

**MEMORANDUM NO. M17-062**

**TO: Administration and Finance Committee**  
**FROM: Dean Bostrom, Executive Director**  
**Craig Talsma, Deputy Director**  
**Mike Kies, Director of Recreation and Facilities**  
**Katie Basile, Superintendent of Facilities**  
**Chad Lindstrom, PSS&WC Fitness Supervisor**  
**RE: Supply and Installation of Fitness Equipment Prairie Stone Sports and**  
**Wellness Center (PSS&WC) Purchase Revision**  
**DATE: May 9, 2017**

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**Background**

At the A&F Committee meeting on April 18, 2017, staff recommended the purchase of PSSWC fitness equipment in an amount of \$149,269.24 based upon the bid results that were specified in memorandum # M17-050; the A&F Committee and subsequently the full Board approved that recommendation.

Part of this recommendation awarded two (2) Octane Zero Runners ZR8000, two (2) Octane Lateral X, and two (2) OctaneXR6000 Recumbent Ellipticals to Integrity Fitness in the amount of \$35,290.00.

After awarding the bids, it was brought to staff's attention that Integrity Fitness is not an authorized Octane Fitness Equipment distributor and therefore the warranty on the equipment from Octane Fitness would be null and void. Staff contacted Integrity Fitness and they agreed with the exclusion of them for this reason.

**Implications:**

As Integrity Fitness is not an authorized dealer for the aforementioned equipment they were awarded, their bid needs to be disqualified, and the aforementioned equipment should be awarded to the next lowest qualified bidder.

Midwest Commercial, an authorized dealer, was the next lowest bidder for this equipment in the amount of \$36,620.00 (\$1,330 more). This slight increase in the contract amount still keeps the overall project considerably under budget.

**Recommendations:**

Staff recommends that the A&F Committee recommend to the full Board the disqualification of Integrity Fitness for the purchase of the 2 Octane Zero Runners ZR8000, 2 Octane Lateral X, and 2 OctaneXR6000 Recumbent Elliptical and to award the contract in the new amount of \$36,620.00 to Midwest Commercial Fitness.