



Agenda Cover Memorandum

Meeting Date: February 11, 2013

Item Title: Authorize Purchase Order from Zoll Medical Corporation, Chelmsford, Massachusetts, for Fire Department Cardiac Monitor/Defibrillator Replacements

Action Requested:

☒ Approval

☐ For discussion

☐ Feedback requested

☐ For your information

Staff Contact: Michael A. Zywanski, Fire Chief

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Background:

At the January 14th Committee of the Whole Meeting, Fire Department Staff presented an agenda item requesting approval to authorize Staff to replace five existing Zoll Cardiac Monitor/Defibrillators. During the discussion, the City Council requested that the item be deferred until the next Committee of the Whole Meeting to allow Staff time to research budgetary questions and answer additional questions regarding the purchase.

Attached to this Cover Memorandum is a memo from Staff to the Acting City Manager providing answers to those questions and offering additional information regarding the need for the replacement Cardiac Monitor/Defibrillators. Staff still is recommending the purchase of the Zoll Cardiac Monitor/Defibrillators at this time, and have elaborated as to the reasons why in the memo to the Acting City Manager. If this purchase is approved at the council, the subsequent required budget transfer outlined in the memo to the Acting City Manager would be presented for approval at the subsequent COW.

Recommendation:

Move approval of a Purchase Order to Zoll Medical Corporation of Chelmsford, Massachusetts for five (5) Zoll X-Series Cardiac Monitor/Defibrillators, Batteries, Chargers and Patient Cables in the amount of \$153,314.05.

Budget Implications:

Does Action Require an Expenditure of Funds: ☒ Yes ☐ No

If Yes, Total Cost: \$153,314.05

If Yes, is this a Budgeted Item:

☒ Yes ☐ No ☐ Requires Budget Transfer

If Budgeted, Budget Code (Fund, Dept, Object) 100-2021-990800

Attachments:

- Zoll Medical Corporation Quotation
- Dixie Medical Trade-In Quotation
- Memorandum to the Acting City Manager



**CITY OF PARK RIDGE
FIRE DEPARTMENT**

MEMORANDUM

DATE: February 6, 2013

TO: Shawn Hamilton, Acting City Manager

FROM: Michael A. Zywanski, Fire Chief

SUBJECT: Information for the City Council Regarding Replacement of Zoll Cardiac Monitor/Defibrillators

PURPOSE:

To provide answers to the City Council questions regarding the need to replace aging Field-Use Cardiac Monitor/Defibrillators used by Park Ridge Fire Department Paramedics.

BACKGROUND:

At the Committee of the Whole Meeting, Monday, January 14, 2013, the City Council considered the Fire Department request for approval for the replacement of five (5) aging Zoll Cardiac Monitor/Defibrillators. During the Council discussions, questions we raised by the Alderman regarding the following.

1. *Is the requested replacement of the Cardiac Monitors a budgeted item in the current FY13 budget?*
2. *If so, what is the budgeted amount?*
3. *If the request is not a currently budgeted item, what will be the source of funds to make the procurement?*
4. *Is the replacement of the Cardiac Monitor/Defibrillators an urgent need, or can this wait until the FY14 fiscal year starting May 1, 2013.*
5. *Should this purchase have gone through the Bid Process?*

DISCUSSION:

As presented in the Committee of the Whole Meeting on January 14th, the Fire Department has completed an evaluation of the major brands of Cardiac Monitor/Defibrillators for Field use by trained Paramedics. Fire Department Staff are recommending the Zoll X-Series Cardiac Monitor/Defibrillator as the preferred device to replace the current Zoll M-Series units which are approaching ten years old. Total cost of the five X-Series Monitors plus batteries, chargers and patient cables, before trade-in is \$153,314.05. Trade-in of our old M-Series units will bring the City \$15,500, for a net cost of the new monitors of \$137,814.05. In response to the City Council questions listed above, Staff offers the following responses.

Questions #1, 2 and 3 Response: The replacement of Fire Department Cardiac Monitor/Defibrillators is a budgeted item in the FY13 Operating Budget, listed as Capital account 100-2021-990800. The line item was initially budgeted at \$152,000. The line item was placed into the FY13 Operating Budget as "Grant Funded", as the Fire Department Staff applied for a FEMA Grant in 2012 in order to offset this



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expenditure. If successful, the potential impact to the general fund for this expenditure would have been the ten percent match that would have been required from the City. Unfortunately, the City was not successful in obtaining the Grant, thereby increasing the impact to the general fund. The budget impact on the expenditure side, however, remained the same.

