

COUNCIL WORKSHOP ITEM

ITEM: Traffic Control Sign Posts

DATE: April 5, 2004

PREPARED BY: David H. Barber, P.E., Director of Public Works
Dorin Fera, AICP, Traffic Engineering Manager

PURPOSE: Traffic Control Sign Posts – 2004-05 Contract

BACKGROUND

The Village of Downers Grove's Public Works Department has requested a Call For Bids from six (6) qualified contractors. The bids were originally sent out on March 5, with a Bid Opening held on March 22, 2004.

Of the total six bids requested, staff received one (1) bid from Hall Signs, Inc. Many of the other firms were called to inquire as to their reason(s) for not submitting. The overwhelming reason stated was that due to foreign countries buying the scrap metals in large quantities from the US, the domestic steel prices have soared.

Hall Signs, Inc. has provided quality material services to the Village in the past. Staff recommends that the Council approve their selection as the 2004-05 contractor for Traffic Control Sign Posts.

ATTACHMENTS:

See Attached Memorandum.

RECOMMENDATION:

Place this item on the Workshop Agenda of April 13, 2004 for Council review and approval.

VILLAGE OF DOWNERS GROVE
INTEROFFICE MEMORANDUM

TO: Terri Tarka, Purchasing Assistant

FROM: David Barber, P.E., Director of Public Works
Dorin Fera, AICP, Traffic Engineering Manager

DATE: April 5, 2004

RE: Traffic Control Sign Posts – Hall Signs, Inc.

A Call for Bids was issued on March 5, 2004 for FY 2004-05. The mailing was made to six (6) qualified vendors that have provided service to the Village in the past. The Bid Opening date was on March 22, 2004. At that time, only one (1) vendor had submitted a bid for this contract. That vendor was Hall Signs, Inc.

Prior to the submittal of the Call for Bids, the current 03-04 vendor (Allied Tube & Conduit) had called stating that he could not honor any contract extension. In addition, a warning was issued in the ATSSA Newsletter, which is one industry newsletter covering traffic and safety services. The warning was that steel prices were soaring this year.

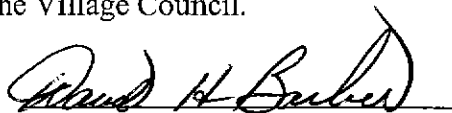
A more detailed explanation was provided by Hall Signs, Inc. They stated that the steel industry pricing is spiraling out of control due to Ukraine and China buying much of the scrap metal, which is the raw material used in the production of steel for all industry posts. For example, the price of steel increased 5 times in February and once in March. The forecast for the remainder of the year is for prices to continue to increase. And there are no price discounts for piggybacking onto a State or County contract. They are all paying the same unit costs.

So, the current bidder is only guaranteeing their prices for 30 days from the March 22, 2004 bid opening date, which would be April 22, 2004. This best bid price is about a 90% increase over our current cost.

This item is budgeted under account number 001.344.0000.5255.

The Traffic Division is in agreement with the attached unit prices and recommends the FY 2004/05 traffic control sign posts contract be awarded to Hall Signs, Inc. and recommends approval by the Village Council.

Approved By:



David H. Barber, P.E.
Director of Public Works



3/18/2004

Village of Downers Grove
Theresa Tarka, Purchasing Assistant
801 Burlington Avenue
Downers Grove, IL 60515

re: firm post pricing

To Whom It May Concern:

Steel costs in the United States are rising due to the amount of scrap metal China, Russia and the Ukraine are buying. U.S. mills are passing on their increasing raw material costs to their customers, therefore we are unable to hold the post prices firm for more than 30 days.

The post prices in this bid are based on the current scrap steel index. Again, due to the volatility of the scrap steel market we are unable to hold these prices for the term stated in the bid. The price of the posts may increase at time of order based on the most current scrap steel index.

I'm sorry for any inconvenience this may cause. If you have any questions feel free to contact me at 800-284-7446 ext. 103.

Thank you,

A handwritten signature in cursive script that reads "Jenni Kalbfleisch".

Jenni Kalbfleisch
Bid Specialist

traffic • custom • materials

Family owned for over 50 years

Hall Signs, Incorporated • www.hallsigns.com
4495 W. Vernal Pike, PO Box 515, Bloomington, Indiana 47404
(812)-332-9355 voice • (800)-284-7446 toll free • (812) 332-9816 fax

III. DETAILED SPECIFICATIONS
PRICE QUOTATION/BID FORM

Traffic Control Sign Posts

The undersigned proposes to furnish at the prices indicated and conforming to the attached Village of Downers Grove specifications the following: **TRAFFIC CONTROL SIGN POSTS**, F.O.B., 5101 Walnut Avenue, Downers Grove, Illinois 60515.

