

**City of Culver City, California
Agenda Item Report**

Meeting Date: <u>06/27/11</u>		Item Number: <u>C-9</u>	
CITY COUNCIL AGENDA ITEM: Approve a Blanket Purchase Order with Kompan, in an Amount Not-To-Exceed \$50,000, for the Purchase of Playground Equipment and Parts.			
Contact Person/Dept.: Patrick Reynolds, Parks Division Manager		Phone Number: (310) 253-6470	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒ Date: _____			
Public Notification: (E-Mail) Meetings and Agendas – City Council (06/22/11); (E-Mail) Kompan (06/15/11).			
Department Approval: Dan Hernandez (06/16/11)		City Attorney Approval: Carol Schwab (by H. Baker) (06/22/11)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (06/22/11)		City Manager Approval: John M. Nachbar (06/22/11)	
<u>RECOMMENDATION:</u> Staff recommends the City Council: approve a Blanket Purchase Order with Kompan in an amount not-to-exceed \$50,000, for the purchase of playground equipment and parts. <u>BACKGROUND:</u> Kompan is one of the primary vendors used by the City for the purchase of playground equipment and parts. In Fiscal Year 2010/2011, Parks Division staff ordered playground equipment for the Veterans' Memorial Park Playground Project (P-924) directly from Kompan to construct the play area for children ages 2 – 5. The cost of the equipment was \$29,240, and in early June 2011 the City received Proposition 40 Roberti-Z'Berg-Harris grant funds as reimbursement for this expenditure. Staff has also ordered miscellaneous pieces of playground equipment and parts for playground repairs from Kompan in an amount of approximately \$15,000. Therefore, through a combination of capital improvement and regular repair and maintenance expenditures, payments to Kompan currently equal \$44,240 for Fiscal Year 2010/2011. <u>DISCUSSION:</u> In addition to the \$44,240 already expended, it is anticipated that an additional \$5,000 must be spent with the company before the end of Fiscal Year 2010/2011, potentially bringing the Kompan total to an estimated \$50,000. Pursuant to Culver City Municipal Code Section 3.07.075, purchases of goods and services exceeding \$30,000 in a single fiscal year must be formally bid and approved by City Council.			

City of Culver City, California
Agenda Item Report

However, pursuant to Culver City Municipal Code (CCMC) Section 3.07.045.B, the formal bidding requirements shall not apply when the equipment is a component for equipment or a system of equipment previously acquired by the City, and is necessary to repair, maintain or improve the City's utilization of the equipment. However, pursuant to Culver City Municipal Code (CCMC) Section 3.07.045, the formal bidding requirements shall not apply under certain circumstances. In this case, this particular procurement falls under the following two exceptions:

CCMC Section 3.07.045.B provides an exception when the equipment is a component for equipment or a system of equipment previously acquired by the City, and is necessary to repair, maintain or improve the City's utilization of the equipment. In addition, CCMC Section 3.07.045.C provides an exception when it is determined that there is only one source for the required equipment, good, supply or service.

Kompan playground equipment is found at Lindberg Park on three separate play components. Vets Park had a much used Kompan Castle for Age 2 to 5 appropriate play that was displaced to make way for the new KaBoom Playground, Age 5 to 12 appropriate play area. Through three community meetings at Vets Park seeking public input on the design for the new playgrounds, and Parks Division staff's own research and past experience in playground design, it was determined that another Kompan composite would best meet the criteria for: 1) physically challenging play; 2) psychological development mentally stimulating play; and 3) meets the Federal Accessibility Guidelines for the physically challenged.

Kompan, as do many playground manufacturers, has authorized Sales Representatives that cover assigned regional areas for their product. Purchases in a certain region can only be made through the Sales Representative for that particular area for Kompan product. This includes competitive bids for contractors on a Capital Improvement Project as well as individual municipalities making direct purchases for replacement parts or completely new equipment.. Staff has obtained and filed with the Purchasing/Procurement Department a letter from Kompan confirming that it is a sole source provider.

Therefore, staff is recommending that the City Council approve a Blanket Purchase Order for the purchase of Kompan playground equipment and parts in an amount not-to-exceed \$50,000.

Comments from the City Manager

Staff pursued the purchases outlined in this report to obtain equipment and services from a sole-source vendor pursuant to City Council approved projects and within budgets approved by the City Council. However, pursuant to the Municipal Code, purchases which exceed \$30,000 to a single vendor in a single Fiscal Year should

City of Culver City, California
Agenda Item Report

have received the City Council's approval prior to those purchases being made. Staff has been instructed to comply with this requirement in the future.

FISCAL ANALYSIS:

The Parks Division utilizes three separate accounts for the purchase of playground equipment and parts. Two of them are General Fund accounts: 10133100.514190 (Parks Division/Other Departmental Supplies) and 42000898.730100 (Repair Playground Equipment-Various Parks/Improvements Other Than Buildings). The third account is a Park Facilities Fund, 41900899.730100 (Park Facility Improvements/Improvements Other Than Buildings), which derives 100% of its revenue from development fees related to the Quimby Act (park in-lieu fees). There are sufficient appropriations in these accounts to fund the planned purchases of playground equipment and parts.

MOTION:

That the City Council:

1. Approve a Blanket Purchase Order with Kompan, in an amount not-to-exceed \$50,000, for the purchase of playground equipment and parts; and,
2. Authorize the City Attorney to review/prepare the necessary documents; and,
3. Authorize the City Manager to execute such documents on behalf of the City.