



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

**MEMO NO. TE09-072**

**1. Agenda Item Number:**

**57**

**2. Council Meeting Date:**  
October 30, 2008

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** October 14, 2008

**THROUGH: CITY MANAGER**

**4. Requesting Department:** Public Works

**5. SUBJECT:** Approval of sole source for purchase and repair of traffic signal control equipment from Phoenix Highway Products, in the amount of \$270,000.

**6. RECOMMENDATION:** Recommend approval of sole source for purchase and repair of traffic signal control equipment from Phoenix Highway Products, in the amount of \$270,000.

**7. BACKGROUND/DISCUSSION:** Traffic Engineering keeps an inventory of spare traffic signal control equipment. This inventory is used when field equipment has malfunctioned or becomes damaged by lightning or a motor vehicle accident. This purchase will re-stock and maintain equipment to keep pace with the expanding signal system installed through both Capital Improvement Projects and developer-based improvements. Approximately 3 traffic signal cabinets, 15 controllers, and miscellaneous components are included within this purchase, along with approximately \$20,000 in repairs that are shipped back to the factory. The \$270,000 presents the maximum amount, and purchase orders will only be made on an as-needed basis.

**8. EVALUATION PROCESS:** A sole source purchase is recommended because Phoenix Highway Products is the exclusive vendor of certain traffic signal control equipment used by Traffic Engineering. Phoenix Highway Products also complete repairs for the same equipment. This equipment is the only type compatible with the central traffic computer equipment and software. Uniformity of the traffic signal control system ensures compatibility and maintenance of the standard equipment.

**9. FINANCIAL IMPLICATIONS:**

Cost: \$270,000

Savings: N/A

Long Term Costs: N/A

Fund Source:

<u>Acct. No.</u>	<u>Fund</u>	<u>Program Name</u>	<u>CIP Funded</u>	<u>Funds</u>
411.3310.0000.6516.9ST322	G.O. Bonds – Streets	Traffic Signals	FY08/09	\$170,000
737.1261.0000.6517	Self Insurance	Risk Retention	Non-CIP	\$100,000

**10. PROPOSED MOTION:** Move to approve sole source for purchase and repair of traffic signal control equipment from Phoenix Highway Products, in the amount of \$270,000.

**APPROVALS**

**11. Requesting Department**

Daniel W. Cook, Deputy Public Works Director

**12. Department Head**

R. J. Zeder, Public Works Director

**13. Procurement Officer**

Sharon Brause, CPPB

**14. City Manager**

W. Mark Pentz

**Phoenix Highway Products, Inc.**

*Estimate of Purchases over next 12 months*

10/14/2008

Equipment	Quantity	Unit Rate	Purchase by Traffic	Purchase by Risk Mgmt	Total
Signal Cabinet	3	\$23,000		\$69,000	\$69,000
Cabinet Components	varies	\$50,000	\$50,000		\$50,000
Controllers	15	\$3,000	\$45,000		\$45,000
Communication Devices	20	\$2,000	\$40,000		\$40,000
Signal Heads	50	\$500		\$25,000	\$25,000
Equipment Repairs	varies	\$20,000	\$20,000		\$20,000
		Sub-T	\$155,000	\$94,000	\$249,000
		Tax	\$12,400	\$7,520	\$19,920
		<b>Total</b>	<b>\$167,400</b>	<b>\$101,520</b>	<b>\$268,920</b>



# Request for Sole Source

TO: PURCHASING OFFICE DATE: 10/08/08

FM: Joe Felix \_\_\_\_\_ PHONE NO. 3459  
Name of Requester

Public Works – Traffic Engineering Operations \_\_\_\_\_  
Name of Division/Department

SUB: Sole Source Request for the Purchase Of: Traffic signal control cabinets w/all plug in  
equipment.

REQUESTED SUPPLIER: Phoenix Highway Products \_\_\_\_\_  
SUPPLIER'S ADDRESS: 2361 N 37<sup>th</sup> Dr, Phoenix, AZ 85009 \_\_\_\_\_  
CONTACT: Debbie Lesan \_\_\_\_\_ PHONE: 602-344-7770 \_\_\_\_\_ COST ESTIMATE \$ 150,000.00

### STATEMENT OF NEED:

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

Refer to the attached sole source justification as prepared by our (user) department, to the attached review of available products/services and to my (user department's) completed Purchase Requisition.

SIGNATURE OF REQUESTER:

 \_\_\_\_\_

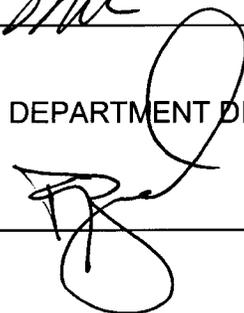
DATE: 10/08/08

SIGNATURE OF REQUESTING DIVISION HEAD:

 \_\_\_\_\_

DATE: 10/8/08

APPROVAL OF DEPARTMENT DIRECTOR OR ASSISTANT DIRECTOR:

 \_\_\_\_\_

DATE: 10-16-08

JUSTIFICATION FOR SOLE SOURCE: (Describe the unique nature of the product or service, what efforts were made to locate other sources, any market testing and research results, any other information that may help evaluate the request for sole source. Attach documents as appropriate to this request.)

This equipment is the only type of equipment that is compatible with the traffic system equipment and software. Phoenix Highway Products is the exclusive vendor for this type of equipment.

PURCHASING COMMENTS:

PURCHASING APPROVALS:

BUYER: *S. Strause*

DATE: 10/17/08

*h* PURCHASING & MATERIAL MGR: *Kathy Jen*

DATE: 10/17/08

TO BE COMPLETED BY REQUESTING DEPARTMENT AND SUBMITTED TO PURCHASING  
(PLEASE TYPE)