

FIRE ADMINISTRATION **MEMO # 20-A027**

To: John Jurgle

From: Assistant Chief Frank Galgano

Date: November 21th, 2019

Re: Life Safety equipment Lease request: LP15 (ECG) monitor

This proposal requires an Ordinance. The Stryker Medical Company has an interest free purchase program which allows us to receive nine (9) LP15 ECG monitors (lifesaving devices) now, and make annual payments over the next 4 years. There are currently 21 LifePak units in our system, and 9 of those meet or will exceed its life expectancy next year.

This new Life Safety Device program by the manufacturer, allows us to replace 9 of our oldest LifePak15 monitors without having to pay the proposal balance of 321K upfront. We can accomplish removing our oldest units which are close to end of life use right away, by using (approved) available funds of 74K as a down payment. PBFR will pay the remaining 3 annual flexible installments of any amount, so long as the 321K balance is paid off by the end of the lease term.

The program incentive locks in today's prices, which alleviates the 4% annual multiplier and \$1,550 service costs per unit. *Our total savings with this program is \$64K*. If approved, the program saves us over \$16K each year and avoids an end of life product warranty issue. If we do not participate in this program, then we can only fund 2 devices each year, and pay the increasing costs which will total over 385K. The program offering expires on December 18th. Stryker Medical will not accept any orders past this date.

In recognition of the December 18th program deadline, and observing that there is only one Commission Meeting in December, a second ordinance reading in January 2020 is not feasible. Therefore, the City's Legal team is arranging the Commission agenda so that the item can be potentially approved with one reading on December 10th, 2019.