



JUSTIFICATION FOR SOLE SOURCE CERTIFICATION

Sole Source Purchases are defined clearly, based upon a legitimate need, and are limited to a single supplier. Sole source purchases are normally not allowed except when based upon strong technological grounds such as operational compatibility with existing equipment and related parts or upon a clearly unique and/or cost effective feature requirement. The use of sole source purchases must be justified and shall be limited only to those specific instances in which compatibility or technical performance needs are being satisfied.

Sole Source Services are defined as a service provider providing technical expertise of such a unique nature that the service provider is clearly and justifiably the only practicable source available to provide the service. The justification shall be based on the uniqueness of the service, sole availability at the location required, or warranty or defect correction service obligations of the service provider.

This form must be filled out for the request to purchase any good or non-professional service that requires a competitive procurement process (informal quotes (\$1001-\$10,000), formal quotes (\$10,001 - \$19,999.99), or formal bid (\$20,000 or more) as defined in the LFUCG's Purchasing Manual. This form must be completed in its entirety and attached to the purchase requisition.

Note: Sole Source Purchase requests for goods exceeding \$20,000 will require approval by the Urban County Council by submitting an Administrative Review Form. A copy of this form must be signed off by Central Purchasing and attached to the Administrative Review Form.

Requesting Division

Name: Chris Litton Division/Dept: General Services

Phone: 859-227-6577 Email: clitton@lexingtonky.gov

Type of Purchase: (X) Goods/Materials/Equipment (X) Services

Cost: \$24,570.00

Sole Source Request for the Purchase of: Christie 4K Upgrade Kit for the KY Theater Projector.

One Time Purchase To Establish Sole Source Provider Contract
(subject to annual review and approval by Central Purchasing and/or Urban County Council)

Vendor Information

Business Name: Sonic Equipment, Co.

Contact Name: Chris Stevens / Eric Olson

Address: 900 West Miller Road, Iola, Kansas 66749

Office Phone: (620) 365-5701 Cell: 816-719-7450 Email: chrisstevens@sonicequipment.com

Chris Litton

Good Through 7/15/2018

Terms of Purchase

All of the items will be provided by Sonic Equipment Company with the following terms:

- 1. **Upon signed bid Sonic will order equipment and ship to site. Once items are received site will be invoiced in full for 100% of equipment received and freight. Upon equipment being paid for Sonic will schedule the install and invoice travel and labor after installation is complete.**

Initial _____

1st Payment: \$ 21,740.00 Final Payment: \$ 2,830.00 Total- \$24,570.00

- 2. Payment is expected on or before the due dates indicated. Failure to pay could result in the installation date being delayed.

- 3. Sonic retains a security interest in this equipment until it is paid in full.

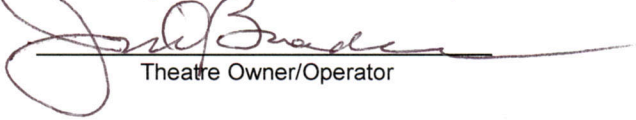
Initial _____

Tax rate billed must reflect the current rate at the time of last invoice. The tax rate listed in the bid reflects the tax rate at the time the bid was created. Tax rates are subject to change. Example: Sales tax, gernal excise tax, etc.

- 4. Included in the installation is testing and training. Sonic Equipment Company will train theatre management on operation of installed equipment prior to opening.
- 5. Defective parts are covered under the various manufacturer warranties. Sonic will provide service at no charge to replace any defective part for 30 days. However, if defective part is broken due to operator error then labor will be charged.
- 6. This bid covers only labor provided by Sonic Equipment Company. Necessary site-ready labor provided by others is the responsibility of the owner/operator. (Electrician, HVAC, Booth window, etc.)
- 7. Travel expenses include mileage, meals, motel rooms and flights as necessary.
- 8. This bid is not binding until it has been agreed upon by an authorized representatives of Sonic Equipment Company and the buyer with signature below.
- 9. Any balance left after 30 days from final invoice will be charged 3% interest monthly until paid in full.

I accept the attached quote from Sonic Equipment Company dated as written.

Please send invoice to begin purchase and installation process.



Theatre Owner/Operator

6-18-18

Date

Sonic Representative

Date

Total: \$ 24,570.00

Please check this box if you would like more information about our service packages.

Terms of Purchase Continued

Wire information:

Community National bank
120 East Madison Routing: 101105817
Iola, KS 66749 Account: 1310005257
620-365-6000

NOTICE TO OWNER

FAILURE OF THIS CONTRACTOR TO PAY THOSE PERSONS SUPPLYING MATERIAL OR SERVICES TO COMPLETE THIS CONTRACT CAN RESULT IN THE FILING OF A MECHANIC'S LIEN ON THE PROPERTY WHICH IS THE SUBJECT OF THIS CONTRACT PURSUANT TO CHAPTER 429, RSMO. TO AVOID THIS RESULT YOU MAY ASK THIS CONTRACTOR FOR "LIEN WAIVERS" FROM ALL PERSONS SUPPLYING MATERIAL OR SERVICES FOR THE WORK DESCRIBED IN THIS CONTRACT. FAILURE TO SECURE LIEN WAIVERS MAY RESULT IN YOUR PAYING FOR LABOR AND MATERIAL TWICE.



