



# City Council Report

**Date:** August 22, 2022  
**To:** City Council  
**Through:** Michael Kennington, Deputy City Manager/Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Kristy Garcia, Procurement Administrator  
**Subject:** Use of a Cooperative Contract for a Three-Month Term Contract with Four Years of Renewal Options and Dollar Limit Increase for 3M Reflectorized Sign Sheeting for the Transportation Department **(Citywide)**

## Recommendation

Council is requested to approve the award as recommended.

The Transportation Department and Purchasing recommend authorizing the purchase using the State of Arizona cooperative contract; and increasing the dollar limit with 3M Company, by \$15,000, from \$25,000 to \$40,000 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

## Background / Discussion

Transportation uses reflectorized sign sheeting to fabricate traffic control signs maintained throughout the City for public safety.

In 2021, management administratively approved using the State of Arizona cooperative contract for reflectorized sign sheeting with 3M Company at \$25,000 annually. Since then, Transportation's annual usage has increased, and the vendor's pricing has increased. The dollar limit increase is required due to these increases.

The State cooperative contract has been competitively bid/awarded and meets the City's procurement requirements. Using this cooperative contract is advantageous for the City and in the best interest of the City.

## Purchase Information

Action: Award

Procurement Type: Cooperative Contract Use

Contract Number: 2023039

Contracting Agency/Contract Number: State Arizona Department of Administration  
/CTR058136

Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Initial Contract Term: Three Months (8/22/2022 to 11/30/2022)

Possible Renewals: Up to a maximum of four years subject to State of Arizona renewal,  
Administrative review, and approval

Funding Source: Transportation Department operating budget

Dollar Limit History

Management Administrative Award – 2021:	\$25,000.00
Dollar Limit Increase Request – 8/22/2022:	<u>\$15,000.00</u>
New Contract Value (through 11/30/2022):	<u>\$40,000.00</u>
Annual Renewal Contract Value (upon approval):	<u>\$40,000.00</u>