

June 5, 2017

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Resolution authorizing execution of a one-year, On Call Traffic Marking Maintenance contract, including four, one-year options to renew, in an amount not to exceed a contract total of \$700,000.

FISCAL IMPACT

Adopting the Resolution commits the City to a one year on-call contract not to exceed \$300,000, including four, one-year options to renew. The total contract value for the full five-year term shall not exceed \$700,000. Sufficient funding exists in the Transportation Department Operating Budget to fully fund the one-year \$300,000 contract in 2017. The 2018 budget also includes funding for these services based on historical maintenance needs, if the City chooses to renew the contract for 2018. Funding for future years will be evaluated as part of the normal budget development process.

STAFF CONTACTS

Dave Berg, Department Director, 452-6468

Mark Poch, Assistant Director, 452-6137

Brian Breeden, Operations Manager, 452-4104

Robert Tammen, Senior Engineering Technician, 452-5376

Transportation Department

POLICY CONSIDERATION

Bellevue City Code 4.28.030(1):

- The City has promulgated procurement procedures that support open, fair, and transparent procurement of goods and services in accordance with all applicable laws.

Bellevue City Code 4.28.040(2):

- Council approval is required for contracts greater than \$90,000.

BACKGROUND

The amount of work included in the first year was based on the exceptional level of maintenance needed this year. The amount estimated for future renewals is based on historical city-wide traffic marking maintenance needs of a more typical year. This past winter's weather and resulting snow removal from City streets caused a high level of traffic marking damage. This contract is to aid Transportation in restoring the winter weather damage as well as conduct routine traffic marking maintenance on an annual basis.

In order to simplify and streamline procurement processes, the Finance Department has collaborated with departments to identify a number of service areas for which one competitive process can be conducted and services ordered on an as-needed basis. The goal is to develop a variety of on-call contracts for staff to utilize in order to reduce costs and enhance efficiency through the use of negotiated contracts.

The City's Procurement Services Division is coordinating these efforts and will continue to competitively solicit pricing agreements for other common service areas where appropriate. These on-call contracts do not guarantee that the contractor will receive a specific volume of work, a specific total contract amount, or a specific order value. They are structured as pricing agreements for specific unit pricing, rates, terms and conditions. Council approval is required for these contracts because the annual expenditure for the services in total exceeds the City Manager's (or designee) approval threshold.

Two Contractors submitted quotes for year one of the On-Call Traffic Marking Maintenance Contract as follows:

| | |
|---------------------------|-----------|
| Apply A Line Incorporated | \$315,150 |
| Stripe Rite Incorporated | \$213,915 |

The Engineer's Estimate for year one of the Contract was \$277,500. The low quote for year one of the contract submitted by Stripe Rite Incorporated is 22 percent below that estimate. The quote tabulations have been evaluated by staff and are considered to be fair and competitive.

EFFECTIVE DATE

If approved, this Resolution becomes effective immediately upon Council adoption.

OPTIONS

1. Adopt the Resolution authorizing execution of a one-year, On Call Traffic Marking Maintenance contract, including four, one-year options to renew, in an amount not to exceed a contract total of \$700,000.
2. Do not adopt the Resolution and provide alternative direction to staff.

RECOMMENDATION

Option 1

MOTION

Move to Adopt Resolution No. 9273 authorizing execution of a one-year, On Call Traffic Marking Maintenance contract, including four, one-year options to renew, in an amount not to exceed a contract total of \$700,000.

ATTACHMENTS

Proposed Resolution No. 9273

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

On Call Traffic Marking Maintenance Contract