4/1/2028 – 3/31/2029	4/1/2029 – 3/31/2030	4/1/2030 – 3/31/2031
\$205,274	\$211,432	\$217,775	\$224,308	\$231,037

4.2 Reimbursable Expenses. Member acknowledges and agrees Services-related expenses for on-site services and support (e.g., additional training, member presentations, and data acquisition for added facilities) such as travel, meals, lodging, and overnight mailing, ("Reimbursable Expenses") are in addition to Service Fees. Vizient agrees to provide Member with estimated expenses in advance in good faith and will request preauthorization prior to incurring any Reimbursable Expenses.

4.3 Reimplementation Services Fee. If applicable, Vizient will provide the Reimplementation Services for a one-time Reimplementation Services Fee of **\$25,500**. Vizient will invoice the Reimplementation Services Fee within 30 days of the commencement of Reimplementation Services.

4.4 Invoicing and Payment. Vizient will invoice the Meditech Service Fee, in full, within 30 days of the Effective Date. Vizient will invoice annual Service Fees, in full, on each anniversary of the Effective Date. Vizient will invoice Reimbursable Expenses, as incurred, on a monthly basis. Member will pay all invoiced balances within 30 days of the invoice date.

Invoices will be addressed and delivered to:

Invoice Delivery – Primary Contact Information	
Name / Title	Accounts Payable
Address:	PO Box 3827
	Salinas, CA 93912
Email Address for Email Delivery of Invoices	accountspayable@salinasvalleyhealth.com
Name and Email Address(es) for Additional Recipient(s)	

If Member requires specific information (e.g., purchase order number) to be included in each invoice, Member will select the appropriate box below and provide the required information **at the time Member executes this SOW**, and annually (or as required) thereafter:

- Purchase Order Number _____
- Contract Identification Number _____
- Other Information _____

Questions regarding invoice delivery and/or payment status will be directed to:

Name / Title	Accounts Payable
Phone	
Email	accountspayable@salinasvalleyhealth.com

4.5 Member Statement Offset Option. If adequate funds are available, Member may elect to have invoiced Service Fees offset from Member’s available cash distributions. If Member intends to elect this option, Member will request, complete, and return the Offset Authorization Form via email to vizient.support@vizientinc.com.

IN WITNESS WHEREOF, the Parties have caused this SOW to be executed by their duly authorized representatives as of the Effective Date.

Vizient, Inc.

Salinas Valley Memorial Healthcare System

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Please sign, scan, and email to executedagreements@vizientinc.com. Vizient will provide a fully executed electronic copy to Member.

Exhibit A
Covered Facilities

Vizient MID	Covered Facility	Medicare ID	Core Measures Y/N
58206	Salinas Valley Health Medical Center	050334	Y

EXHIBIT B
Medisolv Product Subscription Agreement Template



Master Business Agreement
between:

("Client")

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

and

("Medisolv")

Medisolv, Inc.
10960 Grantchester Way, Suite 520
Columbia, MD 21044

Client and Medisolv (the "Parties") enter into this Product Subscription Agreement (the "Agreement") as of March 1, 2026 (the "Effective Date").

Medisolv provides a suite of healthcare solutions that encompasses quality management applications, advanced analytics solutions, decision support tools and professional services. Client may contract for Medisolv Solutions through an Ordering Document that defines the scope of the Medisolv Solutions, including applicable Subscription Services, Cloud Hosting, and/or Professional Services being performed. All Ordering Documents shall be governed by the terms of the Agreement, unless otherwise explicitly stated in the subsequent Ordering Document.

Accepted by:
Client

Signature

Printed Name

Title

Date

Accepted by:
Medisolv

Signature

Printed Name

Title

Date

Medisolv Product Subscription Agreement **Universal Terms and Conditions**

1. DEFINITIONS

- 1.1. "Agreement" means the Product Subscription Agreement between Client and Medisolv, including all of the terms and conditions included herein, along with any subsequent Ordering Documents, Amendments, or Addendums.
- 1.2. "Affiliates" means any entity directly or indirectly controlled by, controlling, managed by, or under common control of Client (an entity will be deemed to control another entity if it has the power to direct or cause the direction of the management or policies of such entity, whether through the ownership of voting securities, by contract, or otherwise). All references to Client herein shall be deemed to include Affiliates.
- 1.3. "Amendment" means any document that both Parties execute to modify any portion of this Agreement.
- 1.4. "Authorized Third Party" means any person or entity with whom Client has a business relationship, together with any other persons or entities that have a business relationship with the foregoing, and which (i) is not an Affiliate, and (ii) is authorized by Client to use the System and Services.
- 1.5. "Authorized Users" means any person authorized by Client, its Affiliates, or Authorized Third Parties to access and use the System, Services and Documentation hereunder.
- 1.6. "Breach" means a breach of the Agreement that is not cured within the applicable cure period.
- 1.7. "Client" means the organization entering into the Agreement with Medisolv.
- 1.8. "Client Data" means (i) the data, information, videos, audio recordings, images, or other content uploaded to the Medisolv System or otherwise made available to Medisolv either by Client or by Authorized Users; (ii) any reports generated through Client's or any Authorized User's use of the System and/or Services; and (iii) any other information, materials, and tools provided or made available by Client or Authorized Users in connection with an Ordering Document.
- 1.9. "Client-Hosted Environment" means the Equipment and general technical infrastructure provided by Client to run the System, in specific legacy configurations in the event Medisolv is not providing Cloud Hosting services. This includes, but is not limited to, data storage, computing resources, networking components, and technology management services. (Also referred to as "On-Premise" deployment.)
- 1.10. "Cloud Hosting" means the technical infrastructure and shared computing resources provided by Medisolv to deliver the Subscription Service and Medisolv Platform. This includes but is not limited to data storage, computing resources, networking components, and technology management services. Currently, Medisolv leverages Microsoft Azure, Microsoft's public cloud computing platform, but reserves the right to migrate to any other public cloud computing platform that provides comparable service levels and capabilities.
- 1.11. "Confidential Information" means all information not publicly available that is disclosed by either Party to the other that is designated as confidential or that, given the nature of the information or the circumstances surrounding its disclosure, reasonably should be considered as confidential. Without limitation, Confidential Information includes all Client Data and all individually identifiable patient information, all non-publicly available information relating to technology, products, services, processes or methodologies, specifications, architecture, code, data, trade secrets, customers, employees, partners or vendors, business plans and methods, promotional and marketing activities, finances, and other business affairs, including the terms of the Agreement and any related discussions or negotiations between the Parties, third-party information that either Party is obligated to keep confidential. Confidential Information will not include any information that (i) is or becomes publicly available without breach of the Agreement or through any improper action or inaction by either Party, (ii) is independently developed or was known by either Party prior to the Effective Date, (iii)

is rightfully acquired by either Party from a third party without restriction or in breach to keep such information confidential, or (iv) is required to be disclosed pursuant to law.

- 1.12. "Data Acquisition" means the primary process by which Medisolv obtains Client Data from Client's electronic health record (EHR) system for use with the Subscription Service and is outlined in the Medisolv Standard Technical Configuration Guide. This document is reviewed and updated periodically, and the most recent version may be found on the Medisolv Knowledge Center, or any successor URL. (<https://knowledge.medisolv.com/standard-technical-configuration-guide>)
- 1.13. "Documentation" means user manuals, training material, product specifications, and any other documentation relating to the operation and functionality of the System or the Subscription Service, and any modifications or revisions thereof, provided that any such modifications and revisions do not adversely affect the material functionality of the System or Subscription Service.
- 1.14. "Equipment" means the Medisolv recommended minimum technology configuration and operating environment provided by Client necessary to access and use the System and is outlined in the Medisolv Standard Technical Configuration Guide. This document is reviewed and updated periodically, and the most recent version may be found on the Medisolv Knowledge Center or any successor URL. (<https://knowledge.medisolv.com/standard-technical-configuration-guide>)
- 1.15. "First Productive Use" means the first use of a Medisolv Solution by an Authorized User to access and view Client Data following completion of testing.
- 1.16. "Holidays" means New Year's Day, Martin Luther King Jr. Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving Day and Christmas Day. Medisolv reserves the right to update the list of approved Holidays to align with generally accepted business practice.
- 1.17. "Hosting Sites" means the physical locations of the primary hosting site and backup hosting site of the Cloud Hosting service.
- 1.18. "Mark" means any trademark, service mark, trade name, logo, domain name, or other indicator of source, affiliation, or sponsorship, whether registered or unregistered.
- 1.19. "Medisolv Knowledge Center" means the online repository where Client may access Documentation for Medisolv Solutions. (<https://knowledge.medisolv.com>; or any successor URL).
- 1.20. "Medisolv Platform" means the suite of healthcare solutions provided by Medisolv that encompasses quality management applications, advanced analytics solutions, decision support tools, as supplemented with professional services. The Medisolv Platform is delivered and supported through a combination of Subscription Service, Cloud Hosting, and Professional Services.
- 1.21. "Medisolv Solutions" means the solutions provided by Medisolv and contracted with Client through an Ordering Document with defined Scope of Use and pursuant to the Agreement. Medisolv Solutions may include Subscription Service, Cloud Hosting and/or Professional Services.
- 1.22. "Medisolv/Vizient Agreement" means overarching agreement between Medisolv and Vizient dated April 1, 2019 ("Medisolv/Vizient Agreement").
- 1.23. "Ordering Document" means a contractual document setting forth the Scope of Use for the Medisolv Solutions (e.g., facilities, eligible clinicians, concurrent users or other metrics, as applicable), including Subscription Service, Cloud Hosting and/or Professional Services to be provided by Medisolv to Client under the terms of the Agreement. Each Ordering Document shall be governed by the terms of the Agreement unless otherwise explicitly stated, and its acceptance shall be evidenced by execution by both Parties. An Ordering Document may be in the form of a Sales Order, Amendment, Addendum, or an Invoice for Scope of Use true-up.

- 1.24. "Personnel" means officers, directors, employees, consultants, agents, and subcontractors of a Party.
- 1.25. "Professional Services" means the services performed by Medisolv Personnel as described in an Ordering Document. Professional Services may include but are not limited to: implementation of the System, technical installation services, data acquisition services, interface development, configuration services, report templates development or configuration, training, support, ongoing maintenance, and/or other consulting services described in an Ordering Document.
- 1.26. "Scope of Use" means the controls on Client's use of the Medisolv solutions (e.g., facilities, eligible clinicians, concurrent users, or other metrics, as applicable) as defined in an Ordering Document.
- 1.27. "Subscription Service" means the services provided by Medisolv using a software as a service (SaaS) delivery model to provide software, services, technology, and content to Client. The Subscription Service includes applicable software and content licensing, ongoing software maintenance and support, interface licensing and support provided to Client and Authorized Users for the Subscription Term, as defined in the Ordering Document.
- 1.28. "System" means the Subscription Service, Cloud Hosting and Equipment used to provide Medisolv Solutions to Client, pursuant to the Agreement. System includes the Client-Hosted Environment for legacy "On-Premise" deployments.
- 1.29. "Subscription Term" means the contractually committed duration of recurring Subscription Service and Cloud Hosting, as defined in an Ordering Document. The Subscription Term shall run coterminous with the Vizient CDB Agreement. In the event Client terminates its Vizient CDB Agreement, this Agreement will automatically terminate upon the Vizient CDB Agreement termination date.
- 1.30. "Term" means the term of the Agreement, as set forth in the Term and Termination section.
- 1.31. "Test Environment" means a non-production environment that Medisolv may install for the purposes of testing new functionality, testing upgrades, or troubleshooting the System.
- 1.32. "Upgrades" means any and all bug fixes and major and minor upgrades, updates, modifications, versions, releases, and enhancements of the System (e.g., 3.0 to 3.1; 3.0 to 4.0).
- 1.33. "Vizient CDB Agreement" means a separate agreement between Vizient, Inc. ("Vizient") and Client to license the Clinical DataBase solution which provides Client access to the Subscription Services for the Medisolv ENCOR for Abstracted Measures solution.
- 1.34. "Web Site" means the Internet site operated by Medisolv provided to Client, or any successor URL, pursuant to the Agreement.
- 1.35. "Work Product" shall mean any customized or custom software programs, functionality, documentation, techniques, methodologies, inventions, analysis frameworks, software, or procedures developed, conceived, or introduced by Medisolv in the course of, or as the result of, Medisolv delivering the Subscription Service or performing Professional Services, issue resolution or other support services, whether acting alone or in conjunction with Client or its Personnel or Authorized Third Parties.

2. **PROVISION OF SERVICES AND CLOUD HOSTING**

- 2.1. ***Subscription Service and Grant of License.*** Medisolv agrees to provide the Subscription Service to Client in accordance with the terms of the Agreement and hereby grants to Client a non-exclusive, revocable and non-transferable (except as set forth in the Agreement) right and license for Client, its Authorized Third Parties, and their respective Authorized Users to access and use the System and Subscription Service and to create, upload, review, and access Client Data through the Subscription Service and System, subject to the terms of the Agreement and in accordance with the Documentation. Furthermore, Medisolv hereby grants Client a non-exclusive, revocable and non-transferable (except as set

forth in the Agreement) license for Client and its Authorized Third Parties to use and reproduce and install the client-side components of the System, as applicable and in accordance with the Documentation, for use of the System and Subscription Service.

- 2.2. Scope of Use.** Client agrees to operate within the Scope of Use as defined within each Ordering Document. Scope of Use will be measured periodically by Medisolv's system tools, or, for metrics that cannot be measured by system tools or obtained through industry available reporting sources, Client will provide the relevant metrics to Medisolv at least one (1) time per year. Client agrees that if an event occurs that will affect Client's Scope of Use (such as acquisition of a new hospital, provider group, or other new facility), Client will promptly notify Medisolv in writing of such event no later than thirty (30) days following the effective date of such event so that Client's Scope of Use can be reviewed and a new Ordering Document can be executed. Any additional fees due under this Section will be effective as of the date the Scope of Use limit was exceeded and shall be payable within thirty (30) days following Client's receipt of an invoice for such fees.
- 2.3. Cloud Hosting Sites/Data Security Compliance.** Medisolv shall use a secure cloud infrastructure for Cloud Hosting of Client Data. Medisolv shall at all times remain responsible for the use of the Cloud Hosting Sites in the performance of the Subscription Service.
- 2.4. Support and Maintenance of the Subscription Service.** As part of the Subscription Service, Medisolv shall provide, at no additional charge to Client, support and maintenance for the Subscription Service during the Subscription Term defined in the Ordering Document, subject to the terms as described herein and in Exhibit 1 incorporated herein by this reference.
- 2.5. Use of Copies.** Client shall have the right, at no additional cost, to make and use additional copies of any Documentation prepared for Medisolv clients and available on the Medisolv Knowledge Center (or any successor URL) as reasonably necessary for support installation, testing, disaster recovery, and archival purposes. Client may duplicate the Documentation, at no additional charge, and Client agrees to retain all Marks on all duplicated copies. Client should always check for the latest version of any Documentation prior to use.
- 2.6. Ownership.** Client owns all right, title, and interest in, and retains the copyright and other intellectual property rights in all Client Data and all of its other Confidential Information. Medisolv's Confidential Information and the Medisolv Solutions and System, along with any and all future enhancements, upgrades, and new functionality shall be and remain the property of Medisolv or third parties that have granted Medisolv the right to license components within the Subscription Service and System, and Client shall have no rights or interests therein except as set forth in the Agreement.
- 2.7. Restrictions on Use.** Client shall not (i) reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to the source code of the Subscription Service, in whole or in part, (ii) copy, modify, or create derivative works or improvements of the Subscription Service, (iii) bypass or breach any security device or protection used by the Subscription Service or access or use the Subscription Service other than by an Authorized User through the use of the Authorized User's then-valid access credentials, or (iv) access or use the Subscription Service in any manner or for any purpose that infringes, misappropriates, or otherwise violates any intellectual property right or other right of any third party (including by any unauthorized access to, misappropriation, use, alteration, destruction, or disclosure of the data of any other Medisolv customer), or that violates any applicable law.

Client shall employ all physical, administrative, and technical controls, screening, and security procedures and other safeguards necessary to: (i) securely administer the distribution and use of all access credentials and protect against any unauthorized access to or use of the Subscription Service; and (ii) control the content and use of its data, including the uploading or other provision of Client Data for processing by the Subscription Service. Access credentials means any username, identification number, password, license or security key, certificate, security token, PIN, or other security code, method, technology, or device, used

alone or in combination, to verify an individual's identity and authorization to access and use the Subscription Service.

