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OFFICE OF THE CITY CLERK  
OAKLAND

2017 NOV 30 PM 2:21 **AGENDA REPORT**

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Katano Kasaine  
Director of Finance

**SUBJECT:** Contract For Vehicle Detection  
Equipment

**DATE:** November 6, 2017

City Administrator Approval

Date:

11/30/17

### RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Awarding A Contract In The Open Market To Iteris, Incorporated For The Purchase Of Vehicle Detection Equipment In An Annual Amount Of Two Hundred Fifty Thousand Dollars (\$250,000.00) Per Year For A Three (3) Year Term, January 1, 2018 To December 31, 2020 And The Option To Extend The Agreement Annually For An Additional Two (2) Years For A Total Not-To-Exceed Contract Amount Of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) For A Total Term Of Five (5) Years.

### EXECUTIVE SUMMARY

Adoption of the proposed resolution will award a contract in the open market to Iteris, Incorporated in an amount of \$250,000.00 per year for a three (3) year term, January 1, 2018 to December 31, 2020 and the option to extend the agreement annually for an additional two (2) years for a total not-to-exceed contract amount of \$1,250,000.00 for a total term of five (5). This contract with Iteris, Incorporated will provide vehicle detection equipment for street and traffic signal projects and replacement of damaged or deteriorated components that are required to successfully operate the signalized traffic signal network throughout the City. This contract will also aid the City's efforts to standardize the vehicle detection equipment by allowing the City to stock only parts that are compatible with existing equipment.

### BACKGROUND / LEGISLATIVE HISTORY

The City of Oakland's Department of Transportation (DOT), Street Lighting and Traffic Signal Maintenance Division maintains stock for emergency repairs as well as orders additional material as needed for projects. This contract is needed as the current contract is set to expire December 31, 2017 and this new contract will ensure that the City retains the ability to continuously acquire vehicle detection equipment without interruption for the coming years that require replacement, repair or upgrade.

Item: \_\_\_\_\_  
Finance and Management Committee  
December 5, 2017

In the last 15 years, the City has installed over 180 vehicle detection equipment systems manufactured by Iteris, Incorporated at signalized intersections. The vehicle detection equipment provides more accurate detection than in-pavement loop detectors and helps distinguish between vehicles and cyclists per lane. The City has phased out the use of in-pavement loop detectors unless otherwise required by Cal-Trans. In-ground loop detectors are vulnerable to damage that can be caused by:

- Simple movement of the road surface as it ages;
- Resurfacing of the roadway;
- Failure of joints between the road loop;
- Failure of its feed from the detector card; and
- Excavation of road surface to axis various utility systems and devices.

Once damaged there is little chance of being able to repair the in-ground loop detector except to replace it. Given its location in the road surface inevitably results in significant costs and disruption to traffic. Due to this potential traffic disruption, it is often difficult in practice to repair in-ground loop detectors in a timely manner.

There is also an additional need for more robust data at signalized intersections which not only include vehicle detection, but bicyclist detection. When a bicyclist is detected, the vehicle detection equipment sends a signal which in turn allows extra time for bicyclists to safely cross intersections.

### **ANALYSIS AND POLICY ALTERNATIVES**

On June 9, 2017 the City conducted advertising and competitive bidding via Specification No. 17-285-00 Request for Quotation (RFQ) 43389 to provide vehicle detection equipment was sent to six (6) local business enterprises and eighteen (18) non-local business enterprises, posted on the City's web page, and advertised in the City's official newspaper in accordance with Oakland Municipal Code (OMC) 2.04.050. The City received no bids. OMC section 2.04.050 J authorizes the City Administrator to proceed to purchase the Vehicle Detection Equipment in the open market when no valid bids are received after advertising and competitive bidding.

The Purchasing Section conducted a market survey of vehicle detection equipment by phone interview of potential suppliers and internet research. The research revealed the items being requested could only be obtained from Iteris, Incorporated. During the survey, Iteris, Incorporated also submitted a letter to the City's Purchasing Section indicating that they could provide the nonintrusive vehicle detection equipment needed by the City.

On June 28, 2017, the City Administrator solicited and received one (1) bid from Iteris, Incorporated in the open market. As the proposed contract exceeds the City Administrator's limits for the purchase of supplies, services or combination thereof, of \$250,000 under OMC

section 2.04.030 A 1 a., and therefore requires Council approval of the award of the purchase contract to Iteris ;

Staff recommends that pursuant to the referenced OMC provisions and as discussed above, that the City Council award a contract in the open market to Iteris, Incorporated, a non-local business enterprise to provide vehicle detection equipment in an amount of \$250,000.00 per year for a three (3) year term, January 1, 2018 to December 31, 2020 and the option to extend the agreement annually for an additional two (2) years for a total not-to-exceed contract amount of \$1,250,000.00 for a total term of five (5) years.

**FISCAL IMPACT**

The majority of the proposed contract expenditure allocations shall be expensed to the various Transportation Funds, Organization: Street Lighting Maintenance (35233), DOT Project 1003469, Expenditure Type: Supplies: Electrical and Plumbing (52511), Task: Traffic Signal Management and Maintenance, and funding for FY 19-20 will be included in the baseline budget, contingent upon the availability of funding.

