

# Agenda Report

February 22, 2016

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Public Works  
**SUBJECT: REJECTION OF SINGLE BID RECEIVED FOR INTELLIGENT TRANSPORTATION SYSTEM (ITS) PHASE I PROJECT**

## **RECOMMENDATION:**

It is recommended that the City Council reject the bid received on December 16, 2015, in response to the Project Specifications for the Intelligent Transportation System (ITS) Phase I Project.

## **BACKGROUND:**

This project is part of the larger Intelligent Transportation System (ITS) project, which is included in the adopted Capital Improvement Program. The project involves the following improvements:

- A. Connect existing intersections on San Gabriel Boulevard at Walnut Street and at Foothill Boulevard to the City's fiber network;
- B. Upgrade 47 existing intersections with video detection software and equipment;
- C. Upgrade the Traffic Management Center (TMC) with new equipment, consoles and work stations; and
- D. Provide information to the public with real-time availability of parking spaces at various public parking garages.

This work includes the installation of conduit and fiber optic communication lines; installation of video detection software and equipment at various intersections; installation of a new video board, consoles and work stations in the TMC; and installation of sensors, vehicle counters, and changeable message signs at entry points to various public parking garages.

This project was originally advertised on January 14, 2013, with a bid opening of February 13, 2013. The City Council rejected all bids on March 18, 2013 because the one bid received was significantly higher than the engineer's estimate. The Department of Public Works and the Department of Transportation then developed a modified scope

of work reducing the number of parking garages to be included from nine to six. The project was re-advertised on October 3, 2013, with a bid opening of November 5, 2013. Three bids were received and the lowest bid was rejected on May 12, 2014 because it was significantly higher than the engineer's estimate.

The Department of Transportation and the Department of Public Works prepared to re-advertise the project a third time. To better address the issues from the second rejection, staff met with consultants to redesign the parking structure technology by adding more details to the Parking Guidance System component, revised the technology requirements in the specifications by not limiting to one vendor technology to allow a wider range of vendors to participate, and instituted a mandatory job walk for all potential bidders at each of the proposed parking structures.

The Department of Public Works prepared the plans and specifications for this project. In accordance with Section 4.08.070 of the Pasadena Municipal Code, bids were requested and received. The project was advertised in the *Pasadena Journal* on October 29, 2015. In addition, a Notice Inviting Bids was published in five trade publications and listed on the City's website, which generated notices to 82 local vendors. Fifteen contractors obtained bid packets, one of whom submitted a bid for the project as follows:

Bidder	Amount (\$)
1. Highlight Electric Inc., Riverside, CA	\$ 2,298,950

The bid received is 54 percent higher than the engineer's estimate of \$1,492,119.

Even with the modified scope of work, the bid prices continue to be significantly higher than the engineer's estimate. The multi-disciplinary and complex nature of this project, from procurement and installation of high tech transportation equipment to indoor modification and renovation of the Transportation Management Center, are the key factors causing the high bids.

A single bid for the project does not ensure a comprehensive evaluation of the cost for this project. As a result, staff is recommending that the City Council reject this single bid.

The Department of Public Works and the Department of Transportation staff will seek opportunities in current and future Capital Improvement Program projects to include the various components of this project.

**COUNCIL POLICY CONSIDERATION:**

The project supports the City Council's strategic goals to improve, maintain and enhance public facilities and infrastructure and to improve mobility and accessibility throughout the City of Pasadena. It is also consistent with the Seismic and Safety Element of the General Plan by helping to achieve and maintain an environment in which Pasadena residents can enjoy personal safety and security.

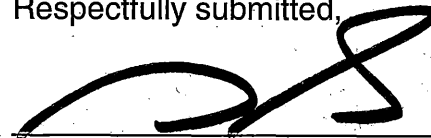
**ENVIRONMENTAL ANALYSIS:**

There is no environmental impact of this action.

**FISCAL IMPACT:**

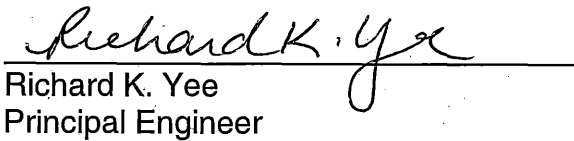
The City of Pasadena received reimbursement for the design phase of the project in the amount of \$204,258. (This amount does not have to be returned.) At this time, the Federal (SAFTEA-LU) Funds for the construction phase of the project in the amount of \$1,589,612 will remain unreimbursed.

Respectfully submitted,



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