3. DELIVERY OF SERVICES

- 3.1. **Implementation.** Medisolv shall be responsible for implementing the System, including any Subscription Service, in accordance with the defined Scope of Use, timeframes and any specific terms defined in an Ordering Document. Client shall provide reasonable technical assistance with the Equipment and connectivity with the Cloud Hosting environment or Client-Hosted Environment. In the event of material issues during implementation, Medisolv will make commercially reasonable efforts to resolve such issues in a timely manner to maintain project timeline and objectives.
- 3.2. **Testing.** On the installation date for the Medisolv Solutions, Medisolv shall notify Client that the Medisolv Solution is ready for testing. With Medisolv's assistance, Client shall, within sixty (60) calendar days after receipt of such notification, complete testing, which may include full-stress testing to determine whether, in Client's commercially reasonable judgment, the Medisolv Solution meets the documented specifications, provides the functionality and performance characteristics described in the Documentation, and otherwise performs in accordance with the Documentation and as stated elsewhere in an Ordering Document.
- 3.3. **Training.** Medisolv will provide the Client (i) a comprehensive Implementation process, which includes extensive data validation and end-user training to ensure accurate and efficient use of the Medisolv Solutions, (ii) end-user training, resources, and Documentation on the proper use of Medisolv Solutions' functionality and tools for quality improvement, and (iii) a dedicated Medisolv Clinical Quality Advisor during implementation and throughout the term of the applicable Ordering Document.
- 3.4. **Support and Maintenance.** Medisolv will provide support and maintenance as part of Client's Subscription Service, as set forth in Exhibit 1.
- 3.5. **Service Availability.** Medisolv will provide availability of the Subscription Service as set forth in Exhibit 1.
- 3.6. **Scope Control.** The Parties acknowledge and agree that any services provided by Medisolv that are not described in this Agreement or within an Ordering Document are outside of scope. If additional services are desired by Client, such services would need to be contracted for in an Ordering Document.
- 3.7. **Remote Services.** All services will be performed remotely. In the event Client desires to have Medisolv resources on-site (meetings, training, etc.) or desires to have training at Medisolv's training facility, additional fees will apply, including any necessary Reimbursable Expenses. Such fees would need to be contracted for in an Ordering Document.
- 3.8. **Client Responsibilities.** Client agrees to comply with all applicable local, state, national, and foreign laws, treaties, regulations, and conventions in connection with its use of the System and Subscription Service, including without limitation those related to data and information privacy, international communications, and the exportation of technical or personal data. Client will ensure that any use of the System and Subscription Service by Authorized Users is in accordance with the terms of this Agreement. Client agrees to promptly notify Medisolv of any unauthorized use of any password or account or any other known or suspected breach of security or any known or suspected distribution of Client Data. Any unauthorized use of the System or Subscription Service may violate copyright laws, trademark laws, the laws of privacy and publicity, and communications regulations and statutes. Client is solely responsible for obtaining all licenses and permissions necessary related to any Client-provided content that may be incorporated into the System or Subscription Service. Client shall not resell the Medisolv Solutions directly or indirectly to third parties.

4. FEES AND PAYMENTS

- 4.1. **Fees.** In the event the Medisolv/Vizient Agreement is terminated, Client shall be responsible to pay Medisolv for the ongoing use of the Subscription Services for the ENCOR for Abstracted Measures at a rate to be mutually agreed upon by the parties and formally contracted for via a new Ordering Document. In the

event the parties are unable to reach agreement on new Ordering Document, Medisolv shall provide Client access to the Subscription Services for the ENCOR for Abstracted Measures solution for up to ninety (90) days following termination of the Medisolv/Vizient Agreement to allow Client to transition to another supplier.

5. TERM AND TERMINATION

- 5.1. **Term of Agreement.** The Agreement shall commence on the Effective Date and remains in effect until all Ordering Documents under the Agreement are terminated. Each Ordering Document will have a defined Subscription Term for Medisolv Solutions with recurring Fees.
- 5.2. **Termination For Cause.** Each Party shall have the right to terminate this Agreement, or an individual Ordering Document, based upon breach of a material obligation herein or therein ("Material Breach"). Notification of any such Material Breach must be provided in reasonable detail to the breaching Party in writing and the breaching Party shall have a cure period of thirty (30) days from receipt of written notification ("Cure Period"). If the Material Breach has not been resolved within the Cure Period, the non-breaching Party may proceed with termination unless the non-breaching Party agrees to a longer Cure Period in writing. Termination of this Agreement shall terminate all Ordering Documents. If Client elects to terminate this Agreement or an individual Ordering Document with cause, Medisolv shall promptly refund to Client a pro-rata portion of all pre-paid Fees paid by Client under the applicable Ordering Document, based on the then-remaining Subscription Term. Furthermore, each Party shall complete their Termination Obligations as outlined below.
- 5.3. **Effect of Termination.** In the event of any termination or expiration of this Agreement, the following obligations shall be in effect ("Termination Obligations"): Both Parties shall work in close consultation to ensure the orderly transfer of the operations. Medisolv will provide the following termination assistance ("Termination Assistance") within thirty (30) days of the termination effective date: (i) Medisolv will complete a one-time transfer of all Client Data that includes Protected Health Information as defined in HIPAA ("PHI") in the possession, custody, or control of Medisolv, (ii) Medisolv shall continue to retain and protect such Client Data as required by federal, state, local, and/or program requirements for the purposes of auditing and retroactive analysis except, where specified in the Business Associate Agreement or in writing by Client, and (iii) for a period of up to one (1) calendar quarter, Medisolv will cooperate and work in close consultation with Client to ensure the orderly transfer of the operations, with minimum disruption, to an alternative supplier selected by Client or in-house to Client. Client agrees to (i) cooperate and work in close consultation with Medisolv to ensure the orderly transfer of the operations and (ii) compensate Medisolv for the services provided during the Transition Assistance at a rate mutually agreed upon in writing by the Parties. Upon the completion of Termination Obligations defined herein, each Party will return all of the other Party's Confidential Information (and/or render forensically unrecoverable and certify the same of such information upon request of other Party), whether held by such Party or its affiliates, assigns, contractors, employees, agents, or representatives.

6. LEGAL AND COMPLIANCE

- 6.1. **Warranties.** Medisolv represents and warrants to Client that:
- 6.1.1. The System and Subscription Service will comply with the material functionality described in Documentation and that such functionality will be maintained in all material respects in subsequent upgrades to the Subscription Service;
- 6.1.2. The System and Subscription Service will be accessible to Client and shall be compatible with the Equipment and Cloud Hosting environment;
- 6.1.3. Medisolv shall take commercially reasonable steps to provide that the System and Subscription Service do not contain any disabling code (defined as computer code designed to interfere with the normal operation of the System, Subscription Service or Client's hardware or software) or any program routine, device or other undisclosed feature, including but not limited to, a "time bomb,"

"virus," "software lock," "drop-dead device," "malicious logic," "worm," "trojan horse," or "trap door" which is designed to delete, disable, deactivate, interfere with or otherwise harm the System, Subscription Service, Client Data, or Client's Equipment or hardware or software (collectively, "Disabling Devices"). In the event the Subscription Service contains any Disabling Device, Medisolv shall, at Medisolv's sole expense, promptly provide Client with the modifications, corrections, or enhancements to the noncompliant component of the System or Subscription Service necessary to render it in compliance with this representation and warranty. Medisolv will use commercially reasonable measures to screen all components of the System and Subscription Service provided to Client hereunder, for the purpose of avoiding the introduction of any virus or other computer-software routine that is designed to: (i) permit access to or use of such software by unauthorized third parties; (ii) disable or damage hardware, or damage, erase, or delay access to Client's software, hardware or data; or (iii) perform any similar actions;

- 6.1.4. Medisolv is the sole owner or otherwise has the right and authority to provide the Subscription Service and Documentation to Client and its Authorized Users, as set forth in an Ordering Document;
- 6.1.5. The Subscription Service and Documentation and the use thereof do not and shall not infringe any copyright, trademark, patent, or other proprietary right or misappropriate any trade secret;
- 6.1.6. Neither the execution of an Ordering Document nor its performance will directly or indirectly violate or interfere with the terms of another agreement to which Medisolv is a party, nor will Medisolv enter into any agreement the execution or performance of which would violate or interfere with the Agreement between Medisolv and the Client; and
- 6.1.7. Each of Medisolv's Personnel shall have proper skill, training and background, and shall perform in a competent and professional manner. Medisolv further warrants that the Subscription Service will conform to all applicable specifications and requirements set forth herein.

Medisolv does not warrant that the System and Subscription Service will be free of non-material errors, bugs, or minor interruption.

DISCLAIMER OF WARRANTIES. EXCEPT AS OTHERWISE EXPLICITLY SET FORTH HEREIN, MEDISOLV DISCLAIMS ALL OTHER WARRANTIES OF ANY KIND, EITHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN THE EVENT SUCH A WAIVER OF WARRANTIES IS HELD TO BE UNENFORCEABLE BY A COURT OF COMPETENT JURISDICTION, THEN ALL EXPRESS, IMPLIED AND STATUTORY WARRANTIES SHALL BE LIMITED IN DURATION TO A PERIOD OF THIRTY (30) DAYS FROM THE FIRST USE DATE, AND NO SUCH WARRANTIES SHALL APPLY AFTER THAT PERIOD.

- 6.2. **Warranty Conditions Precedent.** In the event of a warranty claim hereunder, Medisolv will bear no responsibility for correcting, curing, or otherwise remedying any nonconformity or defect in the System or Subscription Service to the extent that such nonconformity is caused by (i) malfunction of Client provided Equipment or Client-Hosted Environment; (ii) misuse or unauthorized use of the System or Subscription Service by Client or Authorized User; or (iii) damage to the System or Subscription Service caused by Client or Authorized User.
- 6.3. **Warranty Non-Conformance and Cure Period.** If Medisolv is notified of a failure to conform to any of the warranties set forth in this Agreement and such notice contains a reasonably detailed description of the warranty non-conformance and a request for appropriate modifications, corrections or enhancements to end the non-conformance, Medisolv shall have a reasonable period of time, not to exceed thirty (30) days from the date of said notification, to cure said failure at no cost to Client ("Warranty Cure Period"). If Medisolv does not cure said failure within the Warranty Cure Period, Client shall have the right to: (i) extend to Medisolv additional Warranty Cure Period(s); or (ii) terminate an applicable Ordering Document pursuant to the Termination For Cause section.

6.4. Indemnity. Each Party (an "Indemnifying Party") agrees to indemnify, defend, and hold the other Party and the other Party's officers, directors, agents, and employees (each, an "Indemnified Party" and collectively, the "Indemnified Parties") harmless from and against any and all liabilities, damages, losses, expenses, claims, demands, suits, fines, or judgments (collectively "Claims"), including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered or incurred by, accrued against, charged to, or recoverable from, any Indemnified Party, by reason of any Claim arising out of or relating to any act, error or omission, or misconduct of the Indemnifying Party, its officers, directors, agents, employees, and subcontractors, during the performance of an applicable Ordering Document, including, without limitation, Claims arising out of or relating to: (i) bodily injury (including death) or damage to tangible personal or real property; (ii) violation of any law or regulation; (iii) in the case of Medisolv, a Claim that the Subscription Service infringes or misappropriates any patent, copyright, trade secret, trademark, or other proprietary right (iv) breaches of any representations, warranties or covenants made under this Agreement; or (v) the Business Associate Agreement; provided, however, that the foregoing indemnity shall not apply to the extent that the applicable Claim results from the gross negligence or willful misconduct of the Indemnified Party, its officers, directors, agents, or employees.

6.5. Intellectual Property Indemnification. If a third-party claim of infringement results in Client being unable to use the System, Subscription Service, Professional Services, or Documentation, or for their use to be materially disrupted, Medisolv shall promptly, without additional charge to Client: (i) procure for Client the right to continue to use the infringing Subscription Service, Professional Services, or Documentation, (ii) replace or modify the same to make its use non-infringing while being capable of performing the same function without degradation of performance, or (iii) if none of the foregoing alternatives are possible after Medisolv's commercially reasonable efforts, then Client shall have the right to terminate the applicable Ordering Document for cause, upon written notice and without further opportunity to cure, and Medisolv shall promptly refund to Client all pro-rated remaining sums prepaid by Client under the applicable Ordering Document.

6.6. Limitation of Liability. NEITHER PARTY HERETO SHALL BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND, REGARDLESS OF THE FORM OF THE ACTION OR LEGAL THEORY (WHETHER BREACH OF CONTRACT, NEGLIGENCE, TORT OR OTHERWISE), EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE.

EXCEPT FOR AMOUNTS DUE UNDER THE FEES AND PAYMENTS SECTION, OR AS A RESULT OF A THIRD PARTY INDEMNIFICATION CLAIM, NEITHER PARTY HERETO SHALL BE LIABLE OR OBLIGATED WITH RESPECT TO ANY MATTER RELATED TO THE AGREEMENT OR APPLICABLE ORDERING DOCUMENT OR UNDER CONTRACT, NEGLIGENCE, STRICT LIABILITY OR ANY OTHER LEGAL OR EQUITABLE THEORY FOR ANY AMOUNTS IN EXCESS OF THE PRODUCT OF ONE MULTIPLIED BY THE SUM OF THE FEES PAID BY CLIENT TO MEDISOLV UNDER THE AGREEMENT OR APPLICABLE ORDERING DOCUMENT DURING THE ONE YEAR PERIOD IMMEDIATELY PRECEDING THE PARTY'S CLAIM FOR DAMAGES.

6.7. Confidentiality. Each Party acknowledges that the Confidential Information of a disclosing Party constitutes a valuable asset of such disclosing Party and that the Confidential Information is the sole and exclusive property of a disclosing Party. Each Party agrees to (i) maintain in confidence the Confidential Information of the other Party with the same or greater degree of care in which the Party holds its own confidential and proprietary information, but at all times with no less than reasonable care; (ii) use the Confidential Information only for performing their responsibilities as defined in the Agreement; and (iii) advise each of their respective Personnel, attorneys, and representatives who have access to such Confidential Information of the terms outlined in this provision. Neither Party will, at any time during the term of the Agreement and after termination thereof, disclose the Confidential Information of the other Party to any person other than as required to perform its obligations under the Agreement. Notwithstanding the foregoing, either Party may disclose the other Party's Confidential Information to the extent required by applicable law or regulation or by order of a tribunal of competent jurisdiction in connection with a legal

action, in which case such Party will promptly notify the other Party prior to such Party making such required disclosure.

6.8. Treatment of Protected Health Information (PHI). All PHI containing health records, and personal information are and will remain under the ownership of Client and will be held in strictest confidence in accordance with applicable law, including the Health Insurance Portability and Accountability Act of 1996 and the Health Information Technology for Electronic and Clinical Health Act and their implementing regulations (collectively referred to herein as "HIPAA"). The Parties acknowledge that Medisolv is a Business Associate pursuant to HIPAA, and the use and disclosure of PHI containing health records and personal information will be controlled by a Business Associate Agreement which was signed by both Parties separately effective February 24, 2022.

6.9. Data Access. Medisolv shall have the right to compile and use de-identified health information, in accordance with HIPAA:

6.9.1. Right to Aggregate. The Subscription Service is provided via a platform that aggregates health data across the continuum of care and therefore Medisolv may use or disclose protected health information, as defined by 45 C.F.R. 160.103, to provide data aggregation services to Client as permitted by 45 C.F.R. 164.504(e)(2)(i)(B).

6.9.2. De-identify and Use Rights. Medisolv may de-identify protected health information in accordance with the standards set forth in 45 C.F.R. 164.514(b) and may use or disclose such data as long as the data is not re-identified; provided however that the de-identified data may be used in statistical compilations or comparative analysis reporting. Medisolv may keep de-identified data that has been aggregated with other de-identified data in the Subscription Service as long as such data does not identify Client in any manner. Medisolv will not re-identify such information unless directed or authorized by Client.

6.10. Medical Record. The Subscription Service does not constitute a medical record. Client acknowledges that the health information exchanged by Authorized Users may not include the individual's full and complete medical record or history.

6.11. Statutory and/or Regulatory Changes. In the event of any material change to federal, state, or local law or regulation applicable to the System and Subscription Service, the Parties will negotiate in good faith for a period of thirty (30) days to amend the Agreement and any applicable Ordering Document to fully comply with any material changes. Additionally, pending mutual agreement, Medisolv may amend the Fees if Medisolv's cost of operation is increased due to an adjustment in charges imposed upon Medisolv by a federal, state or local governmental unit, law, regulation or statute, provided that any such adjustment shall be limited to the amount of the increase in cost caused by the change.

6.12. Government Requirements.

6.12.1. Exclusion from Federal Health Care Programs. Medisolv represents and warrants that neither it, nor any of its employees, nor to its knowledge, any subcontractors or agents performing any services under this Agreement are excluded from participation, or are otherwise ineligible to participate, in a "Federal Health Care Program" (as defined in 42 USC §1320a-7b(f)) and that no such action is pending. Medisolv shall promptly notify Client of the discovery of any debarment, exclusion, suspension, or other event that makes Medisolv or any of its Personnel performing any services under this Agreement ineligible to participate in a Federal Health Care Program.

6.12.2. Federal Health Care Program. Medisolv represents and warrants that the costs of its products and services to its customers is not reimbursed by a federal health care program.

