



Agenda Cover Memorandum

Meeting Date: April 17, 2017

Meeting Type: Committee of the Whole City Council Budget Workshop

Item Title: Approve a one (1) year extension to the contract for Traffic Signal and Street Light Maintenance, PW-FY17-03, to Meade Inc., in the amount of \$83,382.00

Item Type: Transfer Budget Amendment Purchase Order Increase Other

Action Requested: Approval For Discussion Feedback Requested For Your Information

Staff Contact: Wayne Zingsheim, Director of Public Works Ph:(847) 318-5247
Email: wzingshe@parkridge.us

Background:

In May 2016, the City Council approved a Traffic Signal & Street Light Maintenance contract, PW-FY16-21, with Meade Inc. This contract is for the maintenance of city owned traffic signals, streetlights, parking lot lights, emergency pre-emption devices, pedestrian signals, and costs for extra work. Any extra work that is required is based on time and material with set hourly prices included in the Maintenance Agreement.

The contract term was for one (1) year and allows for up to two (2) one (1) year extensions; the overall term period is not to exceed three (3) years. Annual increases to unit prices, separate billing items and other city charges as necessary, shall not exceed the annual percentage increase in the CPI for the previous twelve month period (April through March), with a maximum increase of three percent (3%).

Staff has received correspondence from Meade regarding a one (1) year contract extension, a copy of which is attached, with a rate increase of 2.2% to the contract unit prices per the CPI. Staff recommends that the City avail itself of this extension.

This item was presented as an Action Item at the Committee of the Whole on April 10, 2017, at which time the Committee approved the motion on a voice vote of 6/0.

Vendor and Transaction History:

Vendor Status: Current New
Is Purchase Order Request supported by existing contract: Yes No If Yes, date:
Is this an Annual Recurring Purchase Order: Yes No
Bid Process Used: N/A Price Quotes Bid RFP
Have Goods been received or Statement of Work completed: N/A Yes No
If Overage, approved by Department: Yes No Details:

Recommendation:

Approve a one (1) year extension to the contract for Traffic Signal and Street Light Maintenance, PW-FY17-03, to Meade Inc., in the amount of \$83,382.00

Budget Implications:

Does Action Require an Expenditure of Funds: Yes No
If Yes, Total Cost: \$83,382.00
If Yes, is this a Budgeted Item: Yes No Requires Budget Amendment
If Budgeted, Budget Code (Fund, Dept, Object) 100 3021 942600 and 100 3022 942600

Attachment(s), if any:

- Correspondence from Meade Inc.



9550 W. 55th Street • Suite A • McCook, IL 60525 • 708-588-2500 • 708-588-2501 Fax

March 31, 2017

City of Park Ridge
Dept. of Public Works
400 Busse Highway
Park Ridge, IL. 60068-1805

Attention: Mark Miller – Superintendent of Public Works

Reference: Traffic Signal & Street Light Maintenance PW-FY-17-03
1st Year Extension (June 1, 2017 – May 31, 2018)

Dear Mr. Miller,

This letter is in reference to your e-mail dated March 29, 2017 regarding the extension of the current traffic signal & street light maintenance contract that Meade, Inc. has with the City of Park Ridge.

Meade will gratefully and willingly accept an extension of the existing PW-FY-17-03 Traffic Signal and Street Light Maintenance contract with the City of Park Ridge for an additional year (June 1, 2017 – May 31, 2018) at a 2.2 % increase to the contract unit prices. This increase reflects the most current Consumer Price Index (CPI) for the previous 12 month period (February 2016 – February 2017) for the Chicago area which I have attached for your reference. This increase request is in line with what is specified on Page 17 under Item 1.30 Annual Price Adjustment of the contract specifications.

Should you have any questions, please feel free to contact me at (708) 588-2542.

We appreciate the opportunity to serve the people of Park Ridge.

Sincerely,
Meade, Inc.

A handwritten signature in black ink that reads "Thomas W. Talbot". The signature is written in a cursive style.

Thomas W. Talbot
Project Manager

cc: job file

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Consumer Price Index, Chicago-Gary-Kenosha — February 2017

Local prices up 2.2 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Chicago-Gary-Kenosha area edged up 0.1 percent in February, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that food prices were unchanged and energy prices decreased 2.4 percent in February. The all items less food and energy index rose 0.4 percent over the month. Among the indexes within the all items less food and energy category, prices were higher for recreation, apparel, and shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the Chicago area all items CPI-U increased 2.2 percent. (See [chart 1](#) and [table A](#).) Energy costs rose 20.5 percent over the year due to increases in the indexes for gasoline and utility (piped) gas service. The all items less food and energy index was 1.5 percent higher over the year. (See [table 1](#).)

