

Agenda Report

TO: CITY COUNCIL September 14, 1998

FROM: Acting City Manager

SUBJECT: Rejection of Bids – Arterial Street Signal Improvements
Smart Corridor, Phase IB

RECOMMENDATION:

It is recommended that the City Council reject all bids received on August 12, 1998, in response to the specifications for Arterial Street Signal Improvements Smart Corridor, Phase IB and authorize the Acting City Manager to call for new bids.

BACKGROUND:

The subject project is included in the approved Capital Improvement Program. The Department of Public Works and Transportation has prepared plans and specifications for the project and bids have been requested and received.

This project will provide for the installation of vehicle and pedestrian detection at 23 intersections as part of the City's effort to provide Smart Corridor technology in the City. This detection will provide more efficient operation of the traffic signals along portions of Walnut Street, Foothill Boulevard, and Villa Street. In addition, system detectors will monitor traffic flows which will provide data to the City's central traffic signal computer. This computer will detect unexpected changes in traffic patterns and automatically initiate changes in traffic signal timing programs to provide more efficient operation.

This project also includes replacement of all 8-inch traffic signal indications with 12-inch indications to enhance signal visibility and increase traffic safety. Also, all red indications will be light emitting diodes (LED's) rather than incandescent. Studies have shown that substantial savings in energy costs are achieved when using LED indications.

Following advertising, eight bids were received on August 12, 1998.

This project had a Disadvantaged Business Enterprise (DBE) goal of 11 percent. The low bidder did not submit information with the bid regarding how the bidder proposed to meet this goal as required by the project specifications. The second and third bidders immediately submitted letters protesting the low bid as being non-responsive due to the failure to submit the DBE information with the bid. The third bidder also challenged the adequacy of the second bidder's bid bond.

If DBE information is not submitted with the bid, the project specifications allow a bidder to submit documentation of good faith efforts within four days of the bid opening. Immediately after bid opening, staff notified the low bidder that the required DBE information was not included with the bid and advised that good faith documentation was required within four days. Rather than submit that documentation, the low bidder submitted the DBE information on the day after bid opening along with a letter stating that the bidder's check list prepared by staff did not list the DBE information page as being a required part of the bid submittal.

The Assistant City Attorney for the Public Works and Transportation Department has reviewed the project specifications, the two protest letters and the letter from the low bidder and has opined that there are valid arguments on both sides of the issue because of minor, but arguable ambiguities in the specifications and that rejecting the bids and re-advertising is a process that the City can defend. The Public Works and Transportation Department has no objection to rebidding this project. The ambiguities will be corrected in the rebid specifications.

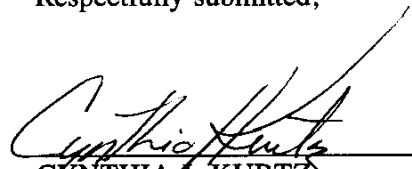
The Assistant City Attorney has also opined that the third bidder's challenge of the second bidder's bid bond is without merit.

Following re-advertising and contract award, it is anticipated that construction will begin in January 1999, and the work will be completed in May 1999.

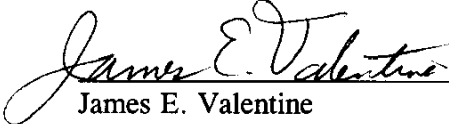
FISCAL IMPACT:

Other than minor staff and printing costs, rejecting bids and re-advertising will have no fiscal impact on this project.

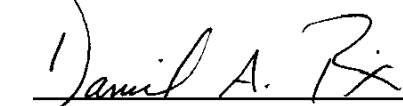
Respectfully submitted,


CYNTHIA J. KURTZ
Acting City Manager

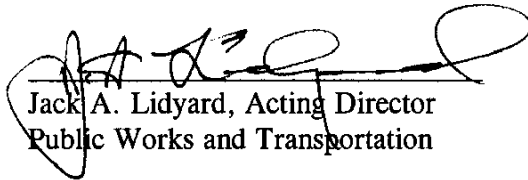
Prepared by:


James E. Valentine
Principal Engineer

Reviewed by:


Daniel A. Rix
City Engineer

Approved by:


Jack A. Lidyard, Acting Director
Public Works and Transportation

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