6.12.3. HIPAA Warranty. Medisolv and Client acknowledge and agree that compliance with the HIPAA will involve, in addition to the installation of the System, policies and procedures, compliance methodologies and management practices. Medisolv will provide the appropriate HIPAA-enabling

functionality that supports the legal requirements for the security, electronic data interchange, and privacy regulations of HIPAA. These will include role-based access controls, authentication mechanisms for positive identification of users, and audit information for support of medical code sets as required by HIPAA, any standard interfaces for electronic data interchange support of HIPAA transactions, or any Medisolv provided audit log repository and reporting capabilities. Any services for custom modifications or interfaces related to HIPAA or state or local privacy laws or regulations (e.g., any custom interfacing for outbound audit log information sent to a third-party audit log) will be evaluated by Medisolv for feasibility and offered to Client on a "time and materials" basis unless Medisolv makes these generally available to Medisolv clients at no additional cost.

- 6.12.4. Business Associate Provisions under HIPAA. The Parties agree to execute the Business Associate Agreement on the Effective Date and agree to the terms set forth therein.

7. GENERAL PROVISIONS

- 7.1. **Insurance**. Medisolv shall maintain insurance coverage with reputable carriers and in the amounts set forth below. Medisolv shall furnish certificates of insurance upon Client request. Those insurance amounts are:

- 7.1.1. Commercial general liability insurance, including products/completed operations, personal and advertising injury coverage, with a combined single limit of \$1 million per occurrence and general aggregate and products/completed operations aggregate limits of \$2 million;
- 7.1.2. Bodily injury and property damage liability insurance with combined single limit of \$1 million per accident;
- 7.1.3. Worker's compensation insurance covering all employed personnel, or any alternative plan or coverage as permitted or required by applicable law; and
- 7.1.4. E&O/Cyber insurance with a limit of \$10 million.

- 7.2. **Assignment**. Except as stated in an Ordering Document, neither Party may assign, voluntarily, by operation of law or otherwise, any rights or delegate any duties under the Agreement without the other Party's prior written consent, except in the case of a merger, change of control acquisition, or sale of all, or substantially all, of the assets of the Party, subject to the successor entity expressly assuming the obligations of the assigning Party. The Agreement will bind and inure to the benefit of the Parties and their respective successors and permitted assigns.

- 7.3. **Non-Waiver/Severability**. A waiver by either Party of any term or condition of the Agreement or an applicable Ordering Document shall not be deemed or construed as a waiver of such term or condition in the future, or of any subsequent breach thereof, whether of the same or of a different nature. If any provision of the Agreement or the applicable Ordering Document is held to be invalid or unenforceable under any statute or rule of law, the provision is to that extent to be deemed omitted, and the remaining provisions shall not be affected in any way.

- 7.4. **Force Majeure**. For a maximum period of thirty (30) days, Medisolv shall not be responsible for the non-performance of its obligations under the applicable Ordering Document if such non-performance is caused by forces beyond its control, including but not limited to, by pandemic, acts of God, strikes, acts of civil or military authority, civil disturbance, war, declarations of national or state emergencies, floods, or fires. Medisolv shall give notice to the Client and shall make commercially reasonable efforts to resume performance for Authorized Users. If the period of non-performance exceeds thirty (30) days from the receipt of notice of the force majeure event, the Client may terminate the applicable Ordering Document upon written notice and shall receive a refund of all pro-rated remaining Fees prepaid by Client under the Agreement.

- 7.5. **Dispute Resolution**. In the event of a dispute, the Parties shall first seek to resolve each dispute prior to pursuing any further escalation. If good faith negotiations are unsuccessful in resolving such dispute, then

the Parties shall seek to resolve the dispute at the executive level. If executive-level negotiations are unsuccessful in resolving such dispute, then the Parties may, by mutual written agreement, seek to resolve the dispute through mediation. The Parties agree to follow a commercially reasonable timeframe to work through the dispute resolution process, without excessive delay, and shall refrain from litigation until exhaustion of the dispute resolution process. Except where clearly prevented by the area of the dispute, both Parties agree to continue performing their obligations under this Agreement while the dispute is being resolved or until the Agreement is terminated in accordance with the termination provisions outlined herein.

7.6. Intentionally Omitted.

7.7. Counterparts. The Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that an electronic PDF signature may substitute for and have the same legal effect as the original signature.

7.8. Use of Name, Trademarks and Advertising. Medisolv shall not make any written use or reference to Client's name, trademark and/or logo for any marketing, public relations, advertising, display, or other business purpose without the prior written consent of Client.

7.9. Work Product. All Work Product is and will remain the sole and exclusive property of Medisolv. Medisolv may use such Work Product for internal purposes as well as for other clients so long as Medisolv does not use any Confidential Information belonging to Client. To the extent any Work Product is requested for the use of the System for Client, Medisolv hereby grants to Client a non-exclusive, revocable, non-transferable license to use the Work Product supplied to Client by Medisolv for Client's own internal purposes solely in conjunction with the System, and for no other purpose whatsoever, during the Term of the Agreement. Client understands these Work Products are used for the mutual benefit of all Medisolv clients. Medisolv agrees to use reasonable efforts to inform Client of its intent to use Work Products developed at Client's site for purposes other than Client's use.

7.10. Subcontracting Services. Medisolv may subcontract its Subscription Service, Professional Services, or other obligations under an Ordering Document; provided Medisolv shall remain responsible for the performance of the System under the Agreement as if performed by Medisolv. Medisolv hereby agrees to be responsible for and to guarantee the performance by any subcontractor of any Subscription Service, Professional Services, or other obligations delegated to any subcontractor.

7.11. Modification to Agreement. The Agreement and any Ordering Document may not be modified or altered except in writing by an instrument duly executed by authorized officers of both Parties.

7.12. Notices. All written notices to be given in connection with this Agreement shall be sent by certified or registered mail, postage prepaid, by national overnight delivery service or via email transmission addressed to the party entitled to receive such notice at the address specified by such party below. Either party may from time to time change its address for the purpose of receipt of notice by a notice delivered in accordance with this section.

Medisolv:
Attn: Zahid Butt, CEO
Medisolv, Inc.
10960 Grantchester Way, Suite 520
Columbia, MD 21044

If by email: notices@medisolv.com

Client:
Attn: Office of the President/CEO
Salinas Valley Health
450 E. Romie Lane
Salinas, CA 93901

If by email: contracts@salinasvalleyhealth.com

7.13. Entire Agreement. The Agreement, the applicable Ordering Document(s), the exhibits hereto and all documents incorporated by reference, constitutes the entire understanding between the Parties with

respect to the subject matter hereof and supersedes all other understandings or representations, oral or written, between the Parties concerning the subject matter hereof.

7.14. *Survival.* Any provision of the Agreement which imposes an obligation after termination or expiration of that Agreement shall survive the termination or expiration of the Agreement including any accrued payment obligations.

**EXHIBIT C
TO MEDISOLV PRODUCT SUBSCRIPTION AGREEMENT
SUPPORT, MAINTENANCE, AND SERVICE LEVEL COMMITMENTS**

Support and maintenance shall not be linked to usage or license rights for the System or Subscription Service. Medisolv shall maintain the System and Subscription Service so that it performs in accordance with the Documentation. Medisolv shall provide support and maintenance for the Subscription Service as follows:

1. Support shall include:

- 1.1. Standard Telephone and Email Support. Medisolv shall provide Client technical assistance by telephone and email with the installation and use of the System and Subscription Service. Telephone support is available during business hours from 8 a.m. Eastern Standard Time (ET) to 5 p.m. ET, five (5) days a week, Monday through Friday, excluding all Holidays. Medisolv provides a toll-free support line accessible anywhere in the United States and Canada. The toll-free number will be provided to Client;
- 1.2. Upgrades to the Subscription Service; and
- 1.3. Incident Resolution as described below.

2. Incident Resolution Service Levels

- 2.1. "Incident" means (i) a failure of the System and/or Subscription Service to conform in all material respects to the Documentation and the standards set forth in the Agreement, (ii) if applicable, failure of the Medisolv's hardware to be in good working order or free from material defects in material and workmanship; or (iii) failures or malfunctions in the System and/or Subscription Service that produce incorrect or unexpected results, or cause the System and/or Subscription Service to operate in unintended ways.
- 2.2. "Incident Resolution" means a modification or addition that, when made or added to the non-conforming System component and/or Subscription Service brings the operation of the System and Subscription Service into conformance with the Documentation and the standards set forth in the Agreement.
- 2.3. *Incident Notification and Resolution Process.* Client shall promptly notify Medisolv of any Incidents in the System or Subscription Service, to permit Medisolv to resolve such Incidents in accordance with the Agreement. Medisolv will initiate diagnosis and troubleshooting within the targeted incident response time-period pursuant to the chart below.
- 2.4. Medisolv's target response within the hours of 8 a.m. ET and 5 p.m. ET, depending on the severity level of the Incident (the severity levels being Severity Levels 1-5 as defined below), will be as follows, (excluding the Disaster Recovery procedures as defined in this Exhibit):

<u>Severity Level</u>	<u>Examples of each Severity Level</u>	<u>Incident Response Time</u> (Time after incident identified before response received)	<u>Incident Resolution Time</u> (Time permitted to resolve incident or provide acceptable workaround from time initial response received)
Severity 1	<ul style="list-style-type: none"> • Complete shutdown of all functions of the Subscription Service • Access to one or more major functions of the Subscription Service not available 	Within 30 minutes of initial notification of incident	< 6 hours
Severity 2	<ul style="list-style-type: none"> • Major subset of the Subscription Service impacted 	Within 4 hours of initial notification of incident	Within same business day

Severity 3	<ul style="list-style-type: none"> Minor subsystem failure Data entry or access impaired on a limited basis 	Within same business day of initial notification of incident	Within 2 business days
Severity 4	<ul style="list-style-type: none"> Subscription Service is operating with minor issues Have work-around in place 	Within same business day of initial notification of incident	Within 2 weeks
Severity 5	<ul style="list-style-type: none"> Subscription Service is working as designed Incident transitioned to enhancement request to the Subscription Service 	Quarterly Schedule	N/A

During the Incident Resolution process, time taken by Client to respond to Medisolv shall not be counted in the Incident Resolution time frame.

3. Service Level Requirements (Cloud-Hosted deployments only)

- 3.1. *Service Availability.* Medisolv agrees to achieve an Uptime Percentage, as defined below, of at least 97%, during each Period of Measurement. The period-of-time over which Uptime Percentage will be calculated is quarterly beginning on upon First Productive Use and thereafter throughout the term of an Ordering Document ("Period of Measurement").
- 3.2. The "Hours of Operation" are the hours the System and Subscription Service are to be made available to Client, which the Parties agree shall be twenty-four hours a day, seven days a week, including Holidays. Based on the foregoing, the total Hours of Operation for each Period of Measurement will be 24 hours times the number of days in one calendar quarter.
- 3.3. The "Uptime Percentage" is the percentage of hours the System/Subscription Service are operable and accessible to Client during the Hours of Operation, excluding periods of inoperability or inaccessibility due to Scheduled Maintenance and periods of inoperability or inaccessibility to the extent caused by:
 - 3.3.1. Client's misuse of the System or Subscription Service, including untimely and incorrect uploading of Client Data to the Medisolv Solutions.
 - 3.3.2. Localized or global internet outage caused by equipment malfunction, malicious actors, and/or any global issue which prevents general internet traffic from flowing.
- 3.4. If a major function or functions of the System or Subscription Service are not accessible or do not function in accordance with the Documentation and the standards set forth in the Agreement the duration of the event(s) will be excluded from the numerator of Uptime Percentage calculation. The Subscription Service is considered inoperable and/or inaccessible for an entire hour if there are one or more instances of inoperability or inaccessibility during such hour.
- 3.5. *Force majeure.* Notwithstanding the Uptime Percentage requirements agreed to above, any inoperability or inaccessibility due to extraordinary events or circumstances beyond the control of Medisolv, including, but not limited to, war, strike, riot, crime, epidemic, system failure of the underlying Cloud Hosting platform and sudden legal changes is explicitly excluded in determining whether the Uptime Percentage requirement has been satisfied.

4. Scheduled Uptime Maintenance and Notifications

- 4.1. *Scheduled Maintenance.* Medisolv shall perform maintenance on the System during planned events to complete any necessary updates or upgrades to the technical infrastructure, shared computing resources,

application software, and database technology used within the Cloud Hosting environment and Subscription Services ("Scheduled Maintenance"). Scheduled Maintenance shall occur within the defined timeframe and with advanced notification as outlined below.

- 4.2. *Notification of Scheduled Maintenance.* Medisolv will notify Client of any Scheduled Maintenance and of any Scheduled Maintenance which will occur outside of the Scheduled Maintenance Hours outlined herein. Notification will be provided at least seven (7) days prior to such Scheduled Maintenance. In cases of emergency, Medisolv will use its best efforts to notify Client of any downtime as soon as practicable.
- 4.3. *Scheduled Maintenance and Service Levels.* Provided Scheduled Maintenance occurs within the Scheduled Maintenance Hours and does not exceed the total number of hours set forth in the Monthly Maintenance Timeframe, such Scheduled Maintenance shall not count against the Uptime Percentage.
- 4.4. *Scheduled Maintenance Hours.* Scheduled Maintenance shall occur between the hours of 8:00 p.m. and 6:00 a.m. ET ("Scheduled Maintenance Hours"), in accordance with Medisolv's release schedule, based on both internal timelines and regulatory requirements. Scheduled Maintenance shall not exceed more than 40 hours per month ("Monthly Maintenance Timeframe"), to be scheduled as per the Scheduled Maintenance window; maintenance requirements beyond 40 hours per month (the 41st hour and forward) shall be counted against the Uptime Percentage.

5. **Backup and Recovery of Data**

- 5.1. Medisolv will perform regular backups, for the purposes of disaster recovery, business continuity, and safety purposes. Backups will include full database backups, transaction log backups, and file-storage (e.g. BLOB) backups as necessary based on the application.
- 5.2. Disaster recovery is tested on an annual basis and measures the ability of Medisolv to restore Client Data to a separate system (either new installation within existing infrastructure environment, or new installation within equivalent infrastructure environment in physically separate location) within a commercially reasonable time.
- 5.3. Medisolv will use commercially reasonable efforts to ensure that there is sufficient business continuity and disaster recovery processes in place to mitigate the risk to Client in the event of a total failure of the Subscription Service. Medisolv employees will be trained to quickly recognize any such occurrence and respond. Medisolv will maintain adequate staff to timely respond to such an event and staff shall be aware of, and comply with, Medisolv's security and escalation procedures.

6. **Miscellaneous**

- 6.1. *Employee Conduct.* Medisolv acknowledges Client's obligations to comply with certain laws and regulations as well as the need for Medisolv employees and agents to comply with reasonable requests, standard rules, and regulations of Client regarding personal and professional conduct (including the use of an identification badge or personal protective equipment and the adherence to health care facility laws or regulations, including in some instances, criminal background checks, credit checks, health screening, vaccinations and testing, and general safety practices or procedures) generally applicable to such facilities. Medisolv shall provide Client with reasonable assistance in ensuring Medisolv employees and agents comply with (i) laws and regulations affecting Client's facility and (ii) Client's facility rules and regulations. Medisolv warrants and represents that it has enforceable written agreements with all of its employees and permitted subcontractors involved in any project under the Agreement, obligating such employees and permitted subcontractors upon terms and conditions no less restrictive than contained herein, not to use or disclose any Confidential Information, proprietary rights, or information learned or acquired during the course of such employment or engagement. To the extent Medisolv's subcontractor has access to PHI as such is defined in HIPAA (which is defined herein), Medisolv shall cause such subcontractor to execute a written agreement with Medisolv which obligates any such subcontractor to protect the PHI and Confidential Information of Client.

- 6.2. Remote Access.** Medisolv uses BeyondTrust (formerly known as Bomgar), an industry leader in identity and access security, as our corporate standard secure VPN solution to provide remote access and support our clients. Requirements are outlined in the Medisolv Standard Technical Configuration Guide. Remote access to any of Client's systems with Medisolv's instance of BeyondTrust for support and maintenance of the Subscription Service and for any other purpose allowed by the Agreement or an applicable Ordering Document is subject to compliance with Client's security requirements. Medisolv's access may require prior certification by Client that Medisolv complies with Client's security policies and standards. Client may modify these security requirements over time and Medisolv shall comply with the most recent version of Client's security requirements. In the event such modifications to Client security policy precludes Medisolv from performing necessary support and maintenance of the Subscription Service, Medisolv will notify Client of the concern and the Parties agree to meet and discuss commercially reasonable solutions.
- 6.3. Federated Single Sign-On.** Supplier supports FSSO (Federated Single-Sign-On) using SAML 2.0, which allows the Client's identity provider and MFA routines to be used during authentication, giving control of identity management to the Client.