Prices quoted shall be in effect from May 1, 2004, through April 30, 2005.

Materials to be furnished: *Please Note: post prices are only valid for 15 days, see attached letter for more information. delivery will be 60-75 days ARO.*

	<u>Est. Qty.</u>	<u>Unit Price</u>	<u>Extended Cost</u>
Square post 2" W x 10'L-14 Gauge	500	30.94	15,470.00
3' Anchor 2 1/4" - 12 Gauge	500	13.23	6,615.00
Total Cost Extended			22,085.00

*Unless noted all bids are assumed in compliance with specifications stated herein.

**Bid must include Specification Sheet(s) for all items bid.

IV. BID/CONTRACT FORM

*****THIS BID WHEN ACCEPTED AND SIGNED BY AN AUTHORIZED SIGNATORY OF THE VILLAGE OF DOWNERS GROVE SHALL BECOME A CONTRACT BINDING UPON BOTH PARTIES.**

Entire Block Must Be Completed When A Submitted Bid Is To Be Considered For Award

BIDDER:

Hall Signs, Inc.
Company Name

4495 W. Vernal Pike
Street Address of Company

Bloomington, In. 47404
City, State, Zip

812-332-9355
Business Phone

888-329-7446
Fax

Date: March 18, 2004

bids@hallsigns.com
Email Address

Jenni Kalbfleisch
Contact Name (Print)

800-284-7446
24-Hour Telephone

Jenni Kalbfleisch
Signature of Officer, Partner or
Sole Proprietor

Jenni Kalbfleisch Bid Specialist
Print Name & Title

ATTEST: If a Corporation

Patricia D. Hall
Signature of Corporation Secretary

VILLAGE OF DOWNERS GROVE:

Authorized Signature

Title

Date

ATTEST:

Signature of Village Clerk

Date

In compliance with the specifications, the undersigned offers and agrees, if this Bid is accepted within 90 calendar days from the date of opening, to furnish any or all of the services upon which prices are quoted, at the price set opposite each item, delivered at the designated point within the time specified above.

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PRICE QUOTATION/BID FORM

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Prices quoted shall be in effect from May 1, 2004, through April 30, 2005.

Materials to be furnished:

	<u>Est. Qty.</u>	<u>Unit Price</u>	<u>Extended Cost</u>
Square post 2" W x 10'L-14 Gauge	<u>500</u>	<u>No Bso</u>	<u>No Bso</u>
3' Anchor 2 1/4" - 12 Gauge	<u>500</u>	<u>No Bso</u>	<u>No Bso</u>
Total Cost Extended			<u>No Bso</u>

*Unless noted all bids are assumed in compliance with specifications stated herein.

**Bid must include Specification Sheet(s) for all items bid.

IV. BID/CONTRACT FORM

*****THIS BID WHEN ACCEPTED AND SIGNED BY AN AUTHORIZED SIGNATORY OF THE VILLAGE OF DOWNERS GROVE SHALL BECOME A CONTRACT BINDING UPON BOTH PARTIES.**

Entire Block Must Be Completed When A Submitted Bid Is To Be Considered For Award

BIDDER:

DECKER Supply Co. INC.
Company Name

1115 O'NEILL AVE
Street Address of Company

MADISON WI 53704
City, State, Zip

608-249-2405
Business Phone

608-242-5727
Fax

ATTEST: If a Corporation

Signature of Corporation Secretary

Date: 3-18-04

jellreuter@deckersupply.com
Email Address

JEFF REUTER
Contact Name (Print)

24-Hour Telephone

Signature of Officer, Partner or Sole Proprietor

Print Name & Title

VILLAGE OF DOWNERS GROVE:

Authorized Signature

Title

Date

ATTEST:

Signature of Village Clerk

Date

In compliance with the specifications, the undersigned offers and agrees, if this Bid is accepted within 90 calendar days from the date of opening, to furnish any or all of the services upon which prices are quoted, at the price set opposite each item, delivered at the designated point within the time specified above.



170 Tapley Street
Springfield, MA: 01104
413-214-6040

Fax: 413-214-6056
Toll-free: 1-800-927-3977
www.whitcosign.com

"NO BID RESPONSE"

Customer Name Village of Aowners Grove
801 Burlington Avenue
Aowners Grove, IL. 60515
Attn: Theresa H. Jarka

Bid Number #Traffic Control Sign Posts
Bid date March 22, 2004

WHITCO SIGN & MANUFACTURING CORPORATION regrets that we are entering a "NO BID" at this time. Please retain our company on your list for future bids for aluminum blanks and traffic related materials.

Sincerely,

Barbara A. Shugart

Barbara A. Shugart
Bid Manager/Club Sales