JUSTIFICATION FOR SOLE SOURCE CERTIFICATION

STATEMENT OF NEED: (Add additional pages as needed)

My division/department's recommendation for sole source is based upon an objective review of the product/service required and appears to be in the best interest of the LFUCG. I know of no conflict of interest on my part, and I have no personal involvement in any way with this request. No gratuities, favors, or compromising actions have taken place. Neither has my personal familiarity with particular brands, types of equipment, materials, persons or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

1. Describe the product or service and list the necessary features this product provides that are not available from any other option.

This sole source request is for a Christie 4K Upgrade Kit for the existing projector to be installed by Sonic Equipment Co. Sonic Equipment is an authorized supplier of Christie products, and is the company that installed the current theater equipment. The Management Group currently has a PM agreement with Sonic Equipment. This sole source is recommended due to Sonic Equipment's familiarity of the current equipment, maintaining any warranties in place, and being an authorized supplier of the manufacture of the existing Christie projector.

2. Below are eligible reasons for sole source. Check one and describe.

Licensed or patented product or service. No other vendor provides this. Warranty or defect correction service obligations to the consultant. Describe why it is mandatory to use this licensed or patented product or service. Sonic Equipment is an authorized supplier of Christie products, and is the company that installed the current theater equipment. The Management Group currently has a PM agreement with Sonic Equipment. This sole source is recommended due to Sonic Equipment's familiarity of the current equipment, maintaining any warranties in place, and being an authorized supplier of the manufacture of the existing Christie projector. There are no known suppliers in the State of Kentucky. Sonic Equipment is based out of Kanas, but has satellite offices and has performed work in the State of Kentucky and for the KY Theater.

Existing LFUCG equipment, inventory, custom-built information system, custom-built data inventory system, or similar products or programs. Describe. If product is off-the-shelf, list efforts to find other vendors (i.e. web site search, contacting the manufacturer to see if other dealers are available to service this region, etc.) Sonic Equipment is an authorized supplier of Christie products, and is the company that installed the current theater equipment. The Management Group currently has a PM agreement with Sonic Equipment. This sole source is recommended due to Sonic Equipment's familiarity of the current equipment, maintaining any warranties in place, and being an authorized supplier of the manufacture of the existing Christie projector. LFUCG reached out to a local company to provide the same service/ equipment. The local company has been non-responsive for over a month and claims to still be trying to work with the Christie Company.

Uniqueness of the service. The Christie upgrade kit is specifically for the existing Christie projector at the KY Theater. The only alternative is to buy a new 4K projector, but the new projector would still need to be setup to communicate with the other equipment. The Kentucky Theater Management Group currently use Sonic Equipment for equipment adjustments, and trouble shooting.

The LFUCG has established a standard for this manufacturer, supplier, or provider and there is only one vendor. Attach documentation from manufacturer to confirm that only one dealer provides the product.



JUSTIFICATION FOR SOLE SOURCE CERTIFICATION

- Factory-authorized warranty service available only from this single dealer. Sole availability at the location required.
- Used item with bargain price (describe what a new item would cost). Describe.
- Other – The above reasons are the most common and established causes for an eligible sole source. If you have a different reason, please describe:
-

3. Describe efforts to find other vendors or consultants (i.e. phone inquires, web site search, contacting the manufacturer to see if other dealers are available to service region, etc.).

LFUCG – General Services met with Lava, a local company on May 15, 2018 to review the scope of work and to receive proposals. Christie is not a company that Lava represents, but they were going to reach out to Christie for this project. Lava was contacted by e-mail on May, 29, 2018, and on June 4, 2018 to provide an update. Lava was not responsive. Lava was contacted by phone on June 14, 2018, the point of contact was unavailable, but left a message that Lava was still trying to work with Christie. Lave has been non-responsive since June 14th. LFUCG General Services has contacted Christie Digital to verify that there are no authorized suppliers in the State of Kentucky. The number for Christie Digital is (714)-236-8610.

4. How was the price offered determined to be fair and reasonable?

(Explain what the basis was for comparison and include cost analyses as applicable.)

Cost determined to be fair based equipment cost & travel distance. The cost of equipment is the majority of the cost.

5. Describe any cost savings realized or costs avoided by acquiring the goods/services from this supplier.

No direct cost savings, but more assurance that the new equipment will work with the current equipment with little to no town time for the theater.