Exhibit D
Data Authorization Form
Permission to Access Hospital Data

We, the participant(s) named below ("Participant"), give Vizient, Inc. ("Vizient") permission to receive from Medisolv, Inc. ("Medisolv"), and for Medisolv to transmit to Vizient, our hospital data utilized in Medisolv's ENCORA hospital quality measures abstraction solution products ("Medisolv Products") in which we participate, and for Vizient to conduct additional analyses on the data, and use our data in Vizient programs ("Vizient Products") in which we participate. If applicable, Participant also authorizes Vizient, to transmit hospital data to Medisolv for use by Medisolv in connection with Medisolv Products in which Participant is enrolled, including but not limited, to core measures submissions for The Joint Commission, the Centers for Medicare/Medicaid, and, if applicable, Participant's ancillary data transmission needs (Get With the Guidelines, and/or Mass Health). We understand that the reports generated by Vizient become the sole property of Vizient. This permission covers any patient-level, patient-identified hospital data collected from the effective date for reporting periods commencing in 2019 and going forward. Any Protected Health Information, as defined under the rules promulgated under the Health Insurance and Accountability Act of 1996, as amended ("HIPAA"), that is provided to Vizient is subject to the existing Business Associate Agreement between us and Vizient. This permission extends so long as Participant is participating in Vizient Products.

CLIENT

Authorized Signature

Title

Printed Name

Date

Participating Facilities:

Salinas Valley Health Medical Center



Vizient Data Connector Services Statement of Work

Vizient, Inc., a Delaware corporation, ("**Vizient**") will provide the services detailed in this **Vizient Data Connector Services Statement of Work** ("**SOW**") to **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** ("**Member**") and its covered facilities set forth in **Exhibit A** ("**Covered Facilities**"), if any, for the Service Fees indicated hereunder. This SOW is made pursuant to the terms and conditions set forth in the Master Services Agreement between the Parties dated March 1, 2023, including any amendments or addendums thereto (collectively, the "**Master Agreement**"). As such, all capitalized terms used herein and not otherwise defined in this SOW will have the meanings ascribed to such terms in the Master Agreement. **This SOW is effective as of April 1, 2026** (the "**Effective Date**"). Vizient and Member are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**." Any reference to, or description of any right or obligation of, "Member" in this SOW will also include Covered Facilities unless specifically delineated.

1. **Services**

- 1.1 Services Description.** Vizient, in partnership with Epic Systems Corporation ("**Epic**"), has developed an application, the Vizient Data Connector ("**VDC**"), to automate data submission to Vizient, speed time to Vizient analytics, and improve the quality of data Member sends to Vizient, reducing resources necessary to send data between Member and Vizient (collectively, the "**Services**"). Vizient will modify scripts if there are changes to the underlying database, including schema updates or field/table deprecations.

Member will request installation of VDC through the Epic Connection Hub website. As part of the VDC installation process, Member's Epic system will create data access to a limited set of data through the Caboodle data repository. This data access is limited only to database views made available through the Caboodle system, called Epic Kit. Vizient has read-only access to the views and cannot write or delete data from the Caboodle views. Vizient will also have access to Member's Clarity data repository. Access to Clarity will allow Vizient to capture data elements not available in Epic's Caboodle data repository at the time of Member implementation.

Vizient will provide an implementation plan to Member outlining details of the VDC implementation process. Vizient will provide project management, data analysts, technical experts, and other support staff to ensure successful implementation of the VDC. Vizient will provide data quality feedback on the data extracted directly from the Epic Kit and Epic Clarity data source. Vizient will also monitor querying and data transmission performance to ensure appropriate use of computing and networking resources and provide relevant data security and privacy information to Member's security team or other stakeholders.

The Services are subject to the terms and conditions set forth in the Epic Connection Hub Required Terms and Conditions attached hereto as **Exhibit B**, and Member acknowledges and agrees that Member will comply with the terms and conditions set forth therein. Vizient reserves the right to terminate this SOW immediately if Member fails to comply with this section.

- 1.2 Member Data.** Member acknowledges Services rely solely on timely access to complete, accurate, and relevant Member data, including clinical data, operational data, and spend-related data (including, but not limited to, purchase orders, item master information, vendor master information, receipts, invoices and utilization data) (collectively, "**Member Data**") and Member will keep all required Member Data current and available for extraction on a mutually agreed upon frequency. Vizient has the right to use Member Data submitted in connection with any other Vizient services to which Member subscribes. Member's failure to provide access to Member Data may limit Vizient's ability to provide all or part of the Services. Vizient reserves the right to terminate this SOW immediately if Member fails to comply with this section.

- A. VDC will be used to automate the data intake feed for Member's participation in the following:
- a. Clinical Data Base ("CDB")

VDC will be used to automate intake of data inputs for API payloads to facilitate Member's use of the following:

- i. CDB

In the event Member's existing agreement(s) for the service(s) listed in this Section 1.2.A terminates or expires for any reason, VDC automation for such service will terminate.

- B. Data submitted to the service(s) listed in Section 1.2.A above pursuant to this SOW is subject to the existing agreement(s) or statement(s) of work for the service(s) listed in Section 1.2.A above and the Business Associate Agreement ("BAA") between Vizient and Member. Participation in the Services requires Member's participation in a Vizient product, such as the Clinical Data Base, Operational Data Base, Procedural Analytics, or Clinical Practice Solutions Center. Member must also use Epic software as an electronic medical record.
- C. Member acknowledges and agrees the Member Data may include, without limitation, Unprocessed Data and Adjusted Data. "Unprocessed Data" means the unprocessed data that Member has submitted to Vizient pursuant to this SOW. "Adjusted Data" means Unprocessed Data that has been audited and adjusted in accordance with Vizient's proprietary auditing and adjustment methodologies (as appropriate). Member will at all times be the sole and exclusive owner of the Unprocessed Data. Vizient will at all times be the sole and exclusive owners of any materials created using Unprocessed Data and/or Adjusted Data, including, but not limited to, software, aggregated databases, data specifications, reports, analytics, results of data interoperability reviews, reports, and Adjusted Data, and as such Vizient has the right to use the foregoing in any way, including, without limitation, the right to analyze, publish, and share reports and findings, while maintaining the confidentiality of Member's PHI in accordance with HIPAA, the BAA, the existing agreement(s) for the service(s) listed in Section 1.2.A above, and this SOW. Upon transfer of Unprocessed Data into the service(s) listed in Section 1.2.A above, the terms of the existing agreement(s) for the service(s) listed in Section 1.2.A above control as to ownership and use.

1.3 Liability. EXCEPT FOR LIABILITY ARISING OUT OF A PARTY'S INDEMNIFICATION OR CONFIDENTIALITY OBLIGATIONS SET FORTH IN THE EXISTING AGREEMENT(S) FOR THE SERVICE(S) LISTED IN SECTION 1.2.A ABOVE, BAA, OR THIS SOW, OR LIABILITY ARISING OUT OF A PARTY'S GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH THIS SOW, EVEN IF ADVISED OF THE POSSIBILITY THEREOF. EXCEPT AS OTHERWISE SET FORTH HEREIN, VIZIENT MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE SERVICES PROVIDED IN CONNECTION WITH THIS SOW. VIZIENT DISCLAIMS ALL LIABILITY AND, FURTHER, MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE SERVICES OR ANY OTHER MATTER UNDER THIS SOW.

1.4 Protected Health Information. Services include the use of Protected Health Information ("PHI") and thus, any PHI disclosed hereunder, will be subject to the Parties' BAA dated August 9, 2021.

1.5 Member Duties. Vizient's ability to perform Services within the Term is based on Member's cooperation and timely performance of the following Member duties:

- A. **Vizient Access.** Member will provide Vizient personnel access to Member's network, personnel, equipment, or software necessary for Vizient to provide Services.
- B. **Services Coordinator.** Member will designate an employee to: i) coordinate Services and ensure compliance across Member's organization; ii) provide complete and accurate Member Data to Vizient in

a timely manner; and iii) obtain any internal approvals needed for Vizient to perform Services ("Services Coordinator").

2. Term and Termination.

2.1 Term. The term of this SOW will commence on the Effective Date and continue for **60 months** ("Term").

2.2 Termination for Convenience. This SOW may not be terminated for convenience. If this SOW is terminated during the Term, Vizient shall perform the Reimplementation Services and be invoiced for the Reimplementation Services Fee as described in the Clinical Data Base Services Statement of Work dated March 1, 2026. If the Master Agreement expires or is terminated prior to the expiration of this SOW, the applicable terms and conditions of the Master Agreement survive for the limited purpose of governing this SOW for its remaining Term. Notwithstanding the foregoing, if Member terminates all Vizient services that use the VDC to submit data to Vizient, this SOW will be automatically terminated.

2.3 Termination for Cause. The Parties may terminate this SOW for material breach in accordance with the terms of the Master Agreement. Notwithstanding the foregoing, all notices to or from a Covered Facility relating to any material breach will require a simultaneous notice to the Member. Should Member terminate this SOW for Vizient's material breach, Member will not be required to pay additional fees or Reimplementation Services Fee.

3. Service Fees and Invoicing.

3.1 Service Fees. Vizient will provide the Services described herein to Member for an annual service fee as set forth in the table below ("Service Fees"). Member acknowledges and agrees Service Fees are for the Covered Facilities set forth in **Exhibit A** as of the Effective Date. Any requests to add additional facilities after the Effective Date will result in additional Service Fees as mutually agreed to by the Parties in an amendment to this SOW and Vizient has no obligation to provide Services to any facility not set forth in this SOW.

4/1/2026 – 3/31/2027	4/1/2027 – 3/31/2028	4/1/2028 – 3/31/2029	4/1/2029 – 3/31/2030	4/1/2030 – 3/31/2031
\$50,000	\$51,500	\$53,045	\$54,636	\$56,275

3.2 Reimbursable Expenses. Member acknowledges and agrees Services-related expenses for on-site services and support (e.g., additional training, Member presentations, and data acquisition for added facilities) such as travel, meals, lodging, and overnight mailing, ("Reimbursable Expenses") are in addition to Service Fees. Vizient agrees to provide Member with estimated expenses in advance in good faith and will request preauthorization prior to incurring any Reimbursable Expenses.

3.3 Invoicing and Payment. Commencing within 30 days of the Effective Date, Vizient will invoice Service Fees, in full, and on each anniversary of the Effective Date. Vizient will invoice Reimbursable Expenses, as incurred, on a monthly basis. Member will pay all invoiced balances directly to Vizient within 30 days of the invoice date.

Invoices will be addressed and delivered to:

Invoice Delivery – Primary Contact Information	
Name / Title	Accounts Payable
Address:	PO Box 3827
	Salinas, CA 93912

Email Address for Email Delivery of Invoices	accountspayable@salinasvalleyhealth.com
Name and Email Address(es) for Additional Recipient(s)	

If Member requires specific information (e.g., purchase order number) to be included in each invoice, Member will select the appropriate box below and provide the required information **at the time Member executes this SOW**, and annually (or as required) thereafter:

- Purchase Order Number _____
- Contract Identification Number _____
- Other Information _____

Questions regarding invoice delivery and/or payment status will be directed to:

Name / Title	Accounts Payable
Phone	
Email	accountspayable@salinasvalleyhealth.com

3.4 Member Statement Offset Option. If adequate funds are available, Member may elect to have invoiced Service Fees and/or Reimbursable Expenses offset from Member’s available cash distributions. If Member intends to elect this option, Member will request, complete, and return the Offset Authorization Form via email to VizientSupport@vizientinc.com.

IN WITNESS WHEREOF, the Parties have caused this SOW to be executed by their duly authorized representatives as of the Effective Date.

Vizient, Inc.

Salinas Valley Memorial Healthcare System

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Please sign, scan, and email to executedagreements@vizientinc.com. Vizient will provide a fully executed electronic copy to Member.

Exhibit A
Covered Facilities

Vizient MID	Name	Address	City	State	Zip
58206	Salinas Valley Health Medical Center	450 E Romie Ln	Salinas	CA	93901

Exhibit B
Epic Connection Hub Required Terms and Conditions

Vizient is providing an application for use in Member's host environment that has been developed pursuant to a license between Vizient and Epic, Inc. (the "Vizient App"), which requires certain terms and conditions be incorporated into the SOW. This Exhibit is attached to and made a part of the SOW between Vizient and Member.

1. Parties to the SOW.

Member acknowledges that the SOW is between Vizient and the Member only, and it is not an agreement with Epic. Vizient, not Epic, is solely responsible for the SOW, the Vizient App, and the content contained therein. The SOW does not require the Member to breach or be in conflict with the license agreement in place with Member for its use of Epic Software or the license agreement for any third-party software or content that is sublicensed by Epic to the Member (including any operating environment software) or for any other software or content used in any Member system.

2. Maintenance, Support, and App Contact.

Vizient is solely responsible for any maintenance and support with respect to the Vizient App. Vizient and Member acknowledge that Epic is not under an obligation to provide any maintenance or support services related to the Vizient App. Member acknowledges that, if Epic chooses to provide any maintenance or support services connected to the Vizient App, Epic may charge its then current fees for such maintenance and support to Member.

For any questions or Claims about the support of the Vizient App, please contact VizientDataConnector@vizientinc.com.

3. Warranties.

Vizient is solely responsible for any and all warranties, whether express or implied, for the Vizient App that have been provided in the SOW. Epic will have no obligations in connection with any warranty for the Vizient App. All Claims related thereto will be the sole responsibility of Vizient. Without limiting Epic's other remedies, the failure to comport with any warranty provided in the SOW, including these terms, between Vizient and a Member, may result in Epic removing some or all of the Vizient App(s) from the Connection Hub, in Epic's sole discretion.

4. Claims Related to Vizient App.

"Claim" means all claims, demands, and actions, and all liabilities, damages, and expenses arising out of or relating thereto, including without limitation settlement costs and attorney's fees. Vizient and Member acknowledge that Vizient, not Epic, is responsible for all Claims of the Member or any third party arising out of or relating to the Vizient App, including but not limited to: Claims alleging product liability, errors in the Vizient App (including but not limited to corruption of data), breach of PHI, hacking, or cyberattack which used or involved the Vizient App in any way; Claims that the Vizient App failed to conform to any applicable legal or regulatory requirement; Claims involving any violations of consumer protection laws; Claims that the Vizient App interfered with or could interfere with the safety or security of the Epic Software or the Vizient App otherwise endangered patient safety or security; Claims that the Vizient App caused service interruptions; Claims that the Vizient App provided any misleading or inaccurate information to a user; Claims that the Vizient App caused performance degradation, Claims that the Vizient App was used as a vector for the introduction of viruses or malware into the Epic Software, a user device, or otherwise; and Claims that the Vizient App introduced or otherwise caused a security vulnerability in the Epic Software or a Member's network. These terms do not limit Vizient liability to the Member beyond what is permitted by law. Vizient and Member agree that if a third-party claims that the Vizient App, or Member's use of the Vizient App, infringes that third party's intellectual property rights, then Vizient, not Epic, will be solely responsible for the Claim.

5. Third-Party Beneficiary.

Epic and Epic's owned entities (that is, an entity that (a) directly or indirectly owns or controls more than fifty percent of Epic, or (b) is more than fifty percent owned or controlled, directly or indirectly, by Epic) are third-party beneficiaries of the terms and conditions of the SOW, to the extent it pertains to the Vizient App, and upon the Member's execution of the SOW, Epic and any Epic owned entity will have the right to enforce the SOW against

Vizient or the Member as a third-party beneficiary of the SOW (but only to the extent the SOW pertains to the Vizient App).

6. **Disclosures.**

Once data has been collected through the Vizient App, it is retained in the CDB pursuant to the terms and conditions of the CDB SOW, with the understanding that it is not feasible to return data from the CDB it is placed into the aggregated databases, and Member expressly consents to retention and use of the data as provided by the CDB SOW and the BAA. The Vizient App provides access to specific data as required to populate the CDB and does not allow access or potential access to third-party content or data in a Member's system (including, but not limited to, clinical code sets, content, images, patient instructions, video, or any other information owned or licensed by a third party).

7. **Audit.**

Member may, if necessary, verify compliance with the requirements set forth in this [Exhibit B](#) and Vizient will reasonably cooperate with such audit, with the audit to be limited to the scope provided in this [Exhibit B](#). In addition, once the data provided by Member hereunder is housed in the CDB, the CDB SOW and the BAA govern, and unless the CDB SOW or the BAA provide for audit rights, then no such audit rights in that aggregated database will be allowed. The audit will be at the expense of Member, unless material non-compliance is discovered as a result of the audit, in which case Vizient agrees to pay for the costs of such audit.

8. **Indemnification.**

Notwithstanding any terms in the SOW to the contrary, Vizient hereby indemnifies Member for any third-party Claims that the sale/transfer of the Vizient App or Member's use of the Vizient App infringes (or causes, induces, or otherwise leads to a Member infringing) any third-party intellectual property or proprietary right, including, but not limited to, any Claim alleging that the Vizient App infringes (or causes, induces, or otherwise leads to a Member infringing) the rights of any owner of any clinical code set, content, image, patient instruction, video, or any other third-party information.

