



City Council Report

Date: September 18, 2017
To: City Council
Through: Mike Kennington, Chief Financial Officer
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: Dollar-Limit Increase for the Contract for Dust Palliative/Stabilizer and Related Items for the Transportation Department **(Citywide)**

Purpose and Recommendation

Council is requested to approve the Dollar-Limit Increase for the Contract for Dust Palliative/Stabilizer and Related Items as recommended.

The Transportation Department and Purchasing recommend authorizing a dollar-limit increase \$100,000.00 using the Maricopa County cooperative contract with Earthcare Consultants LLC, increasing the annual contract amount from \$300,000.00 to \$400,000.00 annually for Years 5 and 6 of the Contract, based on estimated requirements.

Background / Discussion

This contract provides dust palliative/stabilizer and related items. Activities are conducted throughout the year to stabilize unpaved areas such as: vacant lots, roads, shoulders, alleys, etc. in accordance with Maricopa Air Quality Rules 310 and 310.01, and City Ordinance Title 8 Chapter 2 to regulate dust control. Maricopa County maintains a contract for providing dust stabilization product and application services because of its extensive requirements for this service. The City has been using this contract through the Strategic Alliance for Volume Expenditures (SAVE) cooperative for many years as it is considerably more cost effective due to the County's significant contract volume.

On January 25, 2016, Council approved the Three-Year Renewal using this Maricopa County cooperative contract (2/1/2016 through 1/31/2019) coinciding with the Maricopa County's term.

The City is currently in Year 5 of the Contract Term (2/1/2017 through 1/31/2018). Demand for these services has increased and is greater than estimated; approximately \$110,000.00 in stabilization projects were completed in the highest activity months of February and March of 2017 which resulted in a shortfall of approximately \$50,000 in Year 5. City staff believes stabilization demands will continue at the current rate, therefore, Transportation is requesting an annual increase of \$100,000.00 for Years 5 and 6.

In addition, Environmental Management and Sustainability initiated this contract. Since all projects are scheduled, coordinated, completed and invoices are paid by the Transportation Department, both Departments have agreed that transferring the contract ownership would be beneficial.

Alternatives

Council may choose not to authorize the dollar-limit increase.

Fiscal Impact

Funding for the annual contract amount is available through the Environmental Compliance Fee.

Coordinated With

Environment Management and Sustainability, Transportation and Purchasing

PURCHASING INFORMATION

Action: Dollar-Limit Increase Authorization

Contracting Agency: Maricopa County

Contracting Agency Contract Number: 12132-C

Mesa Contract Number: 2013067

Contract Term: Increase for Year 5 (2/1/2017 through 1/31/2018) and Year 6 (2/1/2018 through 1/31/2019)

DOLLAR-LIMIT INCREASE RECOMMENDATION

Earthcare Consultants, LLC
Tucson, AZ

Description	
Dust palliative/stabilizer and related items including application per Contract No. 2013067, and Maricopa County Contract No. 12132-C	
Renewal Award 1/25/2016 – Current Limit	\$300,000.00
Increase Request (2/1/2017 – 1/31/2019)	\$100,000.00
New Annual Contract Amount (Years 5 and 6)	<u>\$400,000.00</u>