

# CITY OF OAKLAND

## AGENDA REPORT

2011 DEC -1 PM 4: 06

TO: Office of the City Administrator  
ATTN: Deanna J. Santana  
FROM: Public Works Agency  
DATE: December 13, 2011

RE: **Resolution: 1) Rejecting All Bids; 2) Waiving Further Advertising and Bidding; and 3) Authorizing the City Administrator, or Her Designee, to Negotiate and Purchase the Necessary Construction Services and Material on the Open Market, in Accordance with the Plans and Specifications, for the Traffic Signal Installations and Modifications Project (City Project No. C313710), in an Amount Not to Exceed Eight-Hundred and Fifty-Five Thousand Dollars (\$855,000.00)**

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### SUMMARY

A resolution has been prepared 1) rejecting all bids for the Traffic Signal Installations and Modifications Project (City Project No. C313710); 2) waiving further advertising and bidding; and 3) authorizing the City Administrator, or her designee, to negotiate and purchase the necessary construction services and material on the open market, in accordance with the plans and specifications, in an amount not to exceed eight-hundred and fifty-five thousand dollars (\$855,000.00).

In January 2011, four bids were received ranging from \$793,828.00 to \$1,115,977.00. All bids substantially exceeded the Engineer's Estimate of \$700,360.00 and the low bid was deemed to be non-responsive. The project was readvertised in May 2011, and one bid was received from W. Bradley Electric for \$1,116,177.00, again exceeding the Engineer's Estimate. Further, the bid was deemed to be non-responsive.

After the second bid opening, preliminary inquiries on the open market indicated that the project could be constructed for under \$855,000.00. Additional funding from the ongoing Hazard Elimination traffic safety program has been allocated to supplement and fully fund the new construction cost estimate. Staff proposes to negotiate on the open market to reduce costs.

The Resolution authorizes the City Administrator, or her designee, to negotiate and purchase the necessary construction services and material on the open market within the project budget and to negotiate compliance with the City's local business and employment program requirements. Negotiation will take place with the previous bidders, starting with the lowest bidder.

Item: \_\_\_\_\_  
Public Works Committee  
December 13, 2011

The construction contract will install new traffic signals at three intersections and modify the existing traffic signal at three other intersections (see map, *Attachment A*). Staff recommends approval of the resolution.

### FISCAL IMPACT

The total available construction budget is \$855,000.00. Sufficient funds for the contract work, including contingency, are available from the following sources:

- \$373,000.00: Traffic Signal (C313710); Measure B Fund (2211); Capital Improvement Projects, Transportation Services Division, Organization (92246); Signal and Safety Account (57412) and Contract Contingency Account (54011)
- \$200,000.00: Traffic Signal Pedestrian Program (C318210); Measure B Fund (2212); Capital Improvement Projects, Transportation Services Division, Organization (92246); Signal and Safety Account (57412) and Contract Contingency Account (54011)
- \$200,000.00: Hazard Elimination Program (C316210); Measure B Fund (2211); Capital Improvement Projects, Transportation Services Division, Organization (92246); Signal and Safety Account (57412) and Contract Contingency Account (54011)
- \$150,000.00: Hazard Elimination Program (C371010); Measure B Fund (2211); Capital Improvement Projects, Transportation Services Division, Organization (92246); Signal and Safety Account (57412) and Contract Contingency Account (54011)

### BACKGROUND

Three intersections were funded in the 2007-2009 Capital Improvement Program for signalization. New traffic signals facilitate safe and efficient movements for all modes of transportation including vehicles, bicycles and pedestrians. Additionally, three existing signalized locations were identified for safety and operational improvement as a part of the City's ongoing Hazard Elimination Program.

The project was advertised for construction bids on December 13, 2010. On January 13, 2011, four bids were received from contractors including Bay Area Lightworks (San Francisco), Ray's Electric (Oakland), Phoenix Electric (San Francisco), and W. Bradley Electric (Novato). The summary of the bids is shown below. All bids substantially exceeded the Engineer's Estimate of \$700,360.00. The Social Equity Division of the Department of Contracting and Purchasing verified that Ray's Electric and Phoenix Electric met the Local/Small Local Business Enterprise (L/SLBE) requirements, were deemed responsive, and were Equal Benefit Ordinance (EBO)

compliant. Bay Area Lightworks and W. Bradley Electric did not meet the L/SLBE requirements, were deemed non-responsive, and were not EBO compliant.

In an effort to obtain more favorable bids, the project was advertised again on May 27, 2011. One bid was received from W. Bradley Electric for \$1,116,177.00 which substantially exceeded the Engineer's Estimate. The Social Equity Division of the Department of Contracting and Purchasing verified that W. Bradley Electric did not meet the L/SLBE requirements and thus was deemed non-responsive. See *Attachment B*.