Board Paper: Finance Committee

Agenda Item: Consider Recommendation for Board Approval of Iatric Systems 3-year Service Agreement for Patient Privacy Managed Services

Executive Sponsor: Iftikhar Hussain, Chief Financial Officer
Philip Katzenberger, Director of Health Information Services

Date: March 16, 2026

Executive Summary

Salinas Valley Health (SVH) intends to continue its partnership with Iatric Systems for Patient Privacy Managed Services. This service provides proactive auditing of Patient Health Information (PHI) access, utilizing custom-built interfaces and AI to identify and vet suspicious incidents. By maintaining this established solution, SVH secures a preferred labor rate and avoids the significant operational risks and "double-spend" costs associated with implementing a new vendor solution.

Background/Situation

SVH requires continuous monitoring of internal record access to ensure HIPAA compliance and protect patient privacy. Iatric Systems provides 110 hours of analysis per month to perform bi-weekly routine auditing, VIP/Confidential patient monitoring, and random user audits. The current infrastructure includes proprietary data feeds and AVA AI integration specifically tuned to SVH workflows. Replacing this system would require an estimated Year 1 recreation cost of \$464,200, in addition to a new market rate resource of \$244,000 compared to the current annual fee of \$198,000.

Timeline/Review Process to Date:

March 31, 2026: Effective date of current Statement of Work.

Project Commencement: Scheduled project kick-off to begin the 36-month term

Strategic Plan Alignment:

The goal is to maintain a high-fidelity privacy auditing program that protects sensitive patient data while minimizing false-positive alerts for internal staff.

Pillar/Goal Alignment:

Service People Quality Finance Growth Community

Financial/Quality/Safety/Regulatory Implications:

Key Contract Terms	Vendor: Iatric Systems
1. Proposed effective date	March 31, 2026
2. Term of agreement	Thirty-six (36) months
3. Renewal terms	Non-autorenewal
4. Termination provision(s)	60- day written notification
5. Payment Terms	Annual invoicing at beginning of each term
6. Annual cost	\$198,000.00
7. Cost over life of agreement	\$594,000.00 (3 years at \$198,000.00 annual)
8. Budgeted (indicate y/n)	Yes

Recommendation

Consider Recommendation for Board Approval of Iatric Systems 3-year Service Agreement for Patient Privacy Managed Services in the amount of \$594,000.00.

Attachments

- (1) Sole Source Justification Summary
- (2) Salinas Valley Iatric Systems SOW

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 (\$):	\$ 594,000.00, three (3) year term, \$198,000.00 annual cost
Vendor Name:	IatricSystem™
Item Title:	IatricSystem™ Patient Privacy Management Services, renewal

Statement of Need: HIM 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 Salinas Valley Health, SVH. 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.).**
- Uniqueness of the service. **Describe.**

Salinas Valley Health (SVH) utilizes Iatric Systems for comprehensive Patient Privacy Managed Services, which include custom-built interfaces, specialized data feeds, and the integration of AVA AI to identify and respond to questionable internal record access. These sophisticated auditing tools were developed to monitor PHI access and vet suspicious incidents specifically tailored to SVH's workflow needs and risk requirements. Originally established to provide 1,320 hours of expert analysis per year, the current infrastructure is billed at a preferred returning customer rate of \$150/hr, totaling \$198,000 per year. To recreate these custom interfaces and re-train an AI model to the same level of accuracy with a new vendor would require significant "sunk" time and capital investment, with an estimated replacement cost exceeding the current annual contract value. There is no proven operational advantage to switching vendors.

Iatric Systems is unique to the market in its ability to provide bi-weekly, routine proactive auditing alongside specialized Confidential, geographic, like names, same household, random and VIP patient monitoring. Their analysts provide a high degree of "systemness" by vetting incidents individually for risk and likelihood of inappropriate access prior to escalation, ensuring that SVH staff are only alerted to high-priority, actionable threats. This level of integration—combined with monthly trend analysis and executive reporting using advanced data visualization—scores higher in functionality and sustainable maintenance than standard out-of-the-box auditing solutions.

Recreation Cost: To recreate the existing build—including interface table mapping, AI training, and establishing Haystack iS flagging protocols for VIP auditing—the estimated Year 1 cost is \$464,200.

Justification for Sole Source Form

Sunk Cost Protection: The current contract honors a \$150/hr rate; a new vendor at current market rates (~\$185/hr) would increase annual labor costs by over \$46,000 before implementation fees.

Operational Risk: Replacing the solution would cause significant disruption to the existing privacy workflow, which is currently tailored to meet SVH's specific risk requirements.

We do not recommend replacing the existing solution. There is a high risk of operational disruption and a significant learning curve associated with migrating sensitive privacy data feeds and re-establishing the "Haystack iS" flagging protocols required for VIP auditing. Changing a familiar and effective privacy monitoring system adds unnecessary risk to HIPAA compliance and patient data security. We would expect substantial operational inefficiencies should we replace Iatric Systems, including a projected hit to staff productivity (10% to 40% reduction) as internal teams would be forced to manually vet a higher volume of false-positive alerts. This could lead to delayed incident response times and increased liability valued at millions of dollars in potential regulatory fines.

- 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: _____

STATEMENT OF WORK

Effective Date	Date of last signature below
Legal Name and Address of Client	Salinas Valley Memorial Healthcare System 450 East Romie Lane Salinas, California 93901
Effective Date of Master Consulting Services Agreement	May 12, 2023
Term of Statement of Work	To begin as decided on at the time of scheduled project kick-off call (“Project Commencement”) and end thirty-six months after Project Commencement, unless sooner terminated per the Master Consulting Services Agreement. No refunds or credits available.

Scope of Work	Amount
I Patient Privacy Managed Services	\$198,000
- Thirty-six (36) month term	
- 60 (sixty) day written notification of termination required per Master Consulting Services Agreement	
Product Code: (A)-100-786	

Scope:

- 110 hours / mo x 12 months for thirty-six (36) months.
- 1320 hours x \$150/hr = \$198K per year
- Honoring \$150hr rate as a returning customer
- Each year will be invoiced at beginning of term

Our privacy analysts will monitor PHI access, identify inappropriate activity, and vet suspicious incidents for risk prior to escalation to your staff. Our Privacy Auditing Services include:

- *Routine proactive auditing: Auditing will include a bi-weekly review of selected exception reports to identify incidents indicative of inappropriate record activity. Suspicious incidents will be vetted individually for risk and likelihood of inappropriate access prior to escalation to the Salinas Valley Memorial Healthcare team for review. Care will be taken to limit findings to meet the workflow needs and risk requirements of the Salinas Valley Memorial Healthcare. A report will be provided monthly which will include a summary of audit efforts, findings, and statuses.*
- *Confidential and VIP patient auditing: Those patients identified as Confidential, or VIP will be audited biweekly for inappropriate access to their records. Suspicious incidents will be vetted individually for risk and likelihood of inappropriate access prior to escalation to the Salinas Valley Memorial Healthcare for review. Care will be taken to limit findings to meet the workflow needs and risk requirements of the Salinas Valley Memorial Healthcare. It will be the responsibility of Salinas Valley Memorial Healthcare to maintain a reliable and appropriate means of flagging confidential and VIP patients in a manner recognizable by Haystack iS. A report will be provided monthly which will include a summary of audit efforts, findings, and statuses.*
- *Random user and patient auditing: An audit of randomly selected users and patients will occur biweekly. All events involving the selected individuals will be carefully scrutinized to confirm that access was legitimate and appropriate. A report of all selected individuals will be provided monthly along with a summary of results.*
- *Trend analysis and executive reporting: - Will included Excel reporting with pie charts and graphs - Dependent on data - our analyst will create ITR's per month reviewing how many confidential patients were viewed. Analyst will also review any incidents that are policy violations on monthly call.*

Total Services Fees For Year One (1)	\$198,000
Product Code	(A)-100-786

Invoicing Schedule

- **Year 1 (one):** Line Item 1: 100% of Service Fees (\$198,000) and applicable taxes are due and payable upon the date of last signing of this SOW
- **Year 2 (two):** \$198,000 is due and payable upon receipt of invoice
- **Year 3 (three):** \$198,000 is due and payable upon receipt of invoice

All CHECK payments should be sent to:

**Iatric Systems, Inc.
PO Box 74008556
Chicago, IL 60674-8556**

ACH/Wire Payments also accepted. Credit Card payments will incur a 3% processing fee.

This Statement of Work is entered into pursuant to the terms of the Master Consulting Services Agreement between Iatric Systems, Inc. ("Iatric") and the Client named above and incorporates its terms by this reference. Iatric reserves the right to void the terms of this Statement of Work if not executed by Client within sixty (60) days after execution by Iatric. For questions about billing, please email Iatric_AR@harriscomputer.com or call 401-537-2966. Executed under seal as of the Effective Date.

Salinas Valley Memorial Healthcare System	Iatric Systems, Inc.
By: _____	By: _____
Signature: _____	Signature: _____
Name: _____	Name: <u>Shon Barrier</u>
Title: _____	Title: <u>Executive Vice President</u>
Date: _____	_____

Board Paper: Finance Committee

Agenda Item: Consider Recommendation for Board Approval of the GE Healthcare OEC Medical Systems Seven (7) Year Service Agreement to include Three (3) Elite 31 Systems

Executive Sponsor: Clement Miller, Chief Operating Officer
John Kazel, Director Imaging Services

Date: March 13, 2026

Executive Summary

This request seeks approval to consolidate service coverage for three Elite 31 systems—Serial Numbers FBHXTX01430, FBXTE00586, and (a new unit) FBHXTX01779—under a single service agreement. Currently, the two existing systems are maintained under separate contracts. Beginning in March 2026, serial number 01430 will exit warranty and incur an annual service cost of USD 26,139.00, while serial number 0586 is already covered at USD 24,464.00 per year.

Background/Situation

Currently, the two older systems (ending in 01430 and 0586) are each covered under separate service agreements. Beginning March 2026, we will incur an annual service cost of USD 26,139.00 for serial number 01430 as it exits warranty, and we are already paying USD 24,464.00 per year for serial number 0586.

Under the proposed structure, all three serial numbers would be consolidated into a single service agreement at a streamlined rate of USD 22,978.00 per unit per year. Over the full seven-year term, this equates to an approximate total of USD 160,846.00 per unit, or USD 482,538.00 in aggregate. By proceeding with this combined agreement, we would realize an estimated annual cost avoidance of USD 3,161.00 for serial number 01430 and USD 1,486.00 for serial number 0586, while also simplifying contract administration across all three systems.

Pillar/Goal Alignment

Service People Quality Finance Growth Community

Financial/Quality/Safety/Regulatory Implications/Construction Contract Terms

Key Contract Terms	Contractor: OEC Medical Systems (GE Healthcare)
1. Proposed effective date	3/3/2026: SN 01430: 3/3/2026 SN 0586: Upon Signature and SN 01779 (After warranty)
2. Term of agreement	March 3, 2026 – December 31, 2033 (7 Years)
3. Renewal terms	None
4. Termination provision(s)	60 days' PRIOR written notice for Serial Number Disposal, Scrapping, Trade-in, Sold, or Upgraded.

5. Payment Terms	NET 45
6. Annual Cost	USD \$68,934.00 (\$22,978 x 3)
7. Cost over life of agreement	USD \$482,538.00 (\$68,934 x 7)
8. Budgeted (indicate y/n)	No

Recommendation

Consider Recommendation for Board Approval of the GE Healthcare OEC Medical Systems Seven (7) Service Agreement to include Three (3) Elite 31 Systems in the amount of \$482,538.00.

Attachments

- 1.Quote and Addendum (Closed Session)
- 2.Sole Source Justification

Justification for Sole Source Form

To: Contract Review Committee

From: John Kazel, DI

Type of Purchase:

- Non-Medical, Non-Surgical Equipment/Supplies >= \$25,000
- Data Processing/Telecommunication Goods >= \$25,000
- Medical/Surgical – Supplies/Equipment >= \$25,000
- Purchased Services >= \$350,000

Total Cost \$:	USD 482,538
Vendor Name:	OEC Medical Systems
Agenda Item:	Service Agreement for 2 x Elite 31 Cardiac and 1 x Elite 31 VASMTS

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 SVMHS. The procurements proposed for acquisition through sole source are the only ones that can meet the district’s need. 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.

Existing SVMHS equipment, inventory, custom-built information system, custom built data inventory system, or similar products or programs:

SVH currently has multiple service agreements with GE Healthcare each covering individual C-arm imaging units. The goal here is to consolidate multiple service agreements into one unified agreement. This results in some incremental savings and reduces the number of service agreements to manage.

Other -The above reasons are the most common and established causes for an eligible sole source. If you have a different reason, please describe:

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

Submitter Signature  John Kazel (Mar 19, 2026 13:30:24 PDT) Date: _____

Financial Performance Review

January 2026

Finance Committee

Iftikhar Hussain
Chief Financial Officer

Consolidated Financial Results

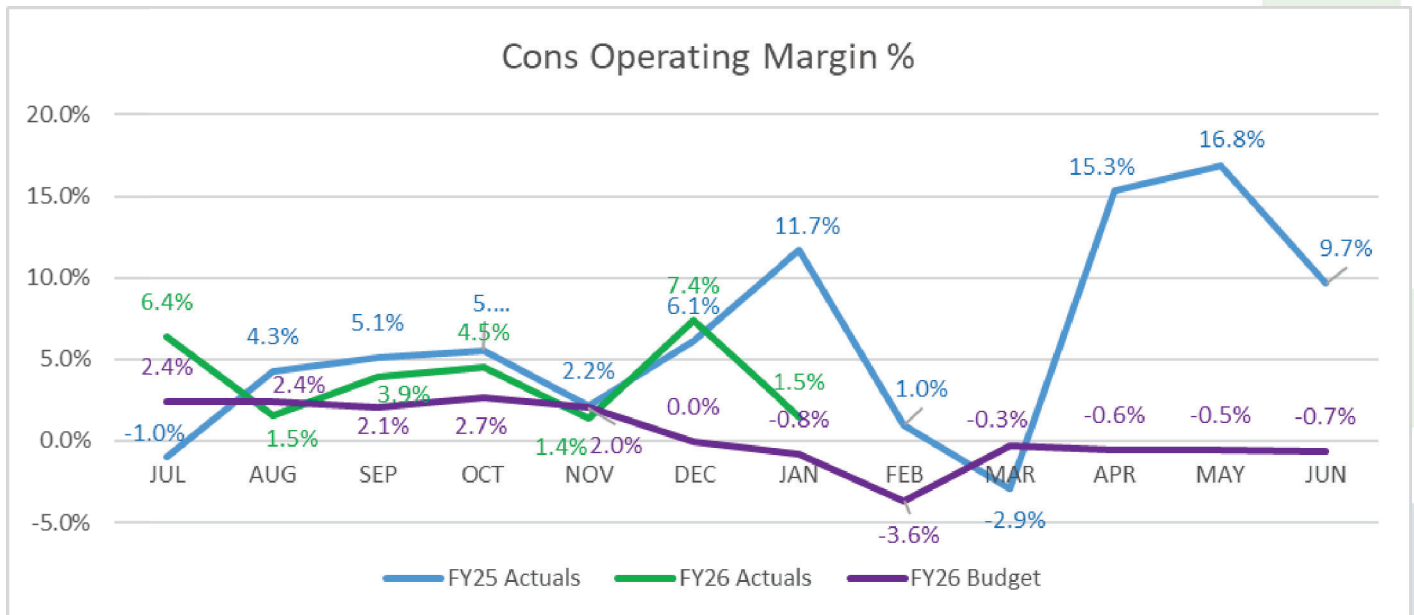
January 2026

For the month, operating income was \$1.7 M favorable to budget mainly due to Voluntary Rate Range assistance of \$5.6 million from CCAH

Consolidated Month				\$ in Millions	Consolidated YTD			
Month		Variance fav (unfav)			YTD		Variance fav (unfav)	
Actual	Budget	\$	%		Actual	Budget	\$	%
\$ 75.9	\$ 71.0	\$ 4.9	6.9%	Operating Revenue	\$ 515.4	\$ 486.8	\$ 28.6	5.9%
74.7	71.5	(3.2)	-4.5%	Operating Expense	495.1	479.4	(15.7)	-3.3%
1.2	(0.5)	1.7	340.0%	Income from Operations	20.3	7.4	12.9	174.3%
1.5%	-0.8%	2.3%	287.50%	Operating Margin %	3.9%	1.5%	2.4%	160.0%
				Op. margin % full year target		3.0%		
0.5	2.5	(2.0)	-80.0%	Non Operating Income	14.3	17.4	(3.1)	-17.8%
1.7	2.0	(0.3)	-15.0%	Net Income	34.6	24.8	9.8	39.5%
2.2%	2.7%	-0.5%	-18.5%	Net Income Margin %	6.7%	5.1%	1.6%	31.4%

Results for the year include \$25.4 million in supplemental payments
January results include \$5.6 million net CCAH rate range IGT payment

