



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2016-0475

TO: Mayor and City Council Members
FROM: Sean Canto, Fire Chief
DATE: December 5, 2016
SUBJECT: Service Plan Contract for Stryker Cots

REQUEST:

City Council is requested to authorize the approval of a blanket purchase order/contract for a service plan contract for the fire departments Stryker cots in the amount of \$50,981.25 to Stryker, Portage, Michigan for a 7-year term.

City Council is requested to waive Section 2-273(b) the 3-year requirement for long term contracts, under Section 2-281 which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City to allow a 7-year contract.

REASON FOR PURCHASE:

The City as part of its ambulance purchase, purchased Stryker Cot Stretchers for patient transport. By purchasing the ongoing maintenance contract for the cots. Stryker is the sole source provider for this service. The City will save money by entering into the longer term contract up front, rather than doing renewals each year. The pricing increases as the cots get older. By entering into the agreement now the City is receiving a discount of 25%. Payments will be made at Year 1, Year 4 and Year 7.

The primary goal of this preventive maintenance contract is to avoid or mitigate the consequences of failure of the equipment. This may be by preventing the failure before it actually occurs which planned Preventive Maintenance helps to achieve. It is designed to preserve and restore equipment reliability by replacing worn components before they actually fail. Our cots and loading systems are used several times on a daily basis. To ensure the constant readiness of this equipment, it needs to have routine inspection and maintenance performed. This will prolong the product life, reduce the costs of extensive repairs. Most important it will protect both our members and the patient from injury and ensure they receive the smoothest, fastest care possible. Equipment that isn't properly maintained will not perform at its best. Damaged components could cause certain features to fail. In a worst-case scenario, an entire vehicle may become out-of-service. In addition to being an inconvenience, this could cause injury and become a potential source of liability.

PROCESS:

Vendor Name and Address:

Stryker
3800 E. Centre Ave
Portage, MI 49009

Reason for Selection:

Sole Source Provider

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

Funding is included in the 2017 Adopted Budget, the 2018-2019 Projected Budget, and is planned in the Projected 2020-2024 Budgets

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fire Fund	339.932000	Emergency Services / Maintenance - Equipment	\$51,000.00	\$50,981.25	\$18.75

RECOMMENDATION:

It is recommended that City Council authorize the approval of a blanket purchase order/contract for a service plan contract for the fire departments Stryker cots in the amount of \$50,981.25 to Stryker, Portage, Michigan for a 7-year term.

City Council is requested to waive Section 2-273(b) the 3-year requirement for long term contracts, under Section 2-281 which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City to allow a 7-year contract.

APPROVALS:	SIGNATURE	DATE
Department Review	<i>J. W. W.</i>	11/19/16
Department Director	<i>J. W. W.</i>	11/19/16
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		