#### Bids received January 13, 2011

Contractor	Bid Amount
Bay Area Lightworks	\$ 793,828.00
Ray's Electric	\$ 890,755.00
Phoenix Electric	\$ 904,136.00
W. Bradley Electric	\$ 1,115,977.00
Engineer's Estimate	\$ 700,260.00

#### Bid received June 30, 2011

Contractor	Bid Amount
W. Bradley Electric	\$ 1,116,177.00
Engineer's Estimate	\$ 690,360.00

### PROJECT DESCRIPTION

The work consists of the installation of new traffic signals at three intersections:

- Fruitvale Avenue/School Street
- Foothill Boulevard/34<sup>th</sup> Avenue
- High Street/Porter Street

The project also includes modifying the existing traffic signals at three other intersections to provide new left turn arrows, mast arms and pedestrian push buttons to mitigate left turn related collisions and to improve vehicular and pedestrian safety:

- Foothill Boulevard/Coolidge Avenue
- San Leandro Street/Seminary Avenue
- Webster Street/12<sup>th</sup> Street

The new traffic signals will include accessible and audible pedestrian signals, video detection, global positioning system (GPS) clocks to maintain signal coordination, internally illuminated street name signs, curb ramps in compliance with the Americans with Disability Act, and crosswalks pavement resurfacing. The new and modified traffic signals will improve access and safety for all users of the public street.

### KEY ISSUES AND IMPACTS

The bids previously received exceeded the project budget and the Engineer's Estimate. Staff recommends that the Council reject all bids and authorize the City Administrator, or her designee, to negotiate and purchase the necessary construction services and materials in an amount not to exceed \$855,000.00. Negotiations may include value engineering and possible use of alternate products. Staff will begin negotiations with the lowest previous bidder to obtain a price within available budget and in compliance with the City's LBE/SLBE requirements. If price or compliance cannot be negotiated successfully, staff will move to the next lowest bidder.

The City's Municipal Code, Title 2 Chapter 2.04.050 I (5) allows an exception to the competitive bidding process when it has been determined that it is in the best interests of the City. Further, Oakland Municipal Code, Title 2 Chapter 2.04.050 J authorizes the City Administrator to award a contract on the open market when no valid bids are submitted in response to a properly advertised bid solicitation. The bids submitted in response to the City's properly advertised bid solicitation were unacceptable and rebidding a third time may not yield a better outcome. For these reasons, it is in the City's best interests to proceed with a negotiated contract and award on the open market.

Upon approval of the resolution, negotiation and execution of a contract, the desired construction can begin in early 2012 and the construction should be completed by Summer 2012, weather permitting.

### ALTERNATIVE RECOMMENDATION

The project could be re-bid. Because of this project's bid history and the delay associated with re-bidding, this is not recommended.

### SUSTAINABLE OPPORTUNITIES

**Economic:** The improvements will have a positive impact on the local economy by improving vehicular and pedestrian safety, thus minimizing the potential costs associated with injuries and property damage. The work will be done by a construction firm in compliance with LBE/SLBE requirements, resulting in commensurate local benefits.

**Environmental:** The improvements to pedestrian facilities, consisting of pedestrian push button, countdown pedestrian signals and audible signals, will make walking a safer and more attractive mode of transportation, encourage less automobile use and reduce vehicle emissions. Consequently, the project will promote a healthier and safer environment.

**Social Equity:** The project will benefit the neighborhoods and the communities by improving mobility and safety.

### **DISABILITY AND SENIOR CITIZEN ACCESS**

The project includes accessibility improvements such as tactile pedestrian pushbuttons with audible units and curb ramps with detectable warning domes, which will assist senior citizens and persons with disabilities as well as the population at large.

### **RECOMMENDATION AND RATIONALE**


Staff recommends that the City Council approve the resolution 1) rejecting all bids 2) waiving further advertising and bidding; and 3) authorizing the City Administrator, or her designee, to negotiate with and purchase the necessary construction services and materials on the open market in accordance with the plans and specifications, for the Traffic Signal Installations and Modifications Project (City Project No. C313710), in an amount not to exceed eight-hundred fifty-five thousand dollars (\$855,000.00).

Negotiating a contract rather than re-bidding the project for a third time will save the City substantial time to readvertise and rebid the project. Sufficient funds are available to execute a construction contract up to \$855,000.00. The prospective contractor will be required to meet all the City local business and employment program requirements.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that the City Council approve the resolution.

