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OAKLAND

2017 NOV 21 PM 5:12

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:

11/21/17

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To Waive The Competitive Bidding Process And Award A Contract To Iteris, Incorporated A Non-Local Business Enterprise And Sole Source Provider 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 Without Returning To City Council.

EXECUTIVE SUMMARY

Adoption of the proposed resolution will authorize the City Administrator to waive the competitive bidding process and award a sole source contract 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) years without returning to City Council. 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

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Finance and Management Committee
December 5, 2017

continuously acquire vehicle detection equipment without interruption for the coming years that require replacement, repair or upgrade.

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 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. On June 28, 2017, the City received one (1) bid from Iteris, Incorporated in the open market.

The Purchasing Section subsequently 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 are the sole source provider of nonintrusive vehicle detection equipment.

In accordance with Oakland Municipal Code (OMC) Title 2, Chapter 2, Article 1, Section 2.04.050.A When Advertising Required. Where the cost of services, supplies or combination required by the City exceeds fifty thousand dollars (\$50,000.00), the City Clerk shall call for formal bids by advertising as defined in Section 2.04.010, above, and at least once in the official

newspaper of the City not less than ten (10) calendar days before the date for receiving bids. The City Administrator may deem it advisable to require more than one advertising of the call for bids and;

In accordance with Oakland Municipal Code (OMC) Title 2, Chapter 2, Article I, Section 2.04.050.1.5 permits the Council to waive advertising and;

In accordance with Oakland Municipal Code (OMC) Title 2, Chapter 2, Article I, Section 2.04.050.1.2 When calling for bids on a competitive basis is impracticable, unavailing or impossible and;

In accordance with Oakland Municipal Code (OMC) Title 2, Chapter 2, Article I, Section 2.04.050.1.5 In other cases when specifically authorized by the City Council after a finding and determination that it is in the best interests of the City.

Staff recommends that based upon the Oakland Municipal Code as stipulated and set forth above, that the City Council finds and determines that it is in the best interests of the City to waive the advertising and competitive bidding requirements and award a sole source contract 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 without returning to City Council.

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**

| Project Year | Cumulative Contract Amount |
|---------------------|-----------------------------------|
| 2018 | \$250,000.00 |
| 2019 | \$250,000.00 |
| 2020 | \$250,000.00 |
| 2021* | \$250,000.00 |
| 2022* | \$250,000.00 |
| Grand Total: | \$1,250,000.00 |

*Optional Extensions

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 authorizing the City Administrator to waive the competitive bidding process and award a contract to Iteris, Incorporated, a non-local business enterprise and sole source provider of 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 without returning to City Council.

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

DRAFT

City Attorney

FILED
OFFICE OF THE CITY CLERK
OAKLAND**OAKLAND CITY COUNCIL**2017 NOV 21 PM 5:12
RESOLUTION No. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION AUTHORIZING THE CITY COUNCIL ADOPT A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO WAIVE THE COMPETITIVE BIDDING PROCESS AND AWARD A CONTRACT TO ITERIS, INCORPORATED A NON-LOCAL BUSINESS ENTERPRISE AND SOLE SOURCE PROVIDER 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 WITHOUT RETURNING TO CITY COUNCIL

WHEREAS, on June 9, 2017 in accordance with Oakland Municipal Code (OMC) 2.04.050 the City issued and advertised Specification No. 17-285-00/ RFQ 43389 to provide 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, on July 7, 2017 in accordance with Oakland Municipal Code (OMC) 2.04.050 J. the Purchasing Section received one (1) bid via 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

RESOLVED, that pursuant to the Oakland Municipal Code (OMC) 2.04.050.I.2 and 2.04.050.I.5 and for reasons stated above, the City Council determines that it is in the best interest of the City to waive advertising and the competitive bid process for the purchase of Vehicle Detection Equipment; and

FURTHER RESOLVED, the City Administrator is hereby authorized to award a sole source contract to Iteris, incorporated 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 term of five (5) years without returning to council; 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