

To: Board Finance Committee

From: Randy Brown and Ed Poprik

RE: Playground Equipment Purchase

Date: January 16, 2020

In March the District plans on bidding the construction of playground projects for late spring through summer construction. The work will include site work, the installation of natural play elements, and the installation of more traditional playground equipment.

Throughout the process to date, the design professional has used a company called “Kompan” as the basis of design for the traditional playground equipment (see appendix for a definition of “basis of design”). Due to the long length of time that Radio Park and Spring Creek Elementary schools have been without playground equipment, the District entered into a small project this past fall to install Kompan swing sets at those two schools.

At each phase of design, Kompan has provided estimates for the purchase of equipment. In the most recent round of estimating, Kompan learned that the district wished to bid the playground equipment as opposed to a sole sourced direct purchase. Upon learning this, Kompan indicated to the design professional that they would not provide the same price to contractors as they would to the district through State Contract pricing. Further they issued revised pricing for estimating purchases (see appendix for a definition of “State Contract”). A chart showing the original as well as the revised pricing is attached.

The district does not wish to sole source the playground equipment due to cost considerations and bidding requirements; however, the quality and functionality of the equipment is critical to achieve the desired playground results. Generally there are two ways to approach this situation:

- A) Bid equipment with project (this would include writing the specifications with multiple vendors approved and an “or equal” clause)
- B) Purchase the equipment ahead of time after comparing multiple vendors under State Contract, the equipment would then be supplied to the winning contractor for installation (price negotiation is also an option when working with State Contract vendors)

Pros and Cons of each option:

- A) With construction bid

Pros	Cons
Supposedly pricing better to school districts than contractors (through State Contract)	Loss of control related to equipment selection (related to ‘or equal’)

Less calendar constraints in that there is only one bidding effort	Calendar constraint during construction (lengthen construction due to delayed ordering)
Award bids once, not multiple times	Bid day uncertainty regarding selection of equipment, approving equipment "equals" during construction calendar

B) Buy equipment ahead of time

Pros	Cons
Ensures district selection of equipment	Not allowed in PlanCon projects because of phased bidding*
Broadens number of contractors bidding	Calendar constraints to bid (extra work ahead of bid)
Calendar flexibility during construction (early equipment order)	Potential conflicts with multiple vendors

*This is not a PlanCon project; however, the rationale for this limitation is that the district could potentially buy equipment and if for some reason there are problems with the installation bid we are stuck with the equipment and no means to install. For playground equipment this is far less a concern compared to something like a boiler.

The district intends to begin the process of Option B at this time. There are no direct costs involved in soliciting State Contract quotes. An advantage to pursuing this option now is that the pricing can be received prior to the scheduled bid date. If for some reason the pricing is not acceptable, the district can still proceed with Option A.

- Calendar
 - a. January 27 -Release equipment for pricing
 - b. February 10 -Receive pricing
 - c. February 13 -Special F&G meeting to review pricing
 - d. February 17 -Review equipment prices with Board
 - e. February 17 -Board approves permission to bid construction
 - f. March 2 -Award (or reject) purchase
 - g. Mid - March -Release construction bidding documents
 - h. Mid - April -Award construction bids
 - i. May - August -Construction
 - j. September -Open completed playgrounds

Note: Steps a through d are additional steps in the calendar which the district will complete along with Board input. These steps do not change or lengthen the original bid to construction calendar process.

Kompan Items:								
SCE								
note	quantity	description	Part #	price orig	price new	\$increase	%increase	
	2	1 Kompan Robina 2 bay, 4 belt swing	NR0924	\$5,390	\$6,708			
	3	1 Kompan Robina Tree climber	NR0834	\$16,691	\$25,264			
	10	2 <i>Thomas Steele bench</i>	<i>Walden II</i>	\$4,000	\$5,836			
	15	1 Kompan Embankment Slide	PCM110203-0002	\$6,612	\$9,235			
				\$32,693	\$47,043	\$14,350	44%	
RPE								
note	quantity	description	Part #	price orig	price new	\$increase	%increase	
	2	1 <i>Playworld cone spinner with floor</i>	<i>ZZXX0911</i>	\$11,237	\$17,388			
	3	1 Kompan Robina Tree climber	NR0834	\$16,691	\$25,264			
	4	1 Kompan Robina Parkour		\$11,340	\$15,808			
	7	1 Kompan Embankment Slide	PCM110203-0002	\$6,612	\$9,235			
	15	2 <i>Thomas Steele bench</i>	<i>Walden II</i>	\$4,000	\$5,836			
				\$49,880	\$73,531	\$23,651	47%	
CSE								
note	quantity	description	Part #	price orig	price new	\$increase	%increase	
	1	1 Kompan Robina Tree climber	NR0834	\$16,691	\$25,264			
	3	2 Kompan Robina swings (see note)	NR0924	\$10,778	\$13,396			
	5	1 Kompan Robina swings (see note)	NR0912	\$6,627	\$9,023			
	4	1 Kompan Robina Parkour		\$11,340	\$15,808			
				\$45,436	\$63,490	\$18,054	40%	
Grand Total				\$128,009	\$184,064	\$56,055	44%	

Appendix:

The term “Basis of Design” is commonly used in public bidding projects. Typically it is used for the equipment portions of a project, where the design professional will specify a particular piece of equipment by vendor and model number. In order to prevent a proprietary bid, where the vendor has no competition, other vendors can then submit comparable equipment for consideration as an alternate, but acceptable solution. It is incumbent on the alternate vendor to demonstrate that their product is equal. Discretion is left with the design professional and/or district to either accept or reject the submission. Depending on how this is defined in the specifications, this could happen before or after the receipt of bids.

“State Contract” pricing is a generic term that refers to a variety of cooperative bidding options open to public entities. The concept is that a group of public entities belong to a consortium for bidding of certain items. A sponsoring entity will bid an item with the caveat that member entities may purchase that item at the bid price for a specified period of time (typically a year). Member entities can they buy the items at a fixed price without conducting their own bid. Our school district is a member in a variety of consortiums.