News Release Information

17-323-CHT
Wednesday, March 15, 2017

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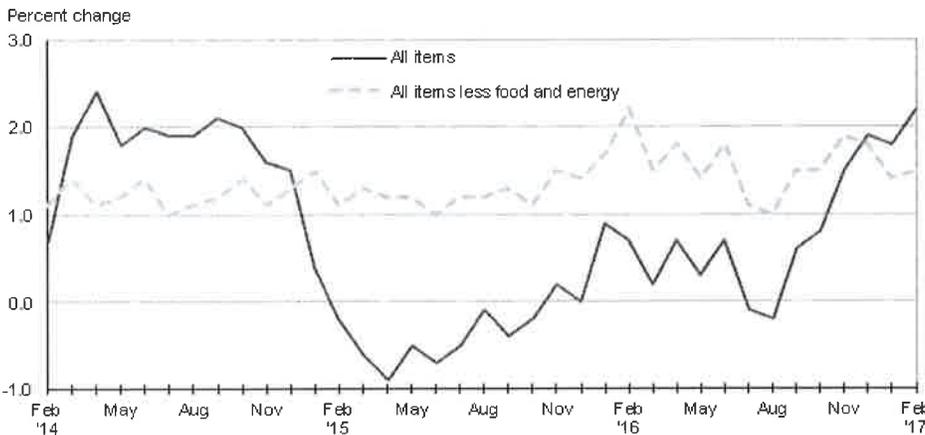
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Related Links

[Historical Table Chicago](#)

Chart 1. Over-the-year percent change in CPI-U, Chicago, February 2014–February 2017



Source: U.S. Bureau of Labor Statistics.

Food

Food prices were unchanged in February after decreasing 0.2 percent in January. The indexes for both food at home (groceries) and food away from home (restaurant, cafeteria, and vending purchases) were unchanged over the month. Within the food at home group, prices were higher in February for other pork including roasts and picnics, potatoes, and breakfast cereal. In contrast, the indexes citrus fruits, other fresh fruits, and eggs were lower.

From February 2016 to February 2017, the food index fell 0.6 percent. Grocery prices declined 2.5 percent, while food away from home prices rose 2.3 percent over the year.

Energy

The energy index decreased 2.4 percent in February primarily due to gasoline prices falling 5.5 percent. Utility (piped) gas service costs increased 1.0 percent over the month and the electricity index was unchanged.

Over the year, the Chicago area energy index rose 20.5 percent. The major contributing factors in the energy index's rise were a 42.6-percent increase in gasoline prices and a 20.7-percent increase in the utility (piped) gas service index. Electricity costs fell 0.7 percent over the year.

All items less food and energy

The index for all items less food and energy increased 0.4 percent in February. Prices were higher for recreation (3.3 percent), apparel (2.2 percent), and shelter (0.1 percent).

Over the year, the index for all items less food and energy increased 1.5 percent. Increases in the indexes for shelter (2.0 percent) and medical care (4.7 percent) were major contributing factors.

Table A. Chicago CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2013		2014		2015		2016		2017	
	1-month	12-month								
January	0.2	1.2	0.9	1.2	-0.2	0.4	0.8	0.9	0.7	1.8
February	1.1	2.3	0.5	0.7	0.0	-0.2	-0.2	0.7	0.1	2.2
March	-0.1	0.9	1.1	1.9	0.7	-0.6	0.1	0.2		
April	0.0	0.9	0.5	2.4	0.1	-0.9	0.6	0.7		
May	0.5	1.5	-0.1	1.8	0.3	-0.5	0.0	0.3		
June	0.1	1.7	0.4	2.0	0.2	-0.7	0.5	0.7		
July	-0.2	1.7	-0.4	1.9	-0.1	-0.5	-0.8	-0.1		
August	0.1	1.1	0.1	1.9	0.4	-0.1	0.2	-0.2		
September	-0.2	0.7	0.0	2.1	-0.3	-0.4	0.6	0.6		
October	-0.3	0.5	-0.4	2.0	-0.1	-0.2	0.1	0.8		
November	-0.3	0.6	-0.8	1.6	-0.4	0.2	0.2	1.5		
December	-0.3	0.5	-0.4	1.5	-0.6	0.0	-0.2	1.9		

The March 2017 Consumer Price Index for Chicago is scheduled to be released on Friday, April 14, 2017.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Chicago-Gary-Kenosha, Ill.-Ind.-Wis.** consolidated area covered in this release is comprised of Cook, DeKalb, DuPage, Grundy, Kane, Kankakee, Kendall, Lake, McHenry, and Will Counties in Illinois; Lake and Porter Counties in Indiana; and Kenosha County in Wisconsin.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Chicago-Gary-Kenosha, IL-IN-WI (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Dec. 2016	Jan. 2017	Feb. 2017	Feb. 2016	Dec. 2016	Jan. 2017
Expenditure category						
All items	230.476	232.155	232.491	2.2	0.9	0.1
All items (1967=100)	688.567	693.581	694.586	-	-	-
Food and beverages	242.856	242.524	242.266	-0.6	-0.2	-0.1

