



City Council Report

Date: June 7, 2021
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: Dollar Limit Increase to the Term Contract for the Streetlight Monitoring System for the Transportation Department **(Sole Source) (Funded by the Local Streets Fund) (Citywide)**

Recommendation

Council is requested to approve the contract amendment as recommended.

The Transportation Department and Purchasing recommend increasing the dollar limit with the sole source vendor, Arizona Electrical Distributors (a Mesa business) by \$2,082,067.50 for Year 3, from \$81,225 to \$2,163,292.50 annually, with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

Background / Discussion

Philips City Touch is a lighting management system for public lighting. It offers simple web applications to analyze, schedule dimming, plan and maintain workflow management, while monitoring, managing, and measuring connected lighting through the applications. City Touch also provides metering capability which would be beneficial if the City were able to be billed for the actual energy used, as opposed to our existing billing structure. The system can alert the City to pending failures and the general health of the streetlight inventory.

The Philips City Touch system was originally installed for the dimming pilot study during the Streetlight Master Plan because of its ease of use and reliability. The installation of any nodes other than Philips City Touch will require the City to enter into another software agreement and use multiple systems to manage assets.

In the City's efforts to save energy and further our customer service, Transportation Field Operations has expanded the pilot project with the Philips City Touch System to a complete citywide installation.

The City Touch Monitoring System is made exclusively by Philips, and Arizona Electric is the only authorized distributor in Arizona.

Purchase Information

Action: Amendment

Procurement Type: Request for Bids

Contract Number: 2019131

Initial Contract Term: Three years

Possible Renewals: Up to a maximum of two years subject to Administrative review and approval

Funding Source: Transportation Department operating budget through the Local Streets Fund

Dollar Limit History

Original Council Award - 4/15/2019 (Annually)	\$81,225.00
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Year 2 Starting Contract Amount	\$81,225.00
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Dollar Limit Increase approved by Council - 8/24/2020	<u>\$1,700,310.00</u>
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Year 2 Contract Amount	\$1,781,535.00
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Year 3 Starting Contract Amount	\$81,225.00
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Dollar Limit Increase Request – 6/7/2021	<u>\$2,082,067.50</u>
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New Annual Contract Amount (Year 3)	<u>\$2,163,292.50</u>
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Years 4 and 5 One-Year Renewal Contract Amount Unchanged	\$1,781,535.00
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