



# Administrative Report

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H.23., File # 20-1597

Meeting Date: 10/20/2020

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**To:** MAYOR AND CITY COUNCIL  
**From:** TED SEMAAN, PUBLIC WORKS DIRECTOR

## **TITLE**

REJECT ALL BIDS FOR THE GRANT AVENUE SIGNAL IMPROVEMENT PROJECT, JOB NO. 41090; AUTHORIZE THE USE OF PROJECT FUNDS TO PURCHASE TRAFFIC SIGNAL POLES AND RELATED EQUIPMENT; AND DIRECT STAFF TO RE-BID CONSTRUCTION OF THE REVISED PROJECT WITH ADDITIONAL FUNDING FROM THE TRAFFIC SIGNAL COMMUNICATIONS AND NETWORK SYSTEM PROJECT, JOB NO. 41280

## **EXECUTIVE SUMMARY**

On June 16, 2020, the City Council approved plans and specifications for the Grant Avenue Signal Improvement Project, Job No. 41090. On August, 20, 2020, ten (10) bids were received and publicly opened. The apparent low bid for the Project exceeded the appropriated funding by over \$800,000. Staff has been in contact with METRO staff who confirmed that installation of the signals on Grant Avenue is an eligible expense under the Measure M Regional Funding funded Traffic Signal Communications and Network System Project grant that the City received for FY 20-21 and FY21-22. However, the bulk of those funds (\$1.8 million) will not be available until FY21-22. Therefore, staff recommends that the City Council reject all bids, pre-purchase the traffic signal poles and related equipment with the existing Project funds, and re-bid the Project for construction early in FY21-22, using remaining project funds from Job No. 41090 and available project funds from Job No. 41280.

## **BACKGROUND**

The Grant Avenue Signal Improvement Project, Job. No. 41090 Metro Call for Projects (CFP) funded (Metro CFP No. F5301), is included as part of the current Capital Improvement Program. The project consists of signal improvements at the six (6) signalized intersections along Grant Avenue between Inglewood Avenue and Aviation Boulevard. The Project includes design, construction, and installation of traffic signal improvements including synchronization, and vehicle and bicycle detection. Access ramps, as well as curbs and gutters, will be repaired as necessary.

Metro allocated \$1,221,586 in Local Transportation CFP Funds to the project, and the City programmed \$313,070 in Measure R Funds as the local match, for a project total of \$1,534,656. The City previously committed approximately \$100,000 of these funds for Project design. During the design phase it was determined that curb bulbouts would be required to relocate and accommodate the proposed traffic signal equipment due to conflicts with overhead SCE power lines. The costs to design, construct and coordinate the additional elements for the project were initially anticipated to increase the overall cost estimate by approximately \$200,000, to approximately \$1,730,000.

On June 16, 2020, the City Council approved plans and specifications for the Grant Avenue Signal Improvement Project, Job No. 41090. On August, 20, 2020, ten (10) bids were received and publicly opened. The apparent low bid for the Project exceeded the appropriated funding by over \$800,000. (See the attached Bid Results Sheet) The City does not have sufficient unrestricted transportation local return funds to supplement the \$1,000,000 necessary to award the contract to the lowest bidder.

In the spring of 2020, the City received word that \$2.0 million in Regional Measure M funds would be available in FY20-21 (\$200,000) and FY21-22 (\$1,800,000) to implement a Traffic Signal Communications and Network System Project to improve City traffic signals. In August, the project and funding were approved by the Metro Board. Grant Avenue signals were included in the eligible list of streets. The project (CIP Project 41280) is included in the current CIP.

Staff has been in contact with METRO staff who confirmed that installation of the signals on Grant Avenue is an eligible expense under the Traffic Signal Communications and Network System Project Measure M Regional Fund grant that the City received for FY 20-21 and FY21-22. However, the bulk of those funds (\$1.8 million) will not be available until FY21-22. Therefore, staff recommends that the City Council reject all bids, authorize staff to competitively pre-purchase the long lead time items such as traffic signal poles and related equipment with the existing Project funds, approve revised plans and specifications to exclude the materials purchased by the City, and authorize the City Clerk to re-advertise the Project for construction early in FY21-22.

### **COORDINATION**

This project was coordinated by the Engineering Services Division with assistance from Metro and Los Angeles County.

### **FISCAL IMPACT**

There is no cost to reject all bids. Anticipated future action by the City Council to implement the project are anticipated to draw on available funds as shown below.

<u>Appropriated Funding:</u>		<u>Estimated Expenditures:</u>	
<i>Grant Ave Signal Project, Job No. 41090</i>			
LACMTA CFP Grant	\$1,221,586	City Pre-Purchase est.	\$ 800,000
		Construction Awardee est.	\$1,500,000
Local Measure R	\$ 313,070	Const. Mgmt./Design	\$ 120,000
		Contingency	<u>\$ 100,000</u>
		Total	<u>\$2,500,000</u>
<i>Traffic Signal Comm./Network System, Job No. 41280</i>			
Reg. Meas. M FY20-21	\$ 65,344		
Reg. Meas. M FY21-22	<u>\$ 900,000</u>		
Total	<u>\$2,500,000</u>		

**APPROVED BY:**

*Joe Hoefgen, City Manager*

**ATTACHMENT**

1. Bid Results