Respectfully submitted,


  
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Vitaly B. Troyan, P.E., Director  
Public Works Agency

Reviewed by:  
Michael Neary, P.E., Assistant Director  
Department of Engineering and Construction

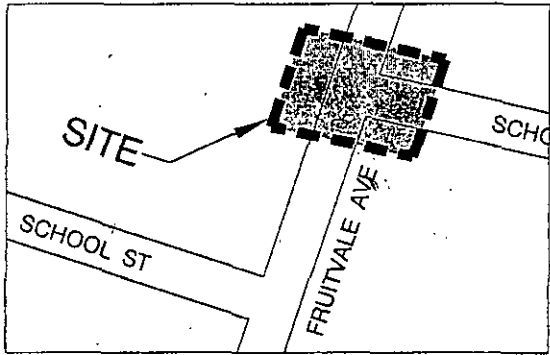
Wladimir Wlassowsky, P.E.  
Transportation Services Manager

Prepared by:  
Ade Oluwasogo, P.E.  
Supervising Transportation Engineer

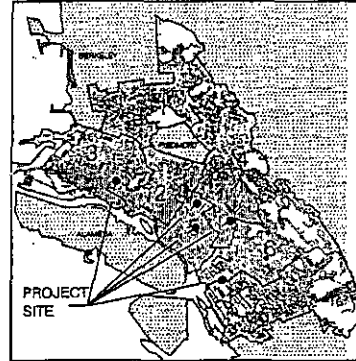
APPROVED AND FORWARDED TO  
THE PUBLIC WORKS COMMITTEE:

  
\_\_\_\_\_  
Office of the City Administrator

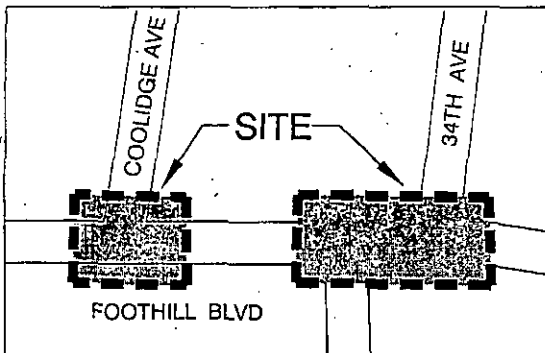
# ATTACHMENT A LOCATION MAP



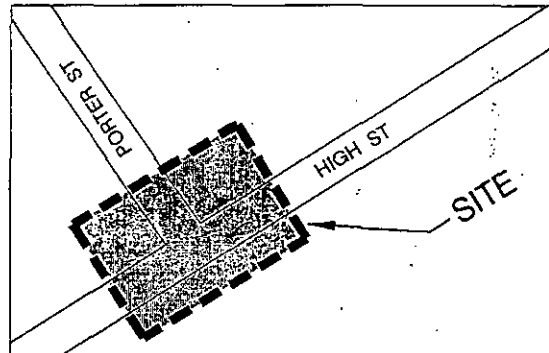
FRUITVALE AVE /SCHOOL ST



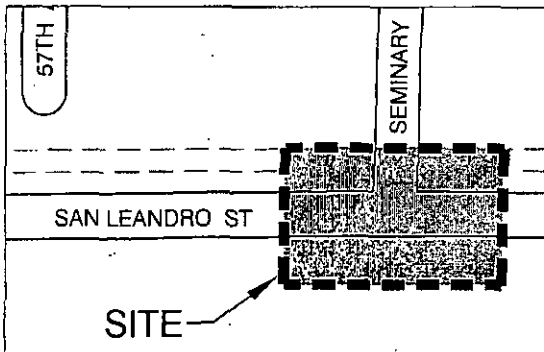
CITY OF OAKLAND  
COUNCIL DISTRICT MAP



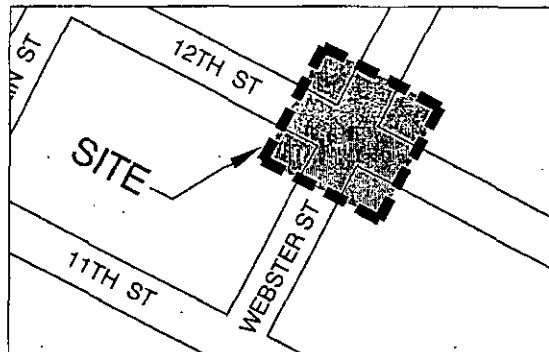
FOOTHILL BLVD/34TH AVE & COOLIDGE AVE



HIGH ST/PORTER ST



SAN LEANDRO ST/SEMINARY AVE



WEBSTER ST/12TH ST

# ATTACHMENT B

## Traffic Signal Installation & Modifications Project No. C313710, C318210, C316210

### Bid received 01-13-2011

Contractor	Bid Amount
Bay Area Lightworks	\$ 793,828.00
Ray's Electric	\$ 890,755.00
Phoenix Electric	\$ 904,136.00
W. Bradley Electric	\$ 1,115,977.00
Engineer's Estimate	\$ 700,260.00