Consolidated Operating Margin



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Key Financial Indicators

Indicator Metric	YTD 1/31/2026	Budget	S&P A+ Rated	YTD Prior Year
Operating Margin*	3.9%	0.4%	4.0%	5.1%
Total Margin*	6.7%	4.0%	6.6%	9.3%
EBITDA Margin**	8.5%	5.4%	13.6%	9.5%
Days of Cash*	359	317	249	373
Days of Accounts Payable*	43	45	-	47
Days of Net Accounts Receivable***	75	60	49	65
Supply Expense as % NPR	15.0%	14.6%	-	14.6%
Labor Expense as % NPR	52.9%	55.7%	53.7%	51.9%
Operating Expense per APD*	7,541	7,205	-	6,637

— All metrics above are consolidated for SVH except Operating Expense per APD
 *These metrics have **not** been adjusted for normalizing items
 **Metric based on Operating Income (consistent with industry standard)
 ***Metric based on 365 days average net revenue (consistent with industry standard)

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Executive Summary: Volume Trends

- Admissions and Census
 - YTD Admissions and observation are 2% higher than PY
 - YTD ADC is 4% lower than PY due to length of stay improvement
 - Admissions for the month are high due to winter seasonal trend
 - YTD ER volumes are down from PY but strong for the month
- Deliveries have decreased consistent with demographic trends
- Cath Lab – cases were flat to budget at 333
- Procedure Volume for the year show growth.
 - Strong growth in Infusion services
 - Surgical volume has been low for the last 2 months

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Volume Summary – January 2026

Actual	Prior Year	Jan Bud	Bud Var	Key Statistics	YTD	YTD-PY	YTD Jan Bud	YTD Bud Var
Inpatient								
116	118	114	↑	2% ADC	109	114	114	↓ -4%
1,019	1,047	931	↑	9% Admissions	6,746	6,863	6,459	↑ 4%
103	141	130	↓	-21% Deliveries	754	814	905	↓ -17%
TBD	2.2	2.3	#VALUE!	Medicare Traditional ALOS CMI Adjusted	TBD	2.3	2.3	#VALUE!
TBD	1.67	1.75		Medicare Traditional Case Mix	TBD	1.74	1.75	#VALUE!
Emergency Room								
5,121	4,720	4,653	↑	10% ER OP Visits	31,725	32,007	32,274	↓ -2%
809	798	719	↑	13% ER IP Admissions	5,272	5,308	4,983	↑ 6%
Procedures								
150	140	146	↑	3% IP Surgeries	1,069	1,024	1,013	↑ 6%
267	328	293	↓	-9% OP Surgeries	2,138	2,109	2,030	↑ 5%
333	274	333	↑	0% Cath Lab	2,236	2,150	2,313	↓ -3%
1,231	1,186	1,158	↑	6% OP Infusion Cases	8,877	8,060	8,032	↑ 11%
340	237	405	↓	-16% MRI Procedures	2,225	1,875	2,807	↓ -21%
1,832	1,972	2,168	↓	-15% CT Scans	13,894	13,964	15,036	↓ -8%
Observation Cases								
188	181	152	↑	24% Obs Cases	1,362	1,086	1,057	↑ 29%

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Executive Summary: Operations and Balance Sheet

Operations

- **Worked FTEs** on a per Adjusted ADC basis were **3%** unfavorable at **6.9** - compared to a target of **6.7**
- **Payor Mix** for the month was unfavorable with high Medicare. For the year, commercial mix is stable with prior year.

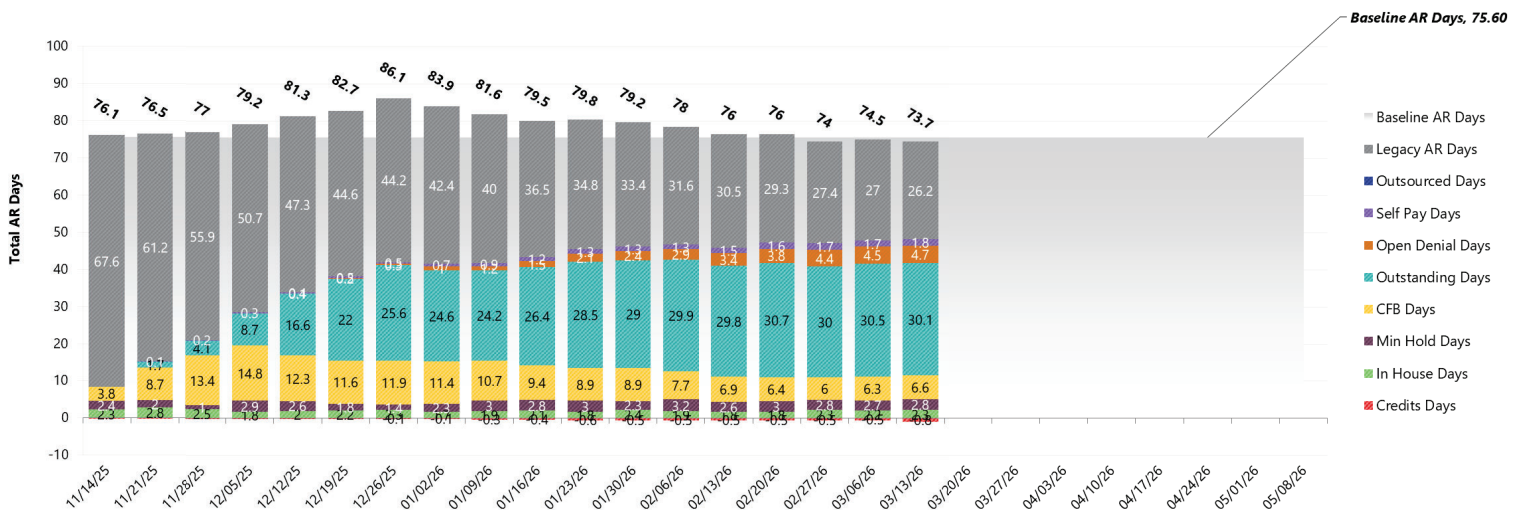
Non-Operating Income was under budget by \$2.6 Million on lower investment income tied to lower interest rates

Balance Sheet

- Days in AR at 75 is trending over target. EPIC Days stable at a favorable 47 days at end of January.
- Days Cash on Hand at 359 was down 3 days mainly due to \$6 million capital spend

Key Metrics	Prior 3 Months			Current Month		Year-To-Date	
	Oct-25 Actual	Nov-25 Actual	Dec-25 Actual	Jan-26 Actuals	Jan-26 Budget	FY26 YTD Actuals	FY25 YTD Prior Year Actuals
Total Gross Revenue	\$ 303,866	\$ 260,736	\$ 279,453	\$ 299,889	\$ 305,516	\$ 2,015,222	\$ 1,927,084
Medicare %	44%	47%	45%	49%	46%	46%	46%
Medicaid %	29%	30%	29%	27%	29%	29%	29%
Commercial %	23%	20%	22%	20%	21%	21%	21%
All Other %	4%	4%	4%	4%	4%	4%	4%

Accounts Receivable Days Trend with Legacy and EPIC Detail



Medi-Cal and Other Supplemental Payments

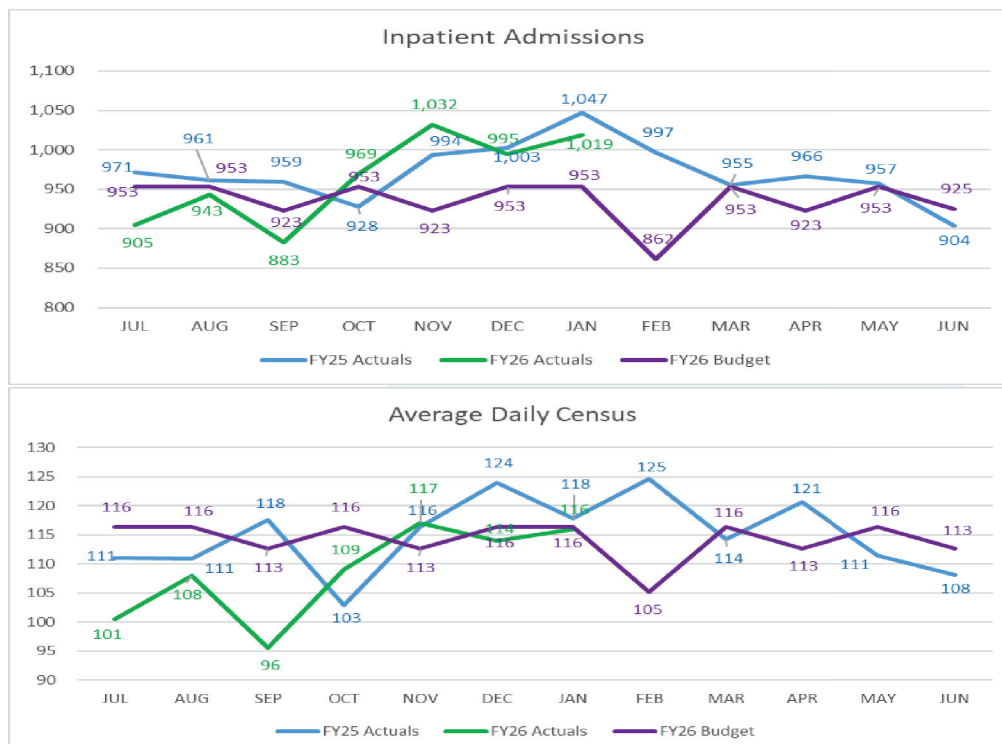
IGTs & Other Significant YTD Items

FY 2026			
Date	Payor	Description	Amount
Oct 2025	CAAH	Direct Payment Program (net) Phase 2- CY 2023	\$4,474,778
Oct 2025	CAAH	DMPH-Quality Incentive Payment CY 2024 Interim	\$3,326,677
Dec 2025	CAAH	CAAH-EPIC Training & Implementation Grant	\$12,000,000
Jan 2026	CAAH	Voluntary Rate Range-CY 2024 (net)	\$5,579,554
Total FY 2026			\$25,381,009

FY 2025			
Date	Payor	Description	Amount
Jan 2025	CAAH	Voluntary Rate Range-CY 2023 (net)	\$4,639,758
Apr 2025	CAAH	Medi-Cal Quality Incentive Program (net)	\$7,045,692
Apr 2025	DHCS	Medi-Cal OP Supplemental (net) CY 2023-24	\$1,398,017
Apr 2025	CAAH	Direct Payment Program (net) Phase 1- CY 2023	\$4,797,482
May 2025	CAAH	NDPH HQAF (net) Program Year-2024	\$4,270,850
Jun 2025	DHCS	Medi-Cal Rate Range (net) CY 2024-25	\$2,305,245
Multiple Dates	FEMA	Grant Funds (net) FY2025	\$6,260,697
Total FY 2025			\$30,717,741

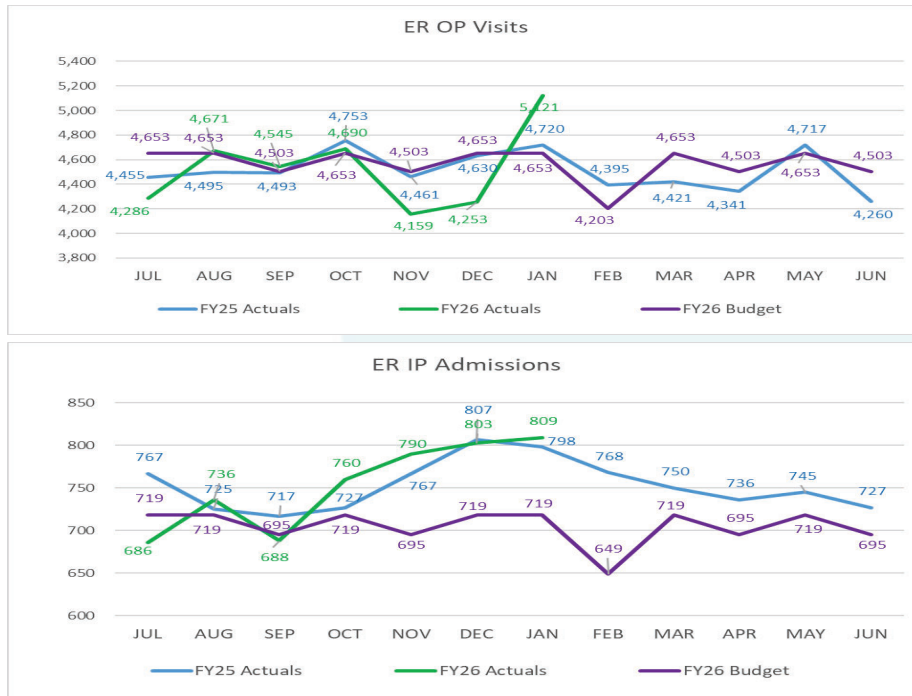
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Volume Trends – Admissions & ADC

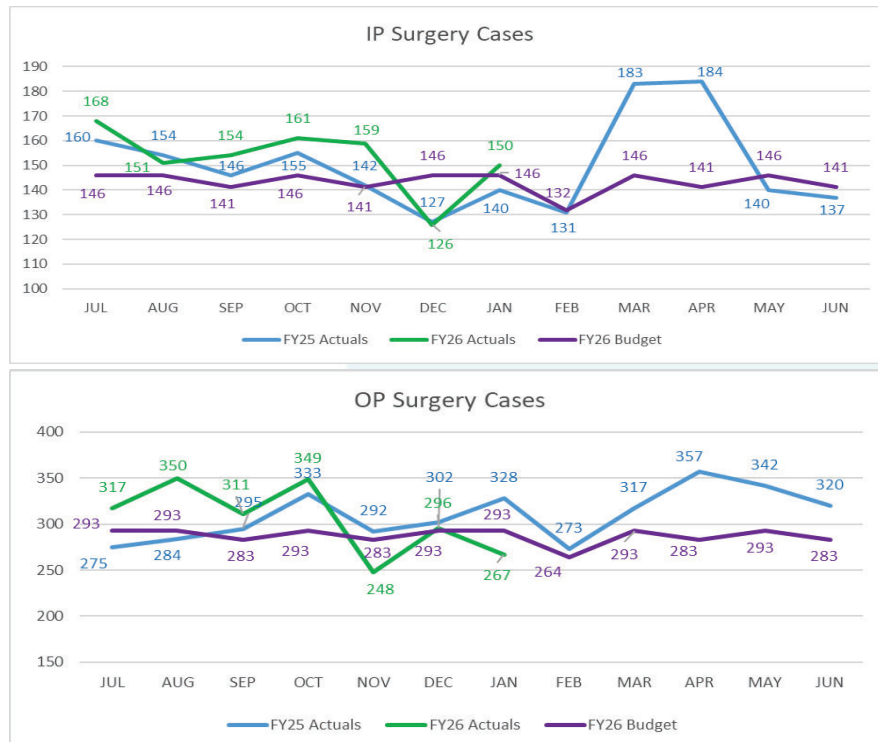


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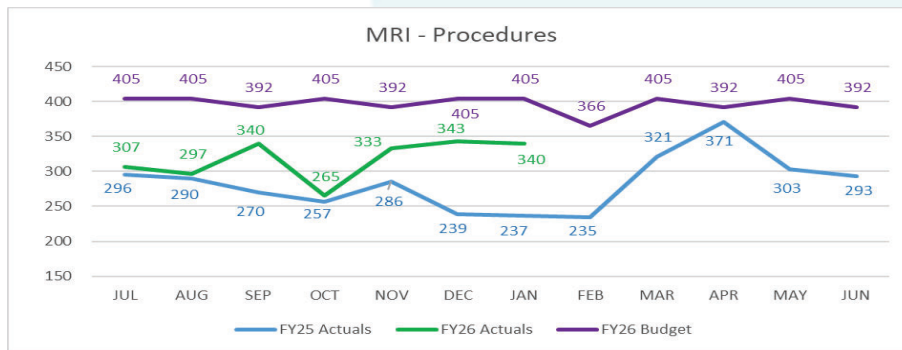
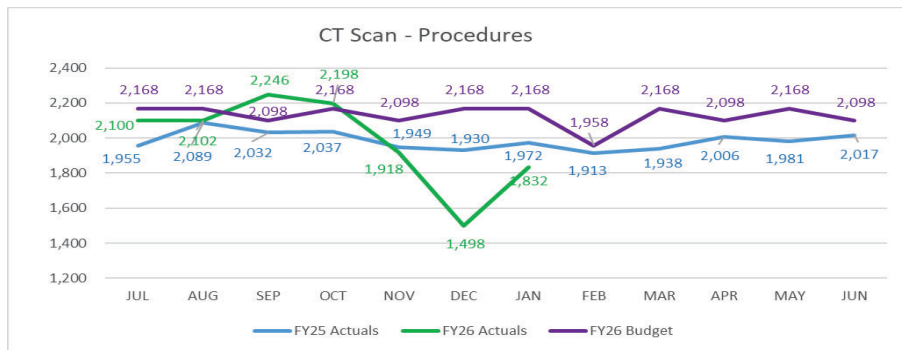
Volume Trends – ER