Item and Group	Indexes			Percent change from-		
	Dec. 2016	Jan. 2017	Feb. 2017	Feb. 2016	Dec. 2016	Jan. 2017
Food	242.580	242.117	242.088	-0.6	-0.2	0.0
Food at home	233.374	232.695	232.648	-2.5	-0.3	0.0
Food away from home	250.838	250.726	250.726	2.3	0.0	0.0
Alcoholic beverages	245.213	246.802	243.173	-0.7	-0.8	-1.5
Housing	237.767	240.097	240.382	2.2	1.1	0.1
Shelter	298.542	300.959	301.142	2.0	0.9	0.1
Rent of primary residence ⁽¹⁾	317.296	317.668	318.021	2.3	0.2	0.1
Owners' equiv. rent of residences ⁽¹⁾⁽²⁾	304.582	304.947	304.978	2.1	0.1	0.0
Owners' equiv. rent of primary residence ⁽¹⁾⁽²⁾	304.582	304.947	304.978	2.1	0.1	0.0
Fuels and utilities	197.760	202.833	203.417	7.7	2.9	0.3
Household energy	155.622	160.768	161.380	6.8	3.7	0.4
Energy services ⁽¹⁾	158.554	163.895	164.534	6.9	3.8	0.4
Electricity ⁽¹⁾	150.375	154.025	154.027	-0.7	2.4	0.0
Utility (piped) gas service ⁽¹⁾	157.948	165.549	167.158	20.7	5.8	1.0
Household furnishings and operations	91.290	91.776	92.163	-2.2	1.0	0.4
Apparel	82.776	85.121	86.958	-3.2	5.1	2.2
Transportation	179.811	182.556	180.859	6.7	0.6	-0.9
Private transportation	176.640	179.380	177.223	7.3	0.3	-1.2
Motor fuel	211.678	223.642	211.378	42.5	-0.1	-5.5
Gasoline (all types)	209.568	221.456	209.239	42.6	-0.2	-5.5
Gasoline, unleaded regular ⁽³⁾	200.589	212.045	200.295	44.8	-0.1	-5.5
Gasoline, unleaded midgrade ⁽²⁾⁽⁴⁾	236.527	250.531	236.133	35.4	-0.2	-5.7
Gasoline, unleaded premium ⁽³⁾	236.886	248.844	236.313	31.7	-0.2	-5.0
Medical care	495.526	492.224	492.667	4.7	-0.6	0.1
Recreation ⁽⁵⁾	105.603	107.772	111.345	0.1	5.4	3.3
Education and communication ⁽⁵⁾	145.202	145.522	145.495	1.9	0.2	0.0
Other goods and services	388.371	385.260	384.379	0.5	-1.0	-0.2
Commodity and service group						
All items	230.476	232.155	232.491	2.2	0.9	0.1
Commodities	163.691	165.286	164.788	1.1	0.7	-0.3
Commodities less food & beverages	123.894	126.184	125.614	2.5	1.4	-0.5
Nondurables less food & beverages	163.117	167.297	165.539	7.5	1.5	-1.1
Durables	87.191	87.967	88.288	-3.5	1.3	0.4
Services	293.889	295.630	296.790	2.8	1.0	0.4
Special aggregate indexes						
All items less medical care	219.093	220.993	221.324	2.0	1.0	0.1
All items less shelter	207.529	208.956	209.346	2.3	0.9	0.2
Commodities less food	128.216	130.512	129.859	2.4	1.3	-0.5
Nondurables	203.396	205.431	204.382	2.7	0.5	-0.5
Nondurables less food	168.507	172.564	170.693	6.8	1.3	-1.1
Services less rent of shelter ⁽²⁾	304.185	305.271	307.536	3.6	1.1	0.7
Services less medical care services	278.419	280.617	281.815	2.5	1.2	0.4
Energy	177.059	184.835	180.462	20.5	1.9	-2.4
All items less energy	237.418	238.546	239.321	1.2	0.8	0.3
All items less food and energy	237.317	238.739	239.664	1.5	1.0	0.4
Footnotes						
(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.						
(2) Index is on a December 1982=100 base.						
(3) Special index based on a substantially smaller sample.						
(4) Indexes on a December 1993=100 base.						
(5) Indexes on a December 1997=100 base.						
- Data not available.						
Note: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.						

Last Modified Date: Wednesday, March 15, 2017