



City Council Report

Date: August 19, 2019
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Renewal with a One-Year Renewal Option to the Term Contract for Gradation Glass Beads, Traffic Paint Marking Materials for the Materials and Supply Warehouse (for the Transportation Department) **(Citywide)**

Recommendation

Council is requested to approve the contract renewal as recommended.

The Business Services and Transportation Departments and Purchasing recommend authorizing the renewal using the State of Arizona cooperative contract with Potters Industries, LLC, at \$55,000 annually, with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

Background / Discussion

This contract provides gradation glass beads essential for the liquid application of pavement markings. Transportation's Field Operations group uses the product to enhance the reflectivity of pavement markings in the City. As the striping material wears, the glass beads that are blended in the material are exposed to give continuous retro-reflectivity, improving the durability and life of the material. Field Operations paints about 1,200 miles of lines per year and also paints crosswalks, stop bars, traffic symbols and curbs.

The State contract is considered extremely competitive it is doubtful that the City could obtain better pricing through obtaining competitive bids.

The State renewed the contract with Potters Industries, LLC maintaining their pricing for a one-year period through 10/26/2020. The City has been satisfied with the vendor's performance. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Purchase Information

Action: Renewal (1st of 2 possible)
Procurement Type: Cooperative Contract Use
Contract Number: 2017081
Contracting Agency/Contract Number: State of Arizona/ ADSP017-152518
Original Council Award Date: 12/5/2016
Initial Contract Term: through 10/26/2019
Funding Source: Business Services Department - Materials and Supply operating budget through the Warehouse Internal Services Fund