



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

**MEMO NO. TE7-248**

**1. Agenda Item Number:**

**27**

**2. Council Meeting Date:**  
May 24, 2007

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** April 19, 2007

**THROUGH: CITY MANAGER**

**4. Requesting Department:** Public Works

**5. SUBJECT:** The extension of contract TE6-801-2290 for the purchase of traffic signs and related hardware material from Safeway Signs Co. and Zumar Industries, Inc. of Arizona for one-year in an amount not to exceed \$55,000.

**6. RECOMMENDATION:** Recommend the extension of contract TE6-801-2290 for the purchase of traffic signs and related hardware material from Safeway Signs Co. and Zumar Industries, Inc. of Arizona for one-year in an amount not to exceed \$55,000.

**7. BACKGROUND/DISCUSSION:** Annually, Traffic Engineering's preventive maintenance program replaces approximately 1000 traffic signs and posts. These posts and signs are replaced due to damage, age and new requirements. A term contract is necessary to compensate for the long lead times by carrying an inventory of materials and to establish firm pricing for the historically high use items for the required traffic signs and related hardware. The City will purchase the needed materials from the vendor with the lowest price. The equipment will be distributed from Central Supply.

**8. EVALUATION PROCESS:** In May 2006 Council approved Contract TE6-801-2290 for the purchase of traffic signs and related hardware material from Safeway Signs Co. and Zumar Industries, Inc. of Arizona for one year with provisions for four one-year extensions. This purchase is based on the low bid prices provided by these two companies for the specific line items needed in the Contract. This will be the first extension to the contract. Staff has monitored the contract for the past year and is satisfied with the services provided by Safeway Signs Co. and Zumar Industries, Inc. of Arizona. Safeway Signs Co. has agreed to extend the contract for an additional one-year at the current pricing. Zumar Industries, Inc. of Arizona has agreed to extend the contract for an additional one-year period with a requested price increase on two line items (of the 10 line items awarded) due to recent material and labor cost increases. Staff concurs with the price increase request. The contract term will be June 1, 2007 through May 31, 2008. By extending the contract, the City will save administrative costs associated with rebidding.

**9. FINANCIAL IMPLICATIONS:**

Funds for traffic signs and related hardware will be from General Fund inventory account number 101.0000.0000.1516. Individual cost centers will be charged for the supplies as they are issued.

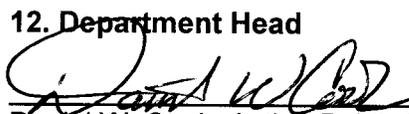
**10. PROPOSED MOTION:** Move to approve the extension of contract TE6-801-2290 for the purchase of traffic signs and related hardware material from Safeway Signs Co. and Zumar Industries, Inc. of Arizona for one-year in an amount not to exceed \$55,000.

**APPROVALS**

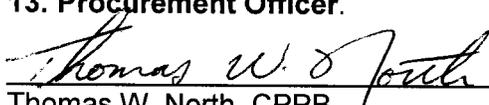
**11. Requesting Department**

  
Mike Normand, Acting Assistant Public Works  
Director/Transportation & Operations

**12. Department Head**

  
Daniel W. Cook, Acting Public Works Director

**13. Procurement Officer.**

  
Thomas W. North, CPPB

**14. City Manager**

  
W. Mark Pentz

**AMENDMENT NUMBER ONE,  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER AND SAFEWAY SIGN COMPANY FOR THE  
PURCHASE OF TRAFFIC SIGNS AND RELATED HARDWARE CONTRACT NO. TE6-801-2290**

This Amendment #ONE to that certain Agreement Between the City Of Chandler (CITY) and Safeway Sign Company (TE6-801-2290) for the purchase of traffic signs and related hardware dated 30, May, 2006 Between the City of Chandler (CITY) and Safeway Sign Company is entered into this \_\_\_\_\_ day of May, 2007.

WHEREAS, the parties agree to extend the term of this Contract for 12 months commencing June 1, 2007 and ending on May 31, 2008 unless sooner terminated as provided in the Contract;

NOW THEREFORE, the parties agree as follows:

1. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

CITY OF CHANDLER:

By: \_\_\_\_\_  
MAYOR

CONTRACTOR:

By: Jackie Hanson  
Title: Customer Service Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney fe

ATTEST:  
\_\_\_\_\_  
City Clerk

ATTEST: (If corporation)

Dee Gutierrez  
Secretary

WITNESS: (If individual or Partnership)  
\_\_\_\_\_

[SEAL]

**AMENDMENT NUMBER ONE,  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER AND ZUMAR INDUSTRIES  
OF ARIZONA FOR THE PURCHASE OF TRAFFIC SIGNS AND RELATED  
HARDWARE CONTRACT NO. TE6-801-2290**

This Amendment #ONE to that certain Agreement Between the City Of Chandler (CITY) and Zumar Industries of Arizona (TE6-801-2290) for the purchase of traffic signs and related hardware dated 30, May, 2006 Between the City of Chandler (CITY) and Zumar Industries of Arizona is entered into this \_\_\_\_\_ day of May, 2007.

WHEREAS, the parties agree to extend the term of this Contract for 12 months commencing June 1, 2007 and ending on May 31, 2008 unless sooner terminated as provided in the Contract;  
NOW THEREFORE, the parties agree as follows:

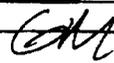
Section EXHIBIT A is hereby amended increasing the price on lines #5 to \$2.25 each and #7 to \$60.00 roll  
All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

CITY OF CHANDLER:

By: \_\_\_\_\_  
MAYOR

CONTRACTOR

By:   
Title: 

APPROVED AS TO FORM:

City Attorney 

ATTEST: (If corporation)

ATTEST:

City Clerk

Secretary

WITNESS: (If individual or Partnership)

\_\_\_\_\_

[SEAL]

TE6-801-2290		06-07 Pricing	07-08 Pricing
3	Blade holder, 5-1/4", 2" x 2" square post, extruded, #850 Long or equivalent, product name & # Minimum order quantities of 200	ea \$5.50	\$5.50
4	Blade Holder, 2 - 3/8" Round, Product name & # Minimum order quantities of 20	ea \$4.50	\$4.50
5	Bracket, Stainless-Steel, Straight Leg, Band-It Product name & # Minimum order quantities of 200	ea \$1.66	<b>2.25</b>
6	Banding buckle, "Band-It "Ear-Lokt", Stainless Steel, 3/4", 100 per box, Product name & # Minimum order quantities of 2 boxes 4 boxes	box \$45.75	\$45.75
7	Strapping, Stainless Steel, 3/4" x .032 Thickness, 100' Roll, Product name & # Minimum order quantities 2 rolls 4 rolls	rolls \$55.50	<b>\$ 60.00</b>
8	Arm, Extra long, 23 3/8" for 2 3/8" O.D. Caps, all aluminum, Product name & # Minimum order quantities of 20	ea \$45.25	\$45.25
9	Cross, Extruded Blade, w/Set Screws, Super Lock for Flat Blade 5 1/2 Extruded Blade Holder Crosspiece Product name & # Minimum order quantities of 400	ea \$4.92	\$4.92
55	Raised Pavement Marker, miscellaneous colors, 2-way, 4" square, Yellow Product name & # Minimum order quantities of 10	ea \$1.40	\$1.40
56	Raised Pavement Marker, Ceramic, Dagmar, 2-way, 8" round, Yellow. Product name & # Minimum order quantities of 10	ea \$0.76	\$0.76
57	Raised Pavement Marker Ceramic, Product Name Minimum order quantities of 10	ea \$30.00	\$30.00