



City Council Report

Date: November 17, 2008
To: City Council
Through: Bryan Raines, Deputy City Manager
From: John Albin, Acting Procurement Services Director
Subject: Two-Year Renewal Supply Contract for Traffic Signal Equipment and Cabinet Assemblies for Warehouse Inventory as Requested by the Transportation Department, Traffic Engineering Division (Mesa Contract #2005168)
"Citywide" contract

Purpose and Recommendation

Council is requested to approve a Two-Year Renewal Supply Contract for Traffic Signal Equipment and Cabinet Assemblies as recommended. Renewal pricing was obtained and evaluated by the Transportation and Procurement Services Departments.

The Procurement Services Department recommends authorizing renewal of the contract for Groups A and C with Econolite Control Products, Inc. at \$188,511.31 annually, and for Group B with Phoenix Highways at \$27,555.58 annually, for a combined renewal award of \$216,066.89, including applicable taxes.

Background and Discussion

The equipment purchased under this contract allows Traffic Engineering staff to oversee the operation of signalized intersections throughout the City. Conflict monitor units and malfunction management units are placed in new signal locations, at upgraded intersections and as replacement equipment in the event of a knockdown as a result of an accident.

The current vendor for Groups A and C has held pricing for conflict monitor units at the original 2005 bid price; however, the cost for cabinet assemblies has risen nearly 18% during this time as a result of increases in the cost of raw materials and energy. In addition, the pricing for malfunction management units has increased due to the need for an Ethernet port on each unit. Staff has performed research relative to these price increases and determined that the increases are acceptable as the PPI (Producer Price Index) for materials has increased nearly 48%.

Three responsive bids were received in September 2005.

Alternatives

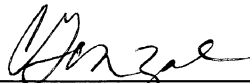
Council may choose not to approve this increase and new bids will be obtained. A resultant delay in obtaining these cabinet assemblies, however, could result in the Traffic Engineering Division not being able to install equipment necessary to keep traffic flow moving at a safe and optimal pace.

Fiscal Impact

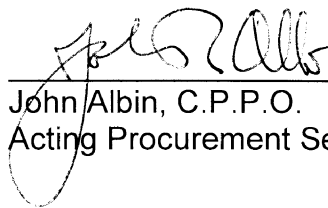
The total amount of \$216,066.89 is available in the Materials & Supply Division's budget for inventory purchases.

Coordinated With:

Transportation Department, Traffic Engineering
Materials & Supply Division



Cyndi Gonzales,
Management Assistant II



John Albin, C.P.P.O.
Acting Procurement Services Director



Bryan Raines,
Deputy City Manager

**RECOMMENDED RENEWAL
TRAFFIC SIGNAL CMUs, MMUs and CABINET ASSEMBLIES
(City of Mesa Contract #2005168)**

**Econolite Control Products, Inc.
Anaheim, CA**

<u>Description</u>	<u>Total Net Bid</u>
<u>Groups A & C Combined</u>	
Channel Conflict Monitor Unit (CMU) & Cabinet Assembly	\$155,230.00
	15% Contingency <u>23,284.50</u>
	Sub Total \$178,514.50
	5.6% Use Tax <u>9,996.81</u>
	\$188,511.31

**Phoenix Highway Products, Inc.
Phoenix, AZ**

<u>Description</u>	<u>Total Net Bid</u>
Group B	
Channel Malfunction Management Unit (MMU)	\$22,125.00
	15% Contingency <u>3,318.75</u>
	Sub Total \$25,443.75
	8.3% Sales Tax <u>2,111.83</u>
	\$27,555.58

GRAND TOTAL - \$216,066.89

<u>October 2005 Bid Results:</u>	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>
JTB Supply Co., Inc. (Awarded)* Orange, CA	\$21,750.00	No Bid	No Bid
Phoenix Highway Products, Inc. (Awarded) Phoenix, AZ	No Bid	\$18,450.00	\$135,000.00
Econolite Control Products, Inc. (Awarded) Anaheim, CA	\$32,800.00	\$27,810.00	\$122,430.00

* Vendor unable to furnish product, Group A re-awarded to next lowest priced bidder in December 2007.