During FY13, there were three budget transfers, approved by council that reduced this original budgeted amount from \$152,000 for additional unbudgeted expenditures. Former Finance Director Stutts 1) transferred \$14,000 from this budgeted line item to fund a contract with an ADP Consultant during the implementation of the new Payroll System for the City. Two additional unbudgeted items and subsequent transfers funded 2) the Firefighter Training Academy tuition costs for three new recruit Firefighters and 3) to pay for the promotional testing services for the 2012 Battalion Chief and Fire Lieutenant Promotional Exams. Post these three budget transfers, the revised budgeted amount is \$109,819.00. leaving a deficit of \$43,495.05 in the Fire Department Capital Account to fully fund this expenditure. There are, however, funds that, while postponing other Fire Department Capital Projects (Building Maintenance), would eliminate the budget deficit. Therefore, the Fire Department and Finance Staff recommend a Budget Transfer of \$43,495.05 from the other Fire Department Capital Projects (Building Maintenance) account number 100-2021-996300 in order to facilitate the purchase.

In consultation with Finance Manager Oliven, it is confirmed that this entire expenditure would be booked in FY13, regardless of the offer to postpone half of the expenditure, interest free, for 365 days (outlined in the memo from January 14).

Finally, in prioritizing the Capital needs of the Fire Department, at this time, we fully recommend expending funds for necessary equipment in the aid of our residents and patients over the facility needs of our stations. Those facility needs are being reprioritized and will be addressed in current and future fiscal years.

Question #4 Response: The current Cardiac Monitor/Defibrillators used daily by our Fire Department Paramedics were procured and placed into service in 2002. According to the manufacturer and the American Hospital Association, the normal life cycle of Paramedic Field-Use Cardiac Monitor/Defibrillators is five to seven years. This is due to technology changes, parts obsolescence and increasing maintenance costs associated with older generation products. Staff conducted research into Food and Drug Administration (FDA) Guidance related to life expectancies of Cardiac Monitor/Defibrillators. The FDA does not produce a firm guideline for the life expectancy of Paramedic Field-Use Cardiac Monitor/Defibrillators, however, the FDA publishes data annually which indicates that as the age of these devices increases, the number and frequency of reported failures increases concomitantly. The FDA mandates all operators of patient medical devices to report product malfunctions and failures to the FDA within forty-eight hours of the occurrence. Finally, as an additional guideline, a review of the U.S. Army Medical Corps Guidelines for Life Expectancy of Medical Equipment indicates the life expectancy for Defibrillators in field use is eight (8) years and Cardiac Monitors in field use is five (5) years. The military field environment is the most similar field environment to Fire Department use of these devices.

The City's Cardiac Monitor/Defibrillators are currently outside of all of these guidelines for replacement. Moreover, citing the fact that these monitors are used on 73% of all EMS calls, combined with the increased maintenance for the existing monitors, now is the time to make this necessary investment.

Fire Department Staff recommends that the purchase of the new Zoll X-Series units as replacement for the current aging units be undertaken during this current fiscal year. Staff is basing this recommendation on the following facts. Orders for the X-Series units are currently running up to ninety (90) days for delivery, following receipt of the final order at the factory. Once the units are ready for delivery, all Fire

Department Paramedics must receive training on the units which can take up to two weeks to complete. Advocate Lutheran General EMS System will monitor the training. Following training, typically a short beta test period is conducted with the new units before the old units are traded in. Once all of these steps are completed, the new units are placed into service on our frontline ALS units. Total time from receipt of order to placing the units into service is approximately 120 days, which will be very close to June 1 of this year.

The Fire Department will continue to operate our existing Zoll M-Series units and will continue to have these units maintained according to manufacturer recommendations. The Fire Department has continuously maintained a rigorous monthly inspection and bi-annual maintenance program on the existing M-Series units as stipulated by the manufacturer. This has allowed us to extend the useful life of the existing monitors. Staff will continue to budget for and contract with an approved third party maintenance and repair vendor for these units until such time as they are no longer owned by the City.

Question #5 Response: Sales of Cardiac Monitor/Defibrillators for in-hospital and Paramedic Field-Use are only available direct from the manufacturer. These are the same Cardiac Monitor/Defibrillators found in use in hospital Intensive Care Units, Emergency Departments and Cardiac Catheterization Labs. The manufacturers of such units market and sell the units direct to hospitals, Fire Departments and Private Ambulance Services directly through their own manufacturer account and territory managers. There are no dealers or middlemen for these units. Currently, there are four major manufacturers of critical care Cardiac Monitor/Defibrillators for Paramedic Field-Use, all with varying options. The units from different manufacturers are not interchangeable. Each manufacturer has its own proprietary design, software and functionality. The most prudent approach to manufacturer selection is to have the product demonstrated, followed by a period of time in which the product is used side-by-side with other products from other manufacturers. During this "test" period, Paramedics evaluate the product based upon design, layout, functionality, features, patient monitoring capability, weight and speed of use. Through this evaluation, it was determined that the Zoll product was the preferred unit for our Department. Due to the proprietary products from each manufacturer, we are seeking Council approval to purchase the Zoll units which are sole source.

RECOMMENDATION:

Fire Department Staff recommends approval of the purchase of five (5) Zoll X-Series Cardiac Monitor/Defibrillators, batteries, chargers and patient cables.