



Capital Expenditure Request (CER) Worksheet

Date:	July 5, 2022
Department:	Radiology
Manager:	Kevin Fischer
Capital Description:	Large tube for a CT machine – URGENT REQUEST

PROJECT EXPENSE:

Total Project Budget: Includes equipment, interfaces, shipping, installation, facility modifications, etc.		\$95,000.00
Total Project Cost: Includes equipment, interfaces, shipping, installation, facility modifications, etc.	(1)	\$79,092.00
Total Project Variance:		-\$15,908
PROCEDURE RELATED EQUIPMENT:		
Charge for Procedure:		\$
Estimated Reimbursement for Procedure:	(2)	\$1100
Estimated # of Procedures Per Year:	(3)	Approx. 7700
Expected Annual Return on Investment calculated (2) x (3) ÷ (1):	ROI	See benefit below

NEED:

Check all that apply:

Necessary to meet regulatory requirements, patient care is jeopardized without
 Equipment upgrade, enhances productivity
 New service, business development

Have you?

Involved affected employees?
 Involved affected physicians?

Equipment:

Function: CT is our busiest radiology modality. We have 2 CT units but are very different in how they operate. Since we lost the main tube on our “work-horse” it puts us in a tough position. We have to block one entire CT schedule while it is out of service, and we have to send some biopsies to Grand Jct. We do have manufacturer approval for **90 DAY TERMS IF WE PURCHASE THE TUBE AT THIS TIME.**

Benefit: Main CT unit. This unit has a much higher level of protocol support versus our other CT. And this CT was NOT the CT we are replacing with the new unit now on order. This is the CT we need working so that we can take the other unit out of service for 20-30 days while we install our new unit. CT is ordered by ED physicians, over any other modality, ordering CT’s on 60% of the ED patients.

Additional Operating Costs: ****(Please identify additional costs such as additional staff time and training, supplies, maintenance agreements, etc.)*
 \$79,092 is all inclusive (tube removal, replacement, calibration, shipping, and OT if applicable).

Life Expectancy: Tube will last longer than the entire CT machine.

PURCHASE:

Is the equipment available through the hospital's purchasing agreements?

Yes

No -- Justification:

Vendor Comparison:

	Vendor 1	Vendor 2	Vendor 3
Vendor Name	Canon	No other vendor supports this product	
Vendor Address	On file		
Vendor Contact	Michael Montgomery		
Vendor Phone	435.659.9543		
Price	\$79,092		
Additional Costs	N/A		
Vendor reputation	Excellent		
Vendor previously used	Yes		
Equipment reputation	Excellent		
Price protection period	10 days		
Service availability – including bio-med arrangements	3 days from shipped date		
Ongoing service and repairs	N/A		
Warranty	6 months		
Installation and down time	8 hours		
Demonstration date			

Vendor Selected: Canon

Criteria:

***** Please attach copy of research, price quotations and other supporting documentation.**

Quote #	Q-3999	Quote Date	07/06/2022		
SID	274191	Customer	DELTA COUNTY MEMORIAL HOSPITAL		
Attention To					
Product	AQ64/VS/C.000	Invoice #		PO #	
Bill To	DELTA COUNTY MEMORIAL HOSPITAL P O BOX 10100 DELTA, CO, 81416	Ship To	DELTA COUNTY MEMORIAL HOSPITAL 1501 E 3RD ST DELTA, CO, 81416		
Work Description	Thank you for the opportunity to quote a CT replacement tube. The quote includes tube removal, replacement, calibration, and shipping. Overtime needed to replace the tube is included. 90 Day payment terms are approved for this sale. Tube warranty is 6 months				

Part Number	Description	Qty	Unit Price	Disc.	Disc. Price	Total
CXB-750D/4A.002	TUBE-ASSY,XRAY 7.5MHU AQ16	1	\$195,000.00	59%	\$79,092.00	\$79,092.00
Total Price:						\$79,092.00

"The estimates may not reflect Warranty, Contract or other applied discounts. Travel Zone charges and/or Tax, if applicable, will be added to the invoice. The Invoice may differ."

ASM	Smith, Jeremy B
e-Mail	dborowiak@us.medical.canon
Date	07/06/2022

Customer Signature

Date

TIME AND MATERIAL TERMS & CONDITIONS

ACKNOWLEDGEMENT. Customer hereby acknowledges that the entire agreement between Customer and Canon relating to services, parts, and accessories provided by Canon to Customer consists of the following terms and conditions, which supersede all prior agreements and understandings, whether oral or written, relating to such subject matter. It also supersedes all standard terms and conditions on any form to be exchanged between the parties, including, without limitation, Customer's purchase order. This Agreement may not be amended or modified in any manner except in a writing executed by Customer and Canon.

PAYMENT. Customer agrees to pay the total amounts specified on the face of each invoice no later than thirty (30) days from the date of Canon's invoice. All invoices paid after due date will be assessed a late payment charge of the lesser of 1 ½% per month or the maximum rate permitted by law. In addition, Canon shall have the right, in its sole discretion, to remove any part furnished to Customer for which payment is not timely made. In such case, Customer shall be responsible for the difference between the purchase price of the part and the fair market value of such part at the time of repossession, as reasonably determined by Canon, as well as all costs incurred by Canon to remove the part, including, without limitation, the service charge for the time spent by Canon to remove the part.

