



City of Morgan Hill

Legislation Text

File #: 16-525, Version: 1

CITY COUNCIL STAFF REPORT

MEETING DATE: AUGUST 24, 2016

PREPARED BY: Nick Calubaquib, Recreation Manager, Community Services Department
APPROVED BY: City Manager

CENTENNIAL RECREATION CENTER FITNESS EQUIPMENT PURCHASE

RECOMMENDATION(S)

Adopt resolution approving the purchase of fitness equipment and finding that a competitive bid would not likely result in a lower price pursuant to Morgan Hill Municipal Code Section 3.04.150 for equipment purchased under YMCA pricing, and delegating authority to the City Manager to execute documents to effect such purchase in an amount not to exceed \$83,000.

COUNCIL PRIORITIES, GOALS & STRATEGIES:

Ongoing Priorities

Maintaining Fiscal Responsibility
Supporting youth

2016 Focus Areas

Enhancing Our Services

REPORT NARRATIVE:

The replacement of 20 pieces of strength training equipment at the Centennial Recreation Center (CRC) is included in the Fiscal Year 2016-2017 Future replacement budget in the amount of \$83,000. This equipment includes the following strength machines:

- (1) Chest Press
- (1) Overhead Press
- (1) Row
- (1) Leg Press
- (1) Leg Extension
- (1) Seated Leg Curl
- (1) Arm Curl
- (1) Arm Extension
- (1) Abdominal
- (1) Back Extension
- (1) Calf
- (1) Pulldown
- (1) Glute

- (1) Hi Ab/Ad
- (1) Torso Rotation
- (1) Fly/Rear Delt
- (1) Prone Leg Curl
- (1) Standing Calf
- (1) Tricep Press
- (1) Lateral Raise

Pursuant to the authority of Morgan Hill Municipal Code Section 3.04.150, the City may dispense with competitive bidding if the Council determines that competitive bids upon notice would not be likely to result in a lower price to the City from a responsible bidder. As a partner of the YMCA of Silicon Valley, the City has access to its pricing system. Staff is recommending that the City utilize the YMCA's pricing system for the fitness equipment purchase because the City would not be able to obtain lower prices through the bidding process due to YMCA's superior economies of scale and volume discounts. In addition, through the partnership agreement, the YMCA maintains all fitness equipment so it is advisable that new equipment match standards of the YMCA of Silicon Valley. The YMCA has specified equipment from Cybex International, Inc. as strength equipment that is utilized and supported by maintenance personnel throughout the YMCA of Silicon Valley. Staff has obtained quotes from two local third party vendors for this equipment that reflect significantly higher pricing (18 -24% higher). Upon reviewing these quotes, staff is confident that competitive bidding would not result in a lower price. Discounted rates offered through the YMCA pricing for the purchase of the recommended equipment is 42% off the list price.

This new equipment would replace the current strength equipment at the CRC. Once the new equipment is ordered, the old units will be disposed according to Morgan Hill Municipal Code Section 3.04.400. Should the purchase of the equipment be approved, the City has the option of trading in the old machines through Cybex for an additional discount on the new ones.

COMMUNITY ENGAGEMENT: Involve

CRC member feedback regarding equipment is continually collected through comment cards, conversations with members and an annual membership satisfaction survey. The proposed equipment is in line with current member needs.

ALTERNATIVE ACTIONS:

The Council may elect to:

1. Not approve the purchase of fitness equipment, or
2. Direct staff to conduct a formal request for proposals.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The replacement of this equipment was included in the adopted FY 16/17 Future Replacement budget in the amount of \$83,000.

FISCAL AND RESOURCE IMPACT:

The replacement of this equipment was included in the adopted FY 16/17 Future Replacement budget in the amount of \$83,000. The total costs, including taxes, shipping and installation of the recommended fitness equipment using the YMCA's pricing system is quoted at \$82,543.55, excluding the equipment trade-in discount of \$3,400.

CEQA (California Environmental Quality Act):

Not a Project

This equipment purchase is not a project, as defined in Section 15378 of the State CEQA Guidelines.

LINKS/ATTACHMENTS:

Resolution