



*"...meeting community needs...enhancing quality of life."*

TO: Finance Committee

FROM: Tony Saucerman, Finance Director  
Kurt Eggebrecht, Health Officer  
Jeff Fait, Purchasing Manager

DATE: 3/8/2021

RE: Approval of Disposal of Surplus Beds

### Background

Early in the COVID-19 pandemic, discussions between public health and health-care leadership centered around containment and response to this novel virus. China, Italy and other countries experienced that hospital capacity could not keep pace with the number in need of care. Anticipating that this same experience could happen in our State and community, efforts went into planning for a what has been termed "Alternative Care Facility". This concept was discussed at Common Council meetings where we had explored and prepared plans to utilize the Fox Cities Exhibition Center as a location to care for residents that remained too ill to return to home yet, by remaining in the hospital, would prevent a new resident with more acute disease symptoms from getting urgent care. The plan projected a potential need for 200 beds, which were purchased from WG&R Furniture. Although our planning was prudent, as we did in fact reach this capacity limitation at our area hospitals, we were able to transport these patients to the Alternative Care Facility at State Fair Park in Milwaukee rather than open a local facility. The purchase of 200 beds was a decision made in an environment of addressing life safety as our primary objective within our EOC Incident Action Plan and the support of hospital capacity. We are pleased that this resource was not deployed, and we are now at a point in time that these resources can be released for another useful purpose for the greater good. The supplier has patiently stored the beds in their warehouse for 10 months but requires a disposition at this time.

### CARES Funding

The beds were originally purchased using CARES grant funds from the federal government which were passed down from the State of Wisconsin through the "Routes to Recovery" grant. No local property tax dollars were used to make this purchase. Since the funds to make the initial purchase were made from federal grant funds, any proceeds from the sale or disposition of the mattresses/frames must be returned to the federal government.

### Disposal Considerations

When it was determined the beds would no longer be necessary, the City reached out to local agencies that might have a need for a large allotment of hospital-style beds including Brewster Village and ThedaCare for use in their assisted living facilities or at-home program. Due to a lack of City storage capacity, it was important to find an agency that could take possession of the

entire allotment of beds rather than trying to distribute them out piecemeal to several organizations. The City has neither the storage capacity nor the manpower to undergo such a distribution effort without incurring significant additional costs. Unfortunately, due to various reasons, such as specific requirements of bed/mattress requirements from their regulatory agencies, although they were appreciative, none of the agencies contacted were able to accept the beds.

After several communications with our supplier WG&R, they proposed an option that would (1) refund the City 25% of the cost of the bed frames along with the delivery/set-up charge, approximately \$18,131 (which would be returned to the federal government) and, (2) distribute the entire allotment of mattresses to homes of children in need throughout Northeast Wisconsin through their charitable program called "Brighter Dreams." A listing of those homes would be supplied to the City to verify that the mattresses were delivered as promised.

In light of our previous unsuccessful efforts to place the beds independently, along with the City's pressing responsibility to take possession of the property, we feel this disposal method is the most desirable option as it allows the City to avoid additional storage and distribution costs while also repurposing the mattresses to those in need. Therefore, we respectfully request the Committee's approval to move forward with this option.

If you have any questions regarding this request, or would like further clarification, please feel free to contact any one of us.