### Re-Bid received 06-30-2011

Contractor	Bid Amount
W. Bradley Electric	\$ 1,116,177.00
Engineer's Estimate	\$ 690,360.00



2011 DEC -1 PM 4:06

# OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

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

**RESOLUTION: 1) REJECTING ALL BIDS; 2) WAIVING FURTHER ADVERTISING AND BIDDING; AND 3) AUTHORIZING THE CITY ADMINISTRATOR, OR HER DESIGNEE, TO NEGOTIATE AND PURCHASE THE NECESSARY CONSTRUCTION SERVICES AND MATERIAL ON THE OPEN MARKET, IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS, FOR THE TRAFFIC SIGNAL INSTALLATIONS AND MODIFICATIONS PROJECT (CITY PROJECT NO. C313710), IN AN AMOUNT NOT TO EXCEED EIGHT-HUNDRED AND FIFTY-FIVE THOUSAND DOLLARS (\$855,000.00)**

**WHEREAS**, on January 13, 2011 and June 30, 2011, a total of five bids were received by the Office of the City Clerk of the City of Oakland for the construction contract for Traffic Signal Installation and Modifications Project (City Project No. C313710); and

**WHEREAS**, all five bids were either substantially over the project budget and/or were deemed non-responsive, and should therefore be rejected; and

**WHEREAS**, funding of \$855,000 for the construction contract and an additional \$68,000 for contingencies is available from four funding sources, as follows:

- \$373,000.00: Traffic Signal (C313710); Measure B Fund (2211); Capital Improvement Projects, Transportation Services Division, Organization (92246); Signal and Safety Account (57412) and Contract Contingency Account (54011);
- \$200,000.00: Traffic Signal Pedestrian Program (C318210); Measure B Fund (2212); Capital Improvement Projects, Transportation Services Division, Organization (92246); Signal and Safety Account (57412) and Contract Contingency Account (54011);
- \$200,000.00: Hazard Elimination Program (C316210); Measure B Fund (2211); Capital Improvement Projects, Transportation Services Division, Organization (92246); Signal and Safety Account (57412) and Contract Contingency Account (54011);
- \$150,000.00: Hazard Elimination Program (C371010); Measure B Fund (2211); Capital Improvement Projects, Transportation Services Division, Organization (92246); Signal and Safety Account (57412) and Contract Contingency Account (54011); and

**WHEREAS**, the City Administrator recommends that it is in the City's best interests for the Council to waive further advertising and bidding processes for award of this contract because the bid process did not render any bids within the available budget and further bidding is likely to yield the same or similar results; and

**WHEREAS**, the City Council finds that the City lacks the equipment and qualified personnel to perform the necessary work and that the performance of this contract is in the public interest because of economy or better performance; and

**WHEREAS**, the City Administrator has determined that this contract is of a temporary and technical nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive services; now, therefore, be it

**RESOLVED:** That the Council hereby rejects all bids as they are either in excess of the project budget or non-responsive; and be it

**FURTHER RESOLVED:** That pursuant to Oakland Municipal Code Title 2, Chapter 2.04.050.J and for the reasons stated above, the Council finds and determines that it is in the best interests of the City to waive further advertising and bidding requirements and hereby does so; and be it

**FURTHER RESOLVED:** That the City Administrator, or the City Administrator's designee, is authorized to negotiate and purchase the necessary construction services and materials in accord with plans and specifications for the construction of the Traffic Signal Installations and Modifications Project (City Project No. C313710) on the open market in an amount not to exceed eight hundred and fifty-five thousand dollars (\$855,000.00); and be it

**FURTHER RESOLVED:** That the negotiated contract will require the contractor to meet the City's local business and employment program requirements; and be it

**FURTHER RESOLVED:** That the contractor shall provide a faithful performance bond and payment bond to guarantee payment of all claims for labor and materials furnished and for the amount due under the Unemployment Insurance Act, for one hundred percent (100%) of the contract amount prior to execution of the contract; and be it

**FURTHER RESOLVED:** That the City Council hereby approves the plans and specifications for the Traffic Signal Installations and Modifications Project (City Project Nos. C313710); and be it

**FURTHER RESOLVED:** That the City Administrator, or her designee, is hereby authorized to execute any contract, amendments or modifications to said contract within the limitations of the project specifications; and be it

**FURTHER RESOLVED:** That the contract shall be reviewed and approved by the City Attorney for form and legality and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 20\_\_

PASSED THE FOLLOWING VOTE:

AYES – BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF AND  
PRESIDENT REID

NOES –

ABSENT –

ABSTENTION –

ATTEST: \_\_\_\_\_  
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California