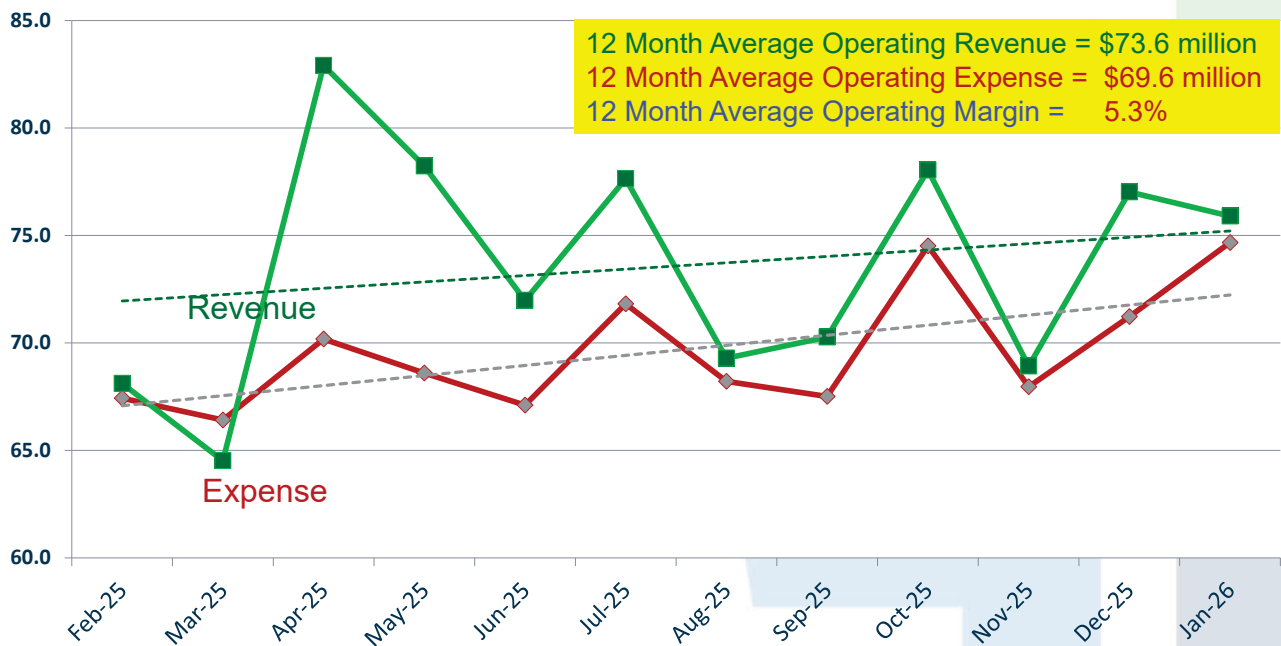
Volume Trends - Surgery Cases



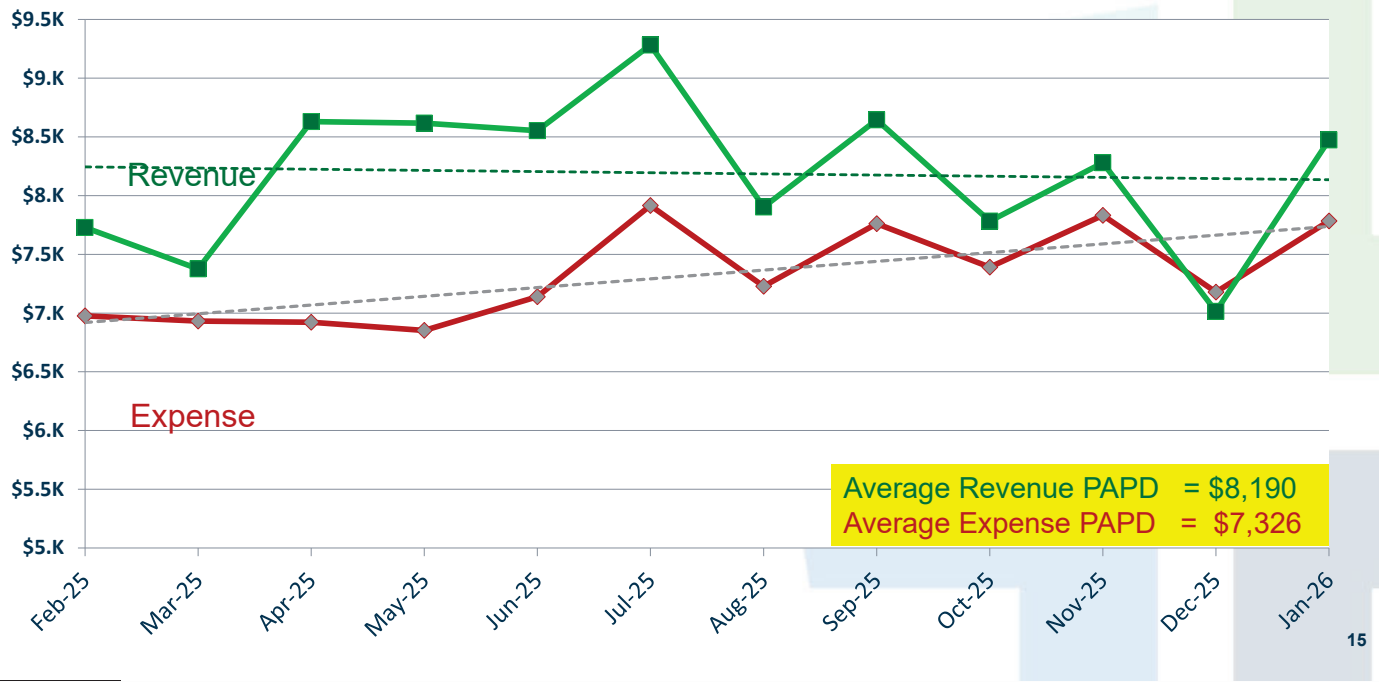
Volume Trends - Imaging



Consolidated Revenues & Expenses Rolling 12 Months: Feb 25 to January 26



Revenues & Expenses Per Adjusted Patient Day Rolling 12 Months: Feb 25 to January 26



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Labor Productivity Key Indicators

Current Month					Year-to-Date			
Prior Year	Actual	Budget	Variance (in FTE)		Prior Year	Actual	Budget	Variance (in FTE)
1,631.6	1,724.0	1,650.9	(73.1 FTE)	Worked FTE	1,576.0	1,680.7	1,591.9	(88.8 FTE)
4.8%	4.5%	4.5%	(0.1 FTE)	Overtime as a % of Worked Hours	4.6%	4.7%	4.6%	(1.8 FTE)
4.1%	5.8%	2.9%	(50.0 FTE)	Contract Labor as a % of Worked Hours	4.4%	6.5%	3.2%	(56.4 FTE)

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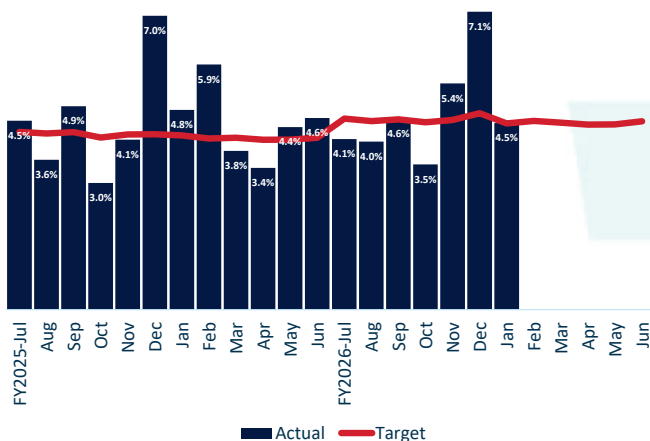
Labor Productivity

As of January 2026 Year-to-Date

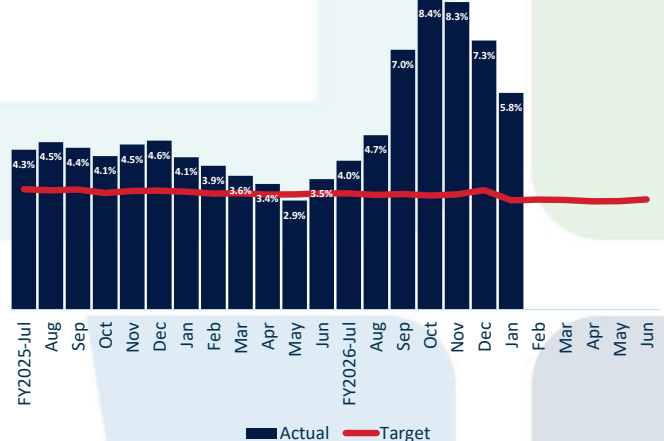
- Worked FTE:** Worked FTE is unfavorable to budget by 73.1 in the month and 88.8 on a year-to-date basis. The variance is primarily driven by:
 - Contract Labor: Both the current month and year-to-date contract labor utilization is higher than budget. The impact is a negative FTE variance of 50.0 in January and 56.4 on a year-to-date basis.
 - Approved but Unbudgeted FTE and unrealized vacancy allowance in the budget: Approved cyber security, Workday and system analyst positions were inadvertently not added to the budget resulting in a negative variance of 9 FTE.
- Overtime:** Overtime as a percent of Worked FTE is 4.5% in the month and 4.7% on a year-to-date basis; both are on target.
- Contract Labor:** Contract labor usage is over budget and has increased to 5.8% of Worked FTE in the month and 6.5% on a year-to-date basis.
 - The increase is driven by the Epic implementation and filling roles that have been challenging to recruit.

Overtime & Contract Labor Trends

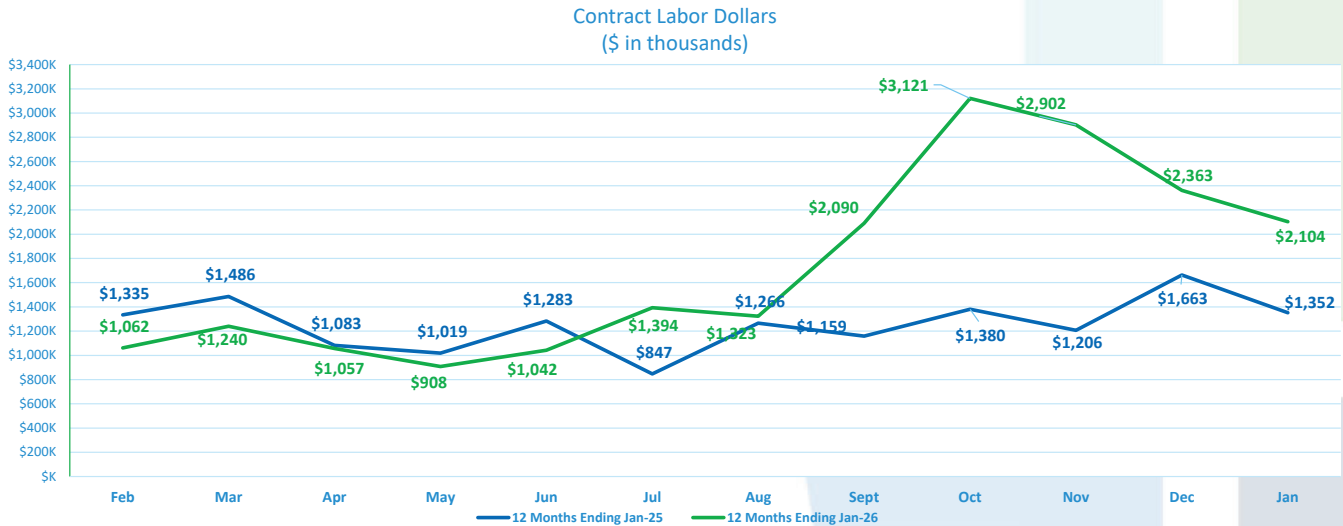
Overtime as a Percent of Worked FTE



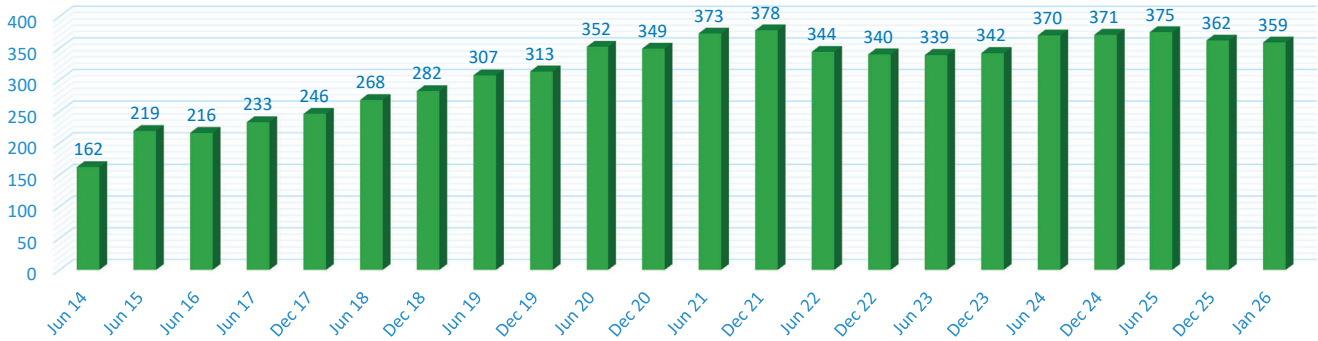
Contract Labor as a Percent of Worked FTE



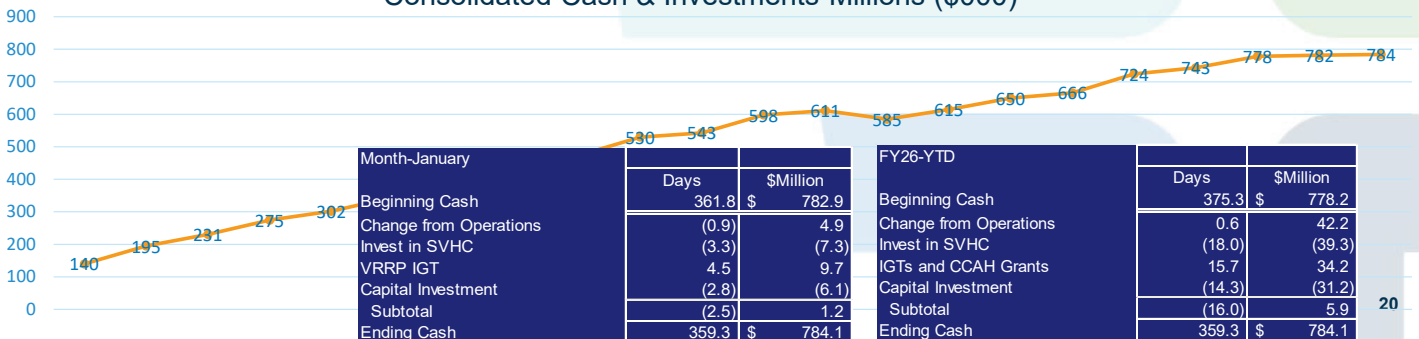
Contract Labor Trends



Days Cash on Hand = 359 Days (\$784M) - January 2026



Consolidated Cash & Investments-Millions (\$000)



Month-January		FY26-YTD			
	Days	\$Million			
Beginning Cash	361.8	\$ 782.9	Beginning Cash	375.3	\$ 778.2
Change from Operations	(0.9)	4.9	Change from Operations	0.6	42.2
Invest in SVHC	(3.3)	(7.3)	Invest in SVHC	(18.0)	(39.3)
VRRP IGT	4.5	9.7	IGTs and CCAH Grants	15.7	34.2
Capital Investment	(2.8)	(6.1)	Capital Investment	(14.3)	(31.2)
Subtotal	(2.5)	1.2	Subtotal	(16.0)	5.9
Ending Cash	359.3	\$ 784.1	Ending Cash	359.3	\$ 784.1

Questions/Comments

SALINAS VALLEY HEALTH MEDICAL CENTER
SUMMARY INCOME STATEMENT
January 31 ,2026

	<u>Month of January</u>		<u>Seven months ended January 31</u>	
	<u>Current Year</u>	<u>Prior Year</u>	<u>Current Period YTD</u>	<u>Prior Year YTD</u>
<i>Operating revenue:</i>				
Net patient revenue	\$ 63,631,150	\$ 64,024,725	\$ 412,980,093	\$ 398,737,744
Other operating revenue	1,615,426	1,644,039	27,241,221	10,635,166
Total operating revenue	<u>65,246,576</u>	<u>65,668,764</u>	<u>440,221,314</u>	<u>409,372,910</u>
Total operating expenses	59,995,896	52,189,851	393,142,670	351,080,575
Total non-operating income	<u>(4,847,496)</u>	<u>(3,487,895)</u>	<u>(15,740,241)</u>	<u>(14,947,157)</u>
Operating and non-operating income	<u>\$ 403,184</u>	<u>\$ 9,991,018</u>	<u>\$ 31,338,402</u>	<u>\$ 43,345,178</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
 BALANCE SHEETS
 January 31 ,2026