Purchases from this contract will be encumbered by the DOT as needed from various City Programs and Projects. The adoption of a contract allows significant cost savings for the City when purchasing equipment for projects versus the costs associated with contractor mark up for the equipment.

**Proposed Contract Purchase Agreement  
For Vehicle Detection Equipment**

<b>Project Year</b>	<b>Cumulative Contract Amount</b>
2018	\$250,000.00
2019	\$250,000.00
2020	\$250,000.00
2021*	\$250,000.00
2022*	\$250,000.00
<b>Grand Total:</b>	<b>\$1,250,000.00</b>

\*Optional Extension

**PUBLIC OUTREACH / INTEREST**

This requirement was posted on the City's website and advertised in the City's official newspaper. No additional public outreach was required.

**COORDINATION**

Purchasing Section consulted with the DOT, the Controller's Bureau, and City Attorney's office in preparation of this report.

**SUSTAINABLE OPPORTUNITIES**

***Economic:*** The award of this contract will yield approximately \$300.00 in annual business tax revenues to the City of Oakland.

***Environmental:*** There is no environmental impact concerns associated with this report.

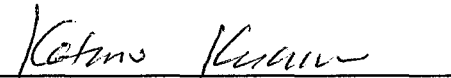
***Social Equity:*** No social equity opportunities have been identified.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that the City Council adopt a resolution awarding a contract in the open market to Iteris, Incorporated, a non-local business enterprise for the purchase of vehicle detection equipment in an annual amount of \$250,000.00 per year for a three (3) year term, January 1, 2018 to December 31, 2020 and the option to extend the agreement annually for an additional two (2) years for a total not-to-exceed contract amount of \$1,250,000.00 for a total term of five (5) years.

For questions regarding this report, please contact Fred Haliburton, Purchasing Supervisor, at 510-238-6464.

Respectfully submitted,

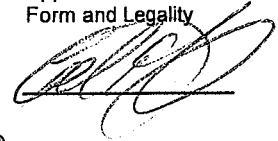


Katano Kasaine,  
Finance Director  
Finance Department

Reviewed by:  
Kirsten LaCasse, Controller,  
Finance Department

Fred Haliburton, Purchasing Supervisor  
Purchasing Section

Prepared by:  
Walter Silva, Buyer  
Purchasing Section



2017 NOV 30 PM 12:21 RESOLUTION No. \_\_\_\_\_ C.M.S.

Introduced by Councilmember \_\_\_\_\_

RESOLUTION AWARDING A CONTRACT IN THE OPEN MARKET TO ITERIS, INCORPORATED FOR THE PURCHASE OF VEHICLE DETECTION EQUIPMENT IN AN ANNUAL AMOUNT OF TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000.00) PER YEAR FOR A THREE (3) YEAR TERM, JANUARY 1, 2018 TO DECEMBER 31, 2020 AND THE OPTION TO EXTEND THE AGREEMENT ANNUALLY FOR AN ADDITIONAL TWO (2) YEARS FOR A TOTAL NOT-TO-EXCEED CONTRACT AMOUNT OF ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$1,250,000.00)

WHEREAS, on June 9, 2017 in accordance with Oakland Municipal Code (OMC) 2.04.050 the City advertised and conducted competitive bidding via Specification No. 17-285-00/ Request For Quotation 43389 for the purchase of Vehicle Detection Equipment; and

WHEREAS, on June 28, 2017 the City Clerk received no bids in response to Specification No. 17-285-00/ RFQ 43389; and

WHEREAS, OMC section 2.04.050 J authorizes the City Administrator to proceed to purchase the Vehicle Detection Equipment in the open market when no valid bids are received after advertising and competitive bidding; and

WHEREAS, on July 7, 2017 in accordance with OMC section 2.04.050 J. the City Administrator solicited and received one (1) bid proposal from Iteris, Incorporated ("Iteris") via the open market; and

WHEREAS, this contract will allow the purchase of new equipment, and to replace the existing and nonfunctioning Vehicle Detection Equipment units while maintaining use of the current equipment; and

WHEREAS, there are no local suppliers or contractors who could provide the same vehicle detection equipment systems at competitive rates; and

WHEREAS, the proposed contract exceeds the City Administrator's limits for the purchase of supplies, services or combination thereof, of \$250,000 under OMC section 2.04.030 A 1 a., and therefore requires Council approval of the award of the purchase contract to Iteris; and

**RESOLVED**, pursuant to OMC section 2.04.030 A 1 a., the City Administrator is hereby authorized to enter into a contract in the open market to Iteris, Incorporated for the purchase of Vehicle Detection Equipment, in an amount of two hundred fifty thousand dollars (\$250,000.00) per year for a three (3) year term, January 1, 2018 to December 31, 2020; and be it

**FURTHER RESOLVED**, the City Administrator also authorized to enter two (2) additional one (1) year agreement extensions for an amount of two hundred fifty thousand dollars (\$250,000.00) per year for a total not-to-exceed contract amount of one million two hundred fifty thousand dollars (\$1,250,000.00) for a potential term of five (5) years; and

**FURTHER RESOLVED**, that the contract shall be approved for form and legality by the City Attorney and copies shall be on file in the City Clerk's Office.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLEN, KALB, KAPLAN,  
AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California