



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: AMENDMENT TO AGREEMENT
WITH MEDTRONICS, INC.

DATE: July 19, 2006

Approved

Date

7/20/06

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Adoption of a resolution authorizing the Director of Finance to execute an amendment of the agreement with Medtronic Incorporated for the maintenance and support of existing Lifepak 12 and Lifepak 500 Cardiac Monitors (defibrillators) increasing total compensation by \$14,391 from \$170,256 to a not to exceed amount of \$184,647.

OUTCOME

To ensure proper functioning of defibrillators which assist with saving lives in emergency situations.

BACKGROUND

On December 14, 2004, City Council adopted Resolution 72436 (Item 2.16) authorizing the Director of General Services to exercise a one year agreement with two additional one-year extensions for the Fire Department to utilize Medtronic Physio-Control technical services for LifePak Cardiac Monitors as part of the emergency medical Advanced Life Support services administered by the paramedic unit with a not-to-exceed amount of \$170,256.

The proposed increase in compensation is necessary since an additional fourteen (14) units will not be covered by the one year manufacturer warranty and need to be added to the service agreement for regular maintenance.

ANALYSIS

The increase in compensation is necessary to ensure that fourteen (14) defibrillators are maintained properly after expiration of the one-year manufacturer's warranty. Through the increase in the compensation, the units will be added to the service agreement for regular maintenance.

FDA regulations require annual inspection and maintenance of defibrillator units. Since Medtronic is the original equipment manufacturer, only Medtronic can provide the required maintenance to ensure product is functioning properly. Maintenance of equipment by any other company will void the warranty. In addition, repair parts must also match existing Medtronic parts. Therefore, it is not practicable to obtain competitive quotes for the maintenance service.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

Not Applicable.

COORDINATION

This memorandum was coordinated with the Fire department, the City Manager's Budget Office, and the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This action is consistent with the General Budget Principle that, "We must focus on protecting our vital core city services for both the short- and long-term."

COST SUMMARY/IMPLICATIONS

This amendment is funded in the General Fund as part of the Fire Department Non-Personal/Equipment budget approved as part of the 2006-2007 Adopted Operating Budget. Funding beyond 2006-2007 will be contingent on Council appropriation of funds.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	Proposed Budget Page	Last Budget Action (Date, Ord. No.)
001	0542	Non-Personal/Equipment	\$6,588,030	Not to exceed \$184,647	2006-2007 Proposed Operating Budget Page VIII-54	N/A

CEQA

Not a project.



SCOTT P. JOHNSON
Director, Finance

For questions please contact Walter C. Rossmann, Chief Purchasing Officer, (408) 535-7051.