WARRANTY. Canon warrants that the service and parts provided will be free from defects in material and workmanship for a period of ninety (90) days from the date such services and/or parts were provided. Canon, as its only obligation, will replace or repair, at Canon's option and without charge to Customer during Canon's normal working hours (if Customer requests warranty service outside such hours, Customer will pay overtime premium for labor), any service or parts determined by Canon to be defective in materials or workmanship, provided such defect is reported to Canon within the warranty period. Canon does not warrant that the operation of Customer's equipment will be uninterrupted. Components not manufactured by Canon, including but not limited to X-Ray tubes, monitors, glassware, VCRs, cameras, computer equipment, and software will be furnished subject only to the manufacturer's warranty, if any, and without any warranty whatsoever by Canon. **CANON'S OBLIGATION TO REPAIR OR REPLACE DEFECTIVE SERVICE OR PARTS WILL BE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR A BREACH OF THE WARRANTY SET FORTH IN THIS SECTION. SUCH WARRANTY WILL BE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.** The warranty set forth in this Section will not apply to, and Canon will not be liable for any defects resulting from misuse, repairs performed by unauthorized third parties, accidents, acts of God, or neglect of anyone other than Canon.

LIMITATION OF LIABILITY AND REMEDY. CANON WILL NOT UNDER ANY CIRCUMSTANCES BE LIABLE FOR CONSEQUENTIAL, SPECIAL, INCIDENTAL, OR EXEMPLARY DAMAGES OR ECONOMIC LOSS ARISING OUT OF OR RELATED TO THIS AGREEMENT.

MINIMUM LABOR CHARGES. Customer will be charged a minimum of 2 hours for any labor performed by Canon during normal business hours. If labor is requested outside of normal business hours, the Customer will be billed a minimum of 4 hours. Coverage hours are defined as follows:

Regular Hours	8:00 am to 5:00 pm, Monday through Friday, excluding federal holidays
Overtime Hours	5:00 pm to Midnight, Monday through Friday, and 8:00 am to Midnight Saturdays, excluding federal holidays
Premium Hours	Midnight to 8:00 am, Monday through Saturday, all hours Sunday, and federal holidays

TRAVEL ZONE CHARGES. Customers will be charged for engineers travelling to customer site. Charge will be based on distance from customer to the nearest authorized service center as follows:

Zone	Miles	Charge
1	<75	\$400
2	<150	\$600
3	<250	\$800
4	250+	\$1000+

*Zone Travel Charges are subject to change without prior notice.

Any travel over 250 miles will be charged at Zone 4 rates plus the mileage difference. If travel by air is required, the Customer will be charged at \$150 per travel hour plus actual airfare, rental car, parking, tolls and other associated travelling expenses. In addition, if staying overnight, the Customer will be charged a per diem amount of \$200 per night.

PARTS. Replaced parts will become the property of Canon. Parts supplied may be refurbished. Customers ordering parts directly from Canon are bound by the following:

- Minimum Order.** Minimum order of \$100.00. If any invoice is less than \$100.00 (including back orders but excluding freight) then that invoice will be adjusted to \$100.00.
- Expedite Fee.** If an order is requested to be shipped next flight out, same day delivery, shipments after 2:00 p.m. PT or shipments before 7:00 a.m. PT, an expedite fee of \$150.00 will be charged in addition to freight charges.
- Freight Charges.** Freight is pre-paid and invoiced at the carrier's published rate.
- Restocking Fees.** Unused items may be returned within thirty (30) days, provided the Quality Seal on the package is not broken. All returned items will be subject to a restocking charge of 25%, up to a maximum of \$5,000. No items can be returned if the Quality Seal is broken. All returns must be coordinated through the Customer Direct Parts Specialist at headquarters.
- DOA Parts.** Any DOA (defective on arrival) parts will be replaced with the same part only, within 48 hours of Customer notification of receipt of DOA part. Customer must notify Canon no later than 48 hours of receipt of DOA part. A replacement part must be ordered to validate the DOA claim. Customer must contact the Customer Direct Parts Specialist for DOA processing.
- Exchange Pricing.** All replaced parts are to be returned to Canon. A premium of 25% of the cost of the replacement part, up to a maximum of \$5,000 will be added to the original invoice if the defective part is not returned within 14 days.

RESPONSE TIME. Canon does not make any response time guarantees to Customer. Any information given to Customer concerning time of arrival at the Customer's site and/or time of completion of repairs are merely estimates. Canon will not be liable for, and the Customer hereby releases Canon from liability for any delays in response or completion of repair.

ATTORNEY'S FEES AND COSTS. In the event of any legal proceeding involving any party to this Agreement against the other relating to the subject matter of this Agreement, the prevailing party in such proceeding will be entitled to recover attorney's fees, expert fees, collection agency fees and court costs against the non-prevailing party.

EXPORT RESTRICTIONS. This Agreement involves products, and/or technical data that may be controlled under the U.S. Export Administration Regulations and may be subject to the approval of the U.S. Department of Commerce prior to export. Any export or re-export by Customer, directly or indirectly, in contravention of such Regulations is prohibited.