	Current year	Prior year
Current assets	\$ 457,041,967	\$ 431,470,784
Assets whose use is limited or restricted by board	180,883,117	170,818,952
Capital assets	249,218,362	255,391,954
Other assets	391,093,143	304,325,620
Deferred pension outflows	55,438,539	85,734,219
	<u>\$ 1,333,675,128</u>	<u>\$ 1,247,741,529</u>
 LIABILITIES AND EQUITY:		
Current liabilities	\$ 102,094,269	\$ 97,805,518
Long term liabilities	42,784,218	20,911,441
Lease deferred inflows	2,643,887	1,167,366
Pension liability	79,394,685	90,863,576
Net assets	<u>1,106,758,069</u>	<u>1,036,993,628</u>
	<u>\$ 1,333,675,128</u>	<u>\$ 1,247,741,529</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
SCHEDULES OF NET PATIENT REVENUE
January 31, 2026

Current Year	Prior Year		Current YTD	Prior YTD
		Patients days:		
		By payer:		
1,952	1,812	Medicare	11,220	12,220
907	1,019	Medi-Cal	6,892	7,309
619	718	Commercial insurance	4,321	4,308
112	141	Other patient	903	774
3,590	3,690	Total patient days	23,336	24,611
		Gross revenue:		
149,128,264	132,293,237	Medicare	925,572,792	880,619,121
83,311,156	84,681,116	Medi-Cal	590,208,727	562,480,004
60,862,897	63,332,434	Commercial Insurance	434,787,418	407,886,997
10,689,331	13,871,775	Other patient	81,646,557	76,098,061
303,991,648	294,178,563	Gross revenue	2,032,215,493	1,927,084,183
		Deductions from revenue:		
(458,884)	149,819	Administrative adjustments	2,849,012	1,258,745
308,009	1,023,528	Charity care	5,022,588	3,682,134
		Contractual adjustments:		
55,084,386	44,694,336	Medicare outpatient	348,721,742	294,446,359
62,241,479	51,414,963	Medicare inpatient	351,171,884	335,774,491
427,084	1,711,901	Medi-Cal traditional outpatient	8,196,241	10,874,065
3,825,628	2,019,001	Medi-Cal traditional inpatient	23,704,347	34,810,341
39,045,488	44,411,828	Medi-Cal managed care outpatient	297,419,046	276,222,576
18,972,352	24,103,199	Medi-Cal managed care inpatient	192,238,092	179,840,538
28,908,282	27,257,532	Commercial insurance outpatient	190,074,240	186,423,928
23,587,093	24,657,651	Commercial insurance inpatient	139,887,102	155,121,747
6,688,171	5,976,284	Uncollectible accounts expense	43,651,399	38,366,424
2,019,734	2,733,795	Other payors	15,297,103	11,525,091
240,648,822	230,153,838	Deductions from revenue	1,618,232,795	1,528,346,439
63,342,826	64,024,725	Net patient revenue	413,982,698	398,737,744
		Gross billed charges patient type:		
142,143,147	138,434,750	Inpatient	916,431,867	902,679,829
126,512,523	121,139,628	Outpatient	871,932,677	800,334,925
36,214,163	34,604,184	Emergency room	244,729,133	224,069,429
304,869,833	294,178,563	Total	2,033,093,677	1,927,084,183

**SALINAS VALLEY HEALTH MEDICAL CENTER
STATEMENTS OF REVENUE AND EXPENSES
January 31, 2026**

Month of January		Seven months ended January 31			
Current Year	Prior Year	Current Year		Prior Year	
		Operating revenue:			
\$ 304,869,833	\$ 294,178,563	\$ 2,033,093,677	\$ 1,927,084,183		
241,238,683	230,153,838	1,620,113,585	1,528,346,439		
63,631,150	64,024,725	412,980,093	398,737,744		
1,615,426	1,644,039	27,241,221	10,635,166		
65,246,576	65,668,764	440,221,314	409,372,910		
		Operating expenses:			
19,685,199	17,711,591	138,441,544	123,165,030		
4,358,579	3,717,358	24,759,527	22,289,741		
7,496,934	8,925,390	53,726,037	56,169,573		
9,289,789	8,367,519	65,456,036	60,272,399		
6,383,463	3,754,821	33,874,369	27,054,251		
3,368,638	2,745,113	19,478,707	17,786,920		
2,527,118	1,955,129	20,361,143	13,496,786		
3,597,692	2,706,543	21,890,180	17,894,958		
3,288,484	2,306,387	15,155,128	12,950,916		
59,995,896	52,189,851	393,142,670	351,080,575		
5,250,681	13,478,913	47,078,643	58,292,335		
		Non-operating Income:			
54,542	237,282	702,247	4,245,242		
500,550	476,714	3,503,851	3,337,000		
(563,055)	179,786	6,573,539	9,942,500		
(4,839,533)	(4,381,677)	(26,519,877)	(32,471,900)		
(4,847,496)	(3,487,895)	(15,740,241)	(14,947,157)		
\$ 403,184	\$ 9,991,018	\$ 31,338,402	\$ 43,345,178		

SALINAS VALLEY HEALTH MEDICAL CENTER
BALANCE SHEETS
January 31, 2026

	Current Year	Prior Year
ASSETS		
Current assets:		
Cash and Cash Equivalents	\$ 292,742,121	\$ 288,650,550
Patient accounts receivable, net of estimated uncollectibles	147,931,019	122,201,698
Supplies inventory at cost	5,746,978	9,121,260
Current portion of lease receivable	538,739	956,741
Other current assets	10,083,111	10,540,535
	<hr/>	<hr/>
Total current assets	457,041,967	431,470,784
	<hr/>	<hr/>
Assets whose use is limited or restricted by board	180,883,117	170,818,952
	<hr/>	<hr/>
Capital assets:		
Land and construction in process	46,858,460	44,567,392
Other capital assets, net of depreciation	202,359,902	210,824,562
	<hr/>	<hr/>
Total capital assets	249,218,362	255,391,954
	<hr/>	<hr/>
Other assets:		
Right of use assets, net of amortization	9,773,406	8,434,565
Long term lease receivable	2,177,823	245,848
Subscription assets, net of amortization	57,895,666	8,843,195
Investment in securities	277,247,400	264,948,778
Investment in SVMC	3,979,984	89,425
Investment in Aspire/CHI/Coastal	1,589,613	1,674,184
Investment in other affiliates	17,795,937	21,384,928
Net Pension Asset	20,101,141	(1,827,475)
Goodwill	532,173	532,173
	<hr/>	<hr/>
Total other assets	391,093,143	304,325,620
	<hr/>	<hr/>
Deferred Pension Outflows	55,438,539	85,734,219
	<hr/>	<hr/>
Total assets	\$ 1,333,675,128	\$ 1,247,741,529
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LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	61,504,492	64,968,920
Due to third party payors	4,757,104	4,014,940
Current portion of self-insurance liability	21,505,086	22,825,371
Current subscription liability	5,604,324	3,159,894
Current portion of lease liability	3,644,394	2,836,393
Current portion of compensated absences	5,078,868	-
	<hr/>	<hr/>
Total current liabilities	102,094,269	97,805,518
	<hr/>	<hr/>
Long term portion of workers comp liability	11,655,972	12,078,720
Long term portion of lease liability	6,640,856	5,581,127
Long term subscription liability	12,435,237	3,251,594
Long term portion of compensated absences	12,052,154	-
	<hr/>	<hr/>
Total Liabilities	144,878,487	118,716,959
	<hr/>	<hr/>
Lease deferred inflows	2,643,887	1,167,366
Pension Liability	79,394,685	90,863,576
	<hr/>	<hr/>
Net Assets:		
Invested in capital assets, net of related debt	249,218,362	255,391,954
Unrestricted	857,539,707	781,601,674
	<hr/>	<hr/>
Total Net Assets	1,106,758,069	1,036,993,628
	<hr/>	<hr/>
Total liabilities and net assets	\$ 1,333,675,128	\$ 1,247,741,529
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**SALINAS VALLEY HEALTH MEDICAL CENTER
STATEMENTS OF REVENUE AND EXPENSES - ('000)
January 31, 2026**

Actuals	Budget	\$ Variance	% Variance		Actuals YTD	Budget YTD	\$ Variance	% Variance
				Operating revenue:				
304,869,833	305,515,861	(646,028)	0.2%	Gross billed charges	2,033,093,677	2,032,782,043	311,634	0.0%
241,238,683	246,754,268	(5,515,585)	2.2%	Deductions from revenue	1,620,113,585	1,633,112,288	(12,998,703)	0.8%
63,631,150	58,761,593	4,869,557	-8.3%	Net patient revenue	412,980,093	399,669,755	13,310,337	-3.3%
1,615,426	1,721,629	(106,202)	6.2%	Other operating revenue	27,241,221	12,051,402	15,189,819	-126.0%
65,246,576	60,483,222	(4,763,354)	-7.9%	Total operating revenue	440,221,314	411,721,157	(28,500,156)	6.9%
				Operating expenses:				
19,685,199	20,704,974	(1,019,775)	4.9%	Salaries and wages	138,441,544	132,155,569	6,285,974	-4.8%
4,358,579	2,931,169	1,427,410	-48.7%	Compensated absences	24,759,527	25,744,718	(985,190)	3.8%
7,496,934	8,807,652	(1,310,718)	14.9%	Employee benefits	53,726,037	55,552,614	(1,826,577)	3.3%
9,289,789	9,051,530	238,260	-2.6%	Supplies, food, and linen	65,456,036	62,701,826	2,754,210	-4.4%
6,383,463	4,650,718	1,732,745	-37.3%	Purchased department functions	33,874,369	31,855,753	2,018,616	6.3%
3,368,638	2,615,198	753,440	-28.8%	Medical Fees	19,478,707	18,298,887	1,179,820	-6.4%
2,527,118	1,485,034	1,042,084	-70.2%	Other Fees	20,361,143	10,418,508	9,942,635	-95.4%
3,597,692	3,846,773	(249,081)	6.5%	Depreciation	21,890,180	20,328,934	1,561,245	-7.7%
3,288,484	1,998,360	1,290,123	-64.6%	All other expense	15,155,128	14,089,933	1,065,195	7.6%
59,995,896	56,091,408	3,904,488	-7.0%	Total Operating expenses	393,142,670	371,146,742	21,995,929	-5.9%
5,250,681	4,391,814	(858,866)	-19.6%	Income from operations	47,078,643	40,574,415	(6,504,228)	-16.0%
				Non-operating Income:				
54,542	216,667	(162,125)	74.8%	Donations	702,247	1,516,667	(814,420)	53.7%
500,550	500,550	-	0.0%	Property taxes	3,503,851	3,503,851	-	0.0%
(563,055)	1,242,496	(1,805,551)	145.3%	Investment Income	6,573,539	8,697,369	(2,123,830)	24.4%
(4,839,533)	(4,730,137)	(109,396)	-2.3%	Income from subsidiaries	(26,519,877)	(31,652,314)	5,132,437	16.2%
(4,847,496)	(2,770,425)	(2,077,072)	-75.0%	Total non-operating income	(15,740,241)	(17,934,428)	2,194,186	12.2%
403,184	1,621,390	1,218,205	75.1%	Operating and non-operating income	31,338,402	22,639,988	(8,698,414)	38.4%

CLOSED SESSION

*(Report on Items to be
Discussed in Closed Session)*

*RECONVENE OPEN SESSION/
REPORT ON CLOSED SESSION*

(Meeting Chair)

Board Paper: Finance Committee

Agenda Item: **Consider Recommendation for SVH Board Approval of the DaVinci Xi Lease upgrade to the da Vinci 5 (DV5)**

Executive Sponsor: Alysha Hyland, Chief Administrative Officer
Clement Miller, Chief Operating Officer

Date: March 19, 2026

Executive Summary

Board Approval is requested to upgrade Salinas Valley Health's leased da Vinci Xi robotic system to the da Vinci 5 (DV5) platform. Transitioning to a single robotic platform will support consistent operating room workflows, improve staff proficiency, and reduce equipment complexity across perioperative services. Clinical evaluation, infrastructure preparation, and contract review have been completed. Administration is now seeking Board authorization to proceed.

Background/Situation

Salinas Valley Health currently operates a leased da Vinci Xi robotic surgical system, alongside a da Vinci 5 (DV5) system already in use. As robotic-assisted surgery advances, standardization across operating rooms is critical to ensure patient safety, surgeon performance, and operational efficiency. Maintaining two different platforms requires duplicate endoscopes, cameras, light cords, and related equipment, introducing workflow variability, increasing setup complexity, and creating additional opportunities for error. Upgrading the Xi system to DV5 will eliminate these challenges and streamline OR operations, allowing staff to work consistently with a single, familiar platform.

The da Vinci 5 (DV5) offers capabilities unavailable on the Xi that directly enhance surgical performance and outcomes. These include force-feedback instruments that restore tactile sensation to the surgeon, next-generation endoscopes delivering best-in-class visualization, and instant access to automatically recorded case video and images, as well as real-time replay during procedures for teaching, consultation, or intraoperative decision-making. These tools improve precision, support consistent workflows, and enable confident, high-quality surgical care across all cases. DV5 also supports telepresence and remote collaboration, enabling remote proctoring, peer support during live cases, and future remote case observation. With our newly installed PTZ room view camera, these capabilities can be fully leveraged, further enhancing collaboration, training, and performance monitoring.

Standardizing all robotic systems on DV5 is both a clinical and operational imperative. It ensures consistent surgeon experience, streamlined equipment use, predictable OR workflows, and simplified staff training, while maximizing the value of advanced visualization, instrumentation, and telepresence capabilities. Upgrading the remaining Xi system aligns our robotic program around a single, advanced platform that supports clinical excellence, OR efficiency, and strategic leadership in robotic surgery.

Timeline/Review Process to Date

- **November 2024:** Initial discussions regarding upgrading the Xi system to the DV5 platform. Project placed on hold due to Intuitive Surgical supply constraints.
- **November 2025:** Meeting with Intuitive Surgical to revisit the upgrade opportunity; project deferred temporarily to accommodate the EPIC go-live.
- **December 2025:** Engineering team met with Intuitive Surgical to review electrical requirements for OR5 to support the DV5 system.
- **December 2025:** Clinical evaluation of the DV5 system with Harmonic integration conducted by Dr. Taich, with positive feedback confirming alignment with the proposed upgrade.
- **January 2026:** Meeting with Supply Chain to initiate contract review and outline next steps for upgrade execution.
- **March 2026:** Supply Chain completed formal contract review.
- **March 2026:** Board packet finalized and submitted for review.

Strategic Plan Alignment

The purpose of this initiative is to upgrade and standardize our robotic surgery program on the da Vinci 5 (DV5). This strategic alignment supports our organizational vision by:

- ❖ Advancing patient care: Delivering the highest-quality, safest, and most precise surgical outcomes through state-of-the-art instrumentation, visualization, and intraoperative insights.
- ❖ Empowering our workforce: Providing surgeons and staff with consistent tools, training, and collaboration capabilities to perform at the highest level.
- ❖ Optimizing operational performance and growth: Streamlining workflows, reducing equipment duplication, and creating capacity for program expansion.
- ❖ Strengthening community impact: Expanding access to innovative surgical care, teaching, and telepresence collaboration for patients and peer institutions alike.

By standardizing on DV5, SVH ensures that our technology, people, and processes are fully aligned with our strategic plan, reinforcing our commitment to exceptional patient care and community leadership.

Pillar/Goal Alignment

X Service X People X Quality X Finance X Growth X Community

Financial/Quality/Safety/Regulatory Implications

Key Contract Terms	Vendor: Intuitive Surgical
1. Proposed Effective Date	4/1/2026
2. Term of Agreement	60-Month Lease Agreement: not to exceed \$45,000 per month 4-Year Service Agreement: not to exceed \$225,000 annually 4-Year Software Subscription: not to exceed \$85,000 annually <i>Service and software subscription fees begin in Year 2.</i>
3. Renewal terms	Purchase Option at Lease Expiration: Option to purchase at Fair Market Value.
4. Termination provision(s)	1. Permitted in the event of a material breach, with 30 days' written notice and opportunity to cure. 2. Otherwise, early termination is not permitted without payment of a Termination Sum.
5. Payment Terms	NET 30 days
6. Annual cost	Year 1: not to exceed \$540,000 (Lease Only) Years 2–5: not to exceed \$850,000 (Lease, Service, and Software)
7. Cost over life of agreement	Not to exceed \$3,940,000
8. Budgeted (indicate y/n)	No

Recommendation

Consider recommendation to the Board of Directors to (i) approve a 60-month lease agreement with Intuitive Surgical for the da Vinci 5 (DV5) robotic surgical platform in an amount not to exceed \$2,700,000, (ii) approve a 4-year service agreement in an amount not to exceed \$900,000, and (iii) approve a 4-year software subscription in an amount not to exceed \$340,000, for a total contract cost not to exceed the amount of \$3,940,000.

ADJOURNMENT