



REPORT to the MAYOR and MEMBERS of the CITY COUNCIL
From the CITY MANAGER

DATE: June 22, 2021

SUBJECT: Resolution Approving the Agreement with Stryker Corporation for Service, Maintenance, and Equipment Replacement of Fire Equipment and Waiving Competitive Bidding

ISSUING DEPARTMENT: Fire

SUMMARY

Issues

Should the City Council waive competitive bidding and accept the agreement with Stryker to continue equipment service and maintenance and add equipment replacement for specialty fire equipment?

Recommendations:

That the City Council waive competitive bidding approve in substantial form the agreement for a 10-year equipment lease with Flex Financial, a division of Stryker Sales, LLC, and a service and maintenance agreement with Stryker Medical, a division of Stryker Corporation, and authorize the City Manager to execute the same, subject to the final review and approval by the City Attorney.

Fiscal Impact:

Included in approved preliminary budget, the fiscal impact to the general fund will be an annual increase from \$19,800 to \$80,130 per year, and will remove the equipment replacement costs from the City's replacement schedule.

City's Strategic Goals:

Continue to improve high quality municipal services.

BACKGROUND:

Stryker is our standardized sole source provider of the Fire department's seven heart monitors, four automatic CPR devices, and two AEDs, which are manufactured by LifePak and Lucas. Stryker is also the only vendor in the U.S. that can provide the Lucas and LifePak equipment and service in

one. This equipment has been the standard in the Fire department for many years now. The City of La Mesa had contracted the service with Physio-Control for over a decade. Stryker obtained Physio-Control and since 2019 we have maintained the contract with them. In addition to the annual contract for service and maintenance, we also purchased equipment as needed through our equipment replacement process.

Stryker has offered the La Mesa Fire department and our Heartland Fire & Rescue cities their new ALS 360 plan. The agreement will cover both the service and maintenance and the equipment replacement expenses for a 10-year period. The cost will be broken down into annual payments beginning in FY 21-22 for a cost of \$80,130 per year. The total cost for 10 years of equipment replacement and service/maintenance will be \$801,300. The annual cost for this agreement has been reflected in the approved preliminary biennial budget for FY 21-23.


Our equipment will be replaced initially at the beginning of the agreement and then again approximately five years into the 10-year agreement. The equipment will be serviced and maintained on a scheduled basis each year. The main difference in what we have been doing annually versus the ALS 360 program is the equipment replacement. We will now receive both pieces of the program within one agreement, which includes pricing based on today's costs and remains constant for the entire 10-year period. The savings to the City of La Mesa is estimated to be approximately \$337,000 over the 10-year period.

CONCLUSION:

Staff recommends that City Council approve the agreement with Stryker and authorize the Mayor to sign the same, subject to the final review and approval by the City Attorney.

Reviewed by,

Respectfully submitted,



Greg Humora
City Manager



Steve Swaney
Fire Chief



Scott Munzenmaier
Purchasing Officer

Attachments:

- A. Resolution
- B. Sole Source Letter
- C. Summary of Costs
- D. Fiscal Impact Report

RESOLUTION NO. 2021-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA MESA
APPROVING THE AGREEMENT WITH STRYKER FOR SERVICE,
MAINTENANCE, AND EQUIPMENT REPLACEMENT OF FIRE EQUIPMENT
AND WAIVING COMPETITIVE BIDDING

WHEREAS, The City of La Mesa Fire Department ("Department") has an existing agreement with Stryker for the service of specialty fire equipment;

WHEREAS, the Department recommends inclusion of equipment replacement in the agreement;

WHEREAS, the Department requests approval for a purchase in excess of fifty thousand dollars (\$50,000); and

WHEREAS, the Department requests approval of the agreement with Stryker for service, maintenance, and equipment replacement for heart monitors and automatic CPR equipment.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of La Mesa, California, that the City authorizes Stryker as the sole source vendor for delivery of service, maintenance, and equipment replacement; and

BE IT FURTHER RESOLVED that the City Council approves the contract, not to exceed \$801,300.

PASSED AND ADOPTED at a Regular meeting of the City Council of the City of La Mesa, California, held the 22nd day of June 2021, by the following vote, to wit:

AYES:

NOES:

ABSENT:

CERTIFICATE OF CITY CLERK

I, MEGAN WIEGELMAN, CMC, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2021-, duly passed and adopted by the City Council of said City on the date and by the vote therein recited.

MEGAN WIEGELMAN, CMC, City Clerk

(SEAL OF CITY)

ATTACHMENT A



June 15, 2021

Stryker is the sole-source provider in the Hospital (hospitals and hospital-owned facilities), Emergency Response Services and Emergency Response Training (paramedics, professional and volunteer fire) markets in the U.S. for the following products:

- New LIFEPAK® 15 monitor/defibrillators
- New LIFEPAK 20e defibrillator/monitors
- New LIFEPAK 1000 automated external defibrillators
- New LUCAS® chest compression system
- TrueCPR™ coaching devices
- CODE-STAT™ data review software and service

Stryker is the sole-source provider in all markets for the following products and services:

- RELISM (Refurbished Equipment from the Lifesaving Innovators) devices
- LIFENET® system and related software
- Factory-authorized inspection and repair services which include repair parts, upgrades, inspections and repairs
- HealthEMS® Software
- HomeSolutions.NET® Software
- ACLS (non-clinical) LIFEPAK defibrillator/monitors
- Heart Safe SolutionSM Government Campus Solution
- Titan III gateways

Stryker is also the sole-source distributor of the following products for EMS customers in the U.S. and Canadian markets:

- McGRATH™ MAC EMS video laryngoscope
- McGRATH MAC disposable laryngoscope blades
- McGRATH X Blade™

Stryker does not authorize any third-parties to sell these products or services in the markets listed above. We will not fulfill orders placed by non-authorized businesses seeking to resell our products or services. If you have questions, please feel free to contact your local Stryker customer service representative at 800.442.1142.

Sincerely,

Matt Van Der Wende, Senior Director, Americas Sales

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Emergency Care

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ATTACHMENT B

Summary of Costs:

	10-year	Annual
Equipment	\$548,216.80	\$54,821.68
Tax	\$46,598.43	\$4,659.84
Maint./Svc.	\$206,484.77	\$20,648.48
TOTALS	\$801,300.00	\$80,130.00

