



# Capital Expenditure Request (CER) Worksheet

<b>Date:</b>	6/13/2022
<b>Department:</b>	Radiology
<b>Manager:</b>	Kevin Fischer
<b>Capital Description:</b>	CT/PET Scanner w/Flouro Capabilities (Lease Purchase w/ \$1 buyout)

PROJECT EXPENSE:		
<b>Total Project Budget:</b> Includes equipment, interfaces, shipping, installation, facility modifications, etc.		\$1,700,000
<b>Total Project Cost:</b> Includes equipment, interfaces, shipping, installation, facility modifications, etc.	(1)	\$2,033,220 (\$1,595,000 + \$437,225 interest over 7 years)
<b>Total Project Variance:</b>		\$333,220

**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:**  
We do not currently have tube coverage for our CT scanner and our tube is 6 years past end of life. In 2021 we averaged approximately \$24,380 per month for the PET trailer and are limited to performing PET scans only one day per week. Patients are routinely referred to St. Mary's or MRH for PET scans if we are unable to provide PET services as quickly as needed. Note: We have been notified as of 7/1/2022 the monthly expense for the PET trailer service will increase by approximately \$1,400/month.

**Benefit:**  
This is a lease purchase with a \$1 buyout. Leasing a new a CT/PET scanner will cost slightly less monthly than we are currently paying for the PET trailer (before the increase). Having our own PET scanner will provide an excellent opportunity for increased revenue by expanding PET services beyond one day per week.

**Additional Operating Costs:** *\*\*\*(Please identify additional costs such as additional staff time and training, supplies, maintenance agreements, etc.)*

**Life Expectancy:** 20 years

**PURCHASE:**

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

Yes

No -- Justification:

**Vendor Comparison:**

	Vendor 1	Vendor 2	Vendor 3
Vendor Name	Lease through Med One	Lease through Canon Medical Finance, USA	
Vendor Address	10712 S. 1300 East Sandy, UT 84094	1 Marconi, Suite A Irvine, CA 92618	
Vendor Contact	Tim Loftis <a href="mailto:tloftis@medonegroup.com">tloftis@medonegroup.com</a>	Robin O'Connell	
Vendor Phone	800-248-5882	480-292-6902	
Price	\$24,205/mo for 84 months	\$25,010/mo For 84 months	
Additional Costs			
Vendor reputation			
Vendor previously used	Canon, Yes	Canon, Yes	
Equipment reputation	Excellent	Excellent	
Price protection period	Rates won't lock in until lease agreement is signed		
Service availability – including bio-med arrangements			
Ongoing service and repairs			
Warranty	1 year	1 year	
Installation and down time	n/a - covered w/other CT and PET trailer		
Demonstration date			

Vendor Selected: Med One

Criteria:

Med One was chosen for financing due to lower pricing and no requirement for bond waiver.

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



# Pricing Quotation

10712 South 1300 East, Sandy, Utah 84094

phone (800) 248.5882

fax (800) 468.5528

Contact Tim Loftis

Date 6/10/2022

Email tloftis@medonegroup.com

Quote Q67148-1

### CUSTOMER INFORMATION

### VENDOR INFORMATION

<b>CUSTOMER</b>	<b>Delta County Memorial Hospital District</b>
<b>ADDRESS</b>	1501 East 3rd Street Delta, CO 81416-2297
<b>CONTACT</b>	
<b>PHONE</b>	970-874-7681
<b>EMAIL</b>	

<b>VENDOR</b>	<b>Canon Medical Systems USA, Inc.</b>
<b>ADDRESS</b>	2441 Michelle Drive Tustin, CA 92780
<b>CONTACT</b>	
<b>PHONE</b>	800-421-1968
<b>EMAIL</b>	

Vendor Quote

### EQUIPMENT

QTY	EQUIPMENT	UNIT COST	SUBTOTAL
1	Canon Cartesion Prime Aero Pet/CT Scanner	\$1,595,995.00	\$1,595,995.00
<b>Total Cost</b>			<b>\$1,595,995.00</b>

### ACQUISITION OPTIONS

#### CAPITAL LEASE

	Term	Monthly Pmt	End Of Term Option(s):
Option 1	<b>84 Months</b>	<b>\$24,205.00</b>	Purchase for \$1.00

#### Acquisition Details

Subject to Credit Review and Approval

*The pricing listed above is based on the cost of funds as it currently exists in the market place. Should any fluctuation occur in the nationally quoted prime rate of interest, Med One reserves the right to adjust the pricing for this pricing quotation accordingly.*

**LESSEE:** Delta County Memorial Hospital

**EQUIPMENT:** Canon Medical Systems Quote 155116-8 and 155397-2 dated May 10, 2022

**LEASE TYPE:** 84-month Capital Lease Option

**BASE LEASE PAYMENTS:** Lessee will be required to make monthly payments, payable in arrears and equal to:

**84 Month \$1 Buy-Out Lease:**

Equipment	Quote	Discounted Price	Months 1 – 84
Canon Mobile Soltus X-Ray	155397-2	\$110,000	\$1,722
<b>Lease Payment</b>			<b>\$1,722*</b>

\*Plus applicable taxes

Equipment	Quote	Discounted Price	Months 1 – 84
Cartesion Aero PET/CT	155116-8	\$1,598,000	\$25,010
<b>Lease Payment</b>			<b>\$25,010*</b>

**OPTIONS AT LEASE EXPIRATION:** Upon expiration of lease term, lessee may:

- Purchase the Equipment for \$1.00

**DOCUMENTATION FEES:** ~~A \$500 documentation fee is due by the Lessee for expenses relating to document preparation, credit analysis, credit write up, lien searches and lien filings.~~  
 Waived

**FIRST PAYMENT IN ADVANCE:** ~~The first lease payment is due in advance upon shipment.~~

**ADJUSTMENTS TO BASE LEASE PAYMENTS:** The Base Lease Payments quoted in this proposal reflect the current like term rate for the 7-year Swap Rate, as of May 25, 2022 ("index" 7 yr 2.76%). **For any movement in the Index prior to funding, the Lessor reserves the right to adjust the Base Lease Payments to preserve its economics.** Payments are fixed at time of acceptance.

**BUSINESS INFORMATION: PO CONDITIONED UPON CONFIRMATION THAT BOND COVENANT DEFAULT HAS BEEN WAIVED**

**GENERAL:** The lease will be a net lease in which the Lessee will be responsible for all expenses relating to the equipment and the transaction, including, without limitation, insurance coverage, payment of sales or property taxes and other expenses relating to the purchase, possession, lease and use of the equipment. This proposal is an expression by Lessor of its interest in considering a lease transaction on the general terms and conditions outlined above.