



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 4/10/2025

File ID: TMP-5404

Department: Finance

Subject:

Type of Action: Approval/Action

Resolution authorizing the Mayor to enter into an agreement to mutually terminate the Traffic Signal Poles contract with CDK Enterprises, Inc. dba Southern Lighting and Traffic Systems which was awarded pursuant to Resolution No. 23-719.

Resolution No.

Finance Information:

Account Number: N/A

City Cost Amount: \$ N/A

Total Cost: \$ N/A

Special Circumstances:

Grant Funded: \$ N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #: N/A

Location: (list below)

Address: N/A

District: District 1 ☐ District 2 ☐ District 3 ☐ District 4 ☐ District 5 ☐

Additional Comments:

Southern Lighting and Traffic Systems is no longer able to honor the contract pricing and per the terms of the contract the window to negotiate a pricing modification has passed. Details are further detailed in the attached Consent to Mutually Terminate Agreement.

RESOLUTION NO. 25-_____

WHEREAS, on September 14, 2023, pursuant to Resolution No. 23-719 the City of Huntsville, Alabama awarded the Traffic Signal Poles contract to CDK Enterprises, Inc. dba Southern Lighting and Traffic Systems (hereinafter “Southern Lighting”); and

WHEREAS, the Contract is currently in its second term which commenced on September 14, 2024 and is set to expire on September 13, 2025; and

WHEREAS, the City issued purchase order 20253577 on March 3, 2025, to procure one of the contract items, Signal Mast Arm Galvanized Pole 60’ Height-Signal Mast Arm Galvanized Pole Powered Coat 30’ Height, at the current contract price; and

WHEREAS, Southern Lighting notified the Traffic Engineering Department that a substantial price increase had been imposed upon them by their manufacturer thus are unable to honor the current contract price; and

WHEREAS, the contract permits pricing modifications at the time of renewal; and

WHEREAS, Southern Lighting was notified on August 5, 2024, of the City’s intention to renew the Contract for an additional one-year term and given fifteen (15) days to submit a request for a pricing modification; and

WHEREAS, Southern Lighting did not submit a pricing modification within the permitted time and the City is not accepting of Southern Lighting’s March 25, 2025, price modification; and

WHEREAS, the City and Southern Lighting agree that it is in the best interest of all parties to mutually terminate the Contract.

NOW, THEREFORE, BE IT RESOLVED, the by City Council of the City of Huntsville, Alabama that the Mayor be and is hereby authorized to enter into a mutual consent of termination agreement with to CDK Enterprises, Inc. dba Southern Lighting and Traffic Systems, as outlined in the agreement as attached hereto and identified as “Mutual Consent of Termination of Traffic Signal Poles Contract”.

ADOPTED this the 10th day of April, 2025.

President of the City Council of the
City of Huntsville, Alabama

APPROVED this the 10th day of April, 2025.

Mayor of the City of Huntsville, Alabama

CONSENT AGREEMENT TO MUTUALLY TERMINATE TRAFFIC SIGNAL POLES
CONTRACT #732023-75

This Consent Agreement to Mutually Terminate is made and entered into on this the 10th day of April 2025, by and between the **CITY OF HUNTSVILLE, ALABAMA**, a municipal corporation in the State of Alabama, hereinafter referred to as the "City" and **CDK ENTERPRISES INC. dba SOUTHERN LIGHTING AND TRAFFIC SYSTEMES**, hereinafter referred to as "Southern Lighting".

WHEREAS, the City and Southern Lighting pursuant to Resolution No. 23-719 entered contract #73202375 for the provision of Traffic Signal Poles (hereinafter referred to as the "Contract"); and

WHEREAS, the Contract commenced on September 14, 2023, for the first term which expired on September 13, 2024; and

WHEREAS, the Contract is currently in its second term and is set to expire on September 13, 2025; and

WHEREAS, the City issued purchase order 20253577 on March 3, 2025, to procure one of the contract items, Signal Mast Arm Galvanized Pole 60' Height-Signal Mast Arm Galvanized Pole Powered Coat 30' Height, at the current contract price; and

WHEREAS, Southern Lighting notified the Traffic Engineering Department that a substantial price increase had been imposed upon them by their manufacturer thus are unable to honor the current contract price; and

WHEREAS, the contract permits pricing modifications at the time of renewal; and

WHEREAS, Southern Lighting was notified on August 5, 2024, of the City's intention to renew the Contract for an additional one-year term and given fifteen (15) days to submit a request for a pricing modification; and

WHEREAS, Southern Lighting did not submit a pricing modification within the permitted time and the City is not accepting of Southern Lighting's March 25, 2025 price modification; and

WHEREAS, the City and Southern Lighting agree that it is in the best interest of all parties to mutually terminate the Contract; and

WHEREAS, by signing this Agreement, Southern Lighting attest that it has made a request to the City to mutually terminate the Traffic Signal Poles contract and further attests that it waives its rights to a thirty (30) day notice of termination and all other formalities as outlined in the Invitation for Bids issued July 19, 2023 and the Contract awarded pursuant to Resolution No. 23-719; and


WHEREAS, by signing this Agreement, Southern Lighting waives its rights to all payments and product purchases made accessible under the terms and conditions of the Contract.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

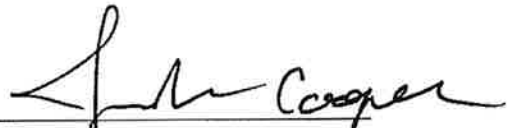
1. The Agreement is terminated effective upon the execution of this Consent Agreement to Mutually Terminate Traffic Signal Poles Contract #73202375 by both parties.
2. The parties mutually agree to waive all notice requirements set forth in the Agreement.
3. This Agreement may be executed in one or more counterparts and each counterpart shall, for all purpose, be deemed an original, but all such counterparts shall together constitute but one and the same instrument.
4. The Parties agree that any form of electronic signature, including but not limited to signatures via facsimile, scanning, or electronic mail, may substitute for the original signature and shall have the same legal effect as the original signature.

IN WITNESS WHEREOF, the parties hereunto entered into this Consent Agreement on the day first written above.

**CDK ENTERPRISES, INC. dba
SOUTHERN LIGHTING AND TRAFFIC SYSTEMS**

By: 
Its: VICE PRESIDENT

ATTEST

By: 
Its: office manager

CITY OF HUNTSVILLE, ALABAMA

By: _____
Tommy Battle
Its: Mayor

ATTEST

By: _____
Shaundrika Edwards
Its: City Clerk