



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

1000 Rochester Hills Dr.  
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Legislative File No: 2014-0134 Version 2

**TO:** Mayor and City Council Members  
**FROM:** Sean Canto, Fire Chief  
**DATE:** September 12, 2016  
**SUBJECT:** Emergency Medical Supplies

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**REQUEST:**

City Council is requested to authorize an increase to the blanket purchase order to J & B Medical Supply, Wixom, Michigan for Emergency Medical Supplies in the amount of \$21,000.00 for a new total amount not-to-exceed \$111,000.00 through January 31, 2017.

**REASON FOR PURCHASE:**

The City of Rochester Hills requires the purchase of emergency medical supplies for stocking its Basic Life Support (BLS) and Advanced Life Support (ALS) Ambulances. The blanket purchase order was established in the amount of \$90,000.00 for emergency medical supplies for 2014 - 2017. This amount was an estimate of what would be required for the time period based on historical data. The Fire Department generates billings for emergency medical incidents and recovers most costs for medical supplies. The increase is requested due to the Fire Department now being able to purchase defibrillator supplies off the J & B Medical contract at a lower cost than from the department's previous supplier, along with utilization of the contract, by other City departments. Additionally, the Fire Department began staffing five ALS ambulance units in November 2015, which has caused an increase in the use of emergency medical supplies.

The City of Farmington Hills acting as the Lead Agency on behalf of themselves, the Southeast Michigan Medical Supplies Cooperative (SMEMS) with extensions to the MITN Purchasing Cooperative issued a Request for Proposal. Notification of solicitation was sent to over 100 vendors with 10 responses received.

City of Farmington Hills staff, in conjunction with members of the SMEMS evaluated proposals and awarded points based on each vendor's customer service approach, qualifications (including references), pricing and value adds (such as rebates and training tools). The three (3) vendors whose proposal had the highest point total were shortlisted for interview. The short list evaluation was based on more specific pricing questions regarding breadth of inventory, availability of products and ease of ordering process (including ordering, delivery, billing and website ordering demonstration). Upon completion of the final step, the evaluation committee determined that J & B Medical Supply was the lowest, most qualified bidder based upon all criteria. The contract was awarded to J & B Medical Supply as the lowest responsive responsible bid at the April 7, 2014 City Council meeting.

**PROCESS:**

**Vendor Name and Address:**  
J & B Medical Supply  
50496 W. Pontiac Trail  
Wixom, MI 48393

**Reason for Selection:**

Lowest responsive, responsible bidder/Best Value  
MITN Cooperative Purchase

**Method of Purchase:**

Blanket Purchase Order

**BUDGET:**

Historically, the City has budgeted \$30,000 per year for Emergency Medical Supplies [for a 3-year total blanket total of \$90,000]. However due to the increased number of EMS runs the past few years and the purchase of defibrillator supplies, additional funding is required on the blanket.

It is anticipated that of the total \$21,000 blanket amount being requested, approximately \$10,000 of the increase is attributable to FY 2016, with the remainder [\$11,000] already spent in FY 2014-2015. It is anticipated that there will be adequate funding within the Fire Department’s overall FY 2016 Adopted Budget to provide for the \$10,000 increase in Emergency Medical Supplies for FY 2016 without increasing the bottom line Fire budget. If approved by City Council, a Budget Adjustment will be presented as part of the 4<sup>th</sup> Quarter Budget Amendment process.

As well, going forward as part of the FY 2017-19 Proposed Budget, \$40,000 is included per year for Emergency Medical Supplies.

Fund Name	Department Account No	Account No. Description	2016 Budget Amount	2016 Cost	Remaining Budget
206 - Fire	344.740000	Operating Supplies	\$30,000	\$40,000	(\$10,000)
		<b>Total Amount</b>			

**RECOMMENDATION:**

It is recommended that City Council authorize an increase in the blanket purchase order to J & B Medical Supply, Wixom, Michigan for Emergency Medical Supplies in the amount of \$21,000.00 for a new total not-to-exceed \$111,000.00 through January 31, 2017.

APPROVALS:	SIGNATURE	DATE
Department Review	<i>J. H. H. H.</i>	9-1-16
Department Director	<i>J. H. H. H.</i>	9-1-16
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		