



Memorandum

Date: 11/6/2023
Meeting of: City Council

File No. AM No. 23-160
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Fire	Adrian Sheppard	425-556-2201
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DEPARTMENT STAFF:

Fire	Jim Whitney	EMS Division Battalion Chief
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TITLE:

Approval of the Stryker Equipment Lease Agreement

OVERVIEW STATEMENT:

Request approval of a six-year lease agreement between Stryker and City of Redmond to replace 15 Stryker Power Cots, 15 Stryker Power Loads, and 7 Stryker Stair Pro Chairs that are beyond their expected service life. This is critical equipment that is used on all aid cars and medic units to safely move patients from the scene to treatment facilities.

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
N/A
- **Required:**
Council approval is required for contracts that exceed \$50,000.
- **Council Request:**
N/A
- **Other Key Facts:**
Identified life expectancy expiration of existing equipment during OplQ asset management development.

OUTCOMES:

Replacing all this equipment through purchase is cost prohibitive in the 2023/24 biennium budget. However, a six-year lease option will provide the ability to support operations with new equipment that meets maintenance and certification requirements as defined by the manufacturer and can be done with minimal budgetary impact. This will

provide for stability related to future replacement and budgeting of asset equipment replacement and ensure liability remains with the manufacturer.

Additional Information:

An analysis of Stryker EMS+ Lease vs Cash Purchase has been completed and is included as Attachment C. In that analysis the following items should be considered for context:

1. Total expense options
 - a. Six-year Stryker EMS+ Lease \$1,308,235.90
 - i. Option to extend asset life for two additional years \$108,089.85
 - ii. Option to purchase equipment outright at completion of lease agreement
 - b. Cash Purchase \$1,343,497.44
2. Taxes aren't reflected on either side of this comparison. Taxes for Cash Purchase are due fully at signing vs taxes for lease are annually on lease payment amount.
 - a. Cash purchase approximately: \$135,693.24
 - b. Six annual lease tax payments approximately: \$22,021.97
3. Equipment, annual ProCare Service, freight, and Power-Pro 2CPO Refresh are included with the EMS+ Lease option.
4. ProCare Service: Is a 5-year contract for cash purchase.
 - a. A new contract would need to be established for annual services beyond 5-years.
5. Power-Pro 2 CPO Refresh: Doesn't exist outside of EMS + or ALS360.
 - a. This would be added cost annually to do a certified refresh in the field.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:

\$1,344,624.00 over six annual payments of \$224,104.00

Approved in current biennial budget: ☒ **Yes** ☒ **No** ☐ **N/A**

Budget Offer Number:

0000017 Fire and Medical Operations

Budget Priority:

Safe and Resilient

Other budget impacts or additional costs: ☒ **Yes** ☒ **No** ☐ **N/A**

If yes, explain:

The equipment covered under this lease is split between Advanced Life Support at 39% and General Fund (Basic Life Support) at 61%.

- The ALS portion is included in the equipment reserve fund within the 2023/2024 biennium ALS budget and will continue to be included in future budgets.
- The BLS portion is not included in the 2023/2024 biennium budget; however, it will be funded by a BLS Core Services reserve funds request to King County Emergency Medical Services.
 - These are funds generated through the King County ALS/EMS Levy that are dedicated to individual BLS agencies. The funds are held at King County for unanticipated or unbudgeted purchases by BLS agencies and only released upon approved request.
- For the 2025/2026 biennium budget a General Fund service enhancement will be done to include expenses related to ongoing lease expenses.

Funding source(s):

General Fund, ALS Levy, and BLS Core Services

Budget/Funding Constraints:

N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
10/17/2023	Committee of the Whole - Public Safety and Human Services	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:

N/A

ANTICIPATED RESULT IF NOT APPROVED:

Acceptance of liability due to equipment failure.

ATTACHMENTS:

Attachment A: Flex Financial Stryker Sales and City of Redmond Lease Agreement

Attachment B: Stryker Transport Power Expected Service Life Letter

Attachment C: Analysis EMS+ Lease Agreement vs Cash Purchase