



CONSENT CALENDAR

Agenda Item # 2

AGENDA REPORT SUMMARY

Meeting Date: October 12, 2021

Subject: Bear Electrical Solutions, Inc. Contract term extension and additional budget for Traffic Signal Maintenance Services.

Prepared by: Gaku Watanabe, Assistant Engineer

Reviewed by: James Sandoval, Engineering Services Director

Approved by: Gabriel Engeland, City Manager

Attachment(s): None.

Initiated by:
Staff initiated

Previous Council Consideration:

- City Council Contract Award on July 10, 2018.
- Amendment #1 on September 22, 2020.

Fiscal Impact:

Bear Electrical Solutions provides as-needed traffic signal and streetlight maintenance services to the City of Los Altos. The City completed its third year of a three-year contract term with Bear to provide these services as of June 30th, 2021. The City would like to extend the term and add \$75,000 to FY 21/22. The original contract term was \$52,000 per year over three years, the first amendment to the contract added \$75,000 to its third year, and this proposed second amendment to add \$75,000 to FY21/22 would result in a grand total of \$306,000.

Budget Summary:

- Breakdown of contract budget adjustment:
 - **Original Contract: \$156,000** – Total for a 3-Year Contract Value with Bear Electrical Solutions. \$52,000 per year for FY 18/19, FY 19/20, and FY 20/21
 - **Amendment #1: \$75,000** addition to FY 20/21
 - **Amendment #2: \$75,000** – Extend contract term through FY 21/22 and add funds to contract budget
 - **Total: \$306,000**
- Funding Source: General Fund Operating Budget – Traffic Control/Equipment Repairs. \$125,000 is allocated for FY21/22.
- Amount already included in approved budget: Yes

Reviewed By:

City Manager
GE

City Attorney
JH

Finance Director
JM



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Environmental Review:
Categorically exempt

Policy Question(s) for Council Consideration:

Does the Council support the project budget amendment to allow for the expanded traffic signal maintenance services?

Summary:

- Staff is requesting a one-year term extension, as the approved contract allows, and a \$75,000 budget increase to the on-call traffic signal maintenance contract with Bear Electrical Services for FY 21/22. This would lead to a total of \$306,000 for the four-year maintenance service.
- The City is currently in the fourth year of a three-year contract term. The original contract allows for one year extension.
- The budget increase is required to ensure on-going maintenance operations through the FY 21/22 term while the City plans to rebid the on-call contract for the next three-year period.

Staff Recommendation:

Authorize the City Manager to execute a contract amendment with Bear Electrical Solutions, Inc. to extend the term for FY 21/22 and add funds in the amount of \$75,000 for a total not to exceed project budget of \$306,000 for on-call traffic signal maintenance services.

Background

Bear Electrical Services, Inc. provides the City with scheduled maintenance and on-call maintenance for the City's traffic signal and streetlight infrastructure. The current Bear Electrical Solutions, Inc. contract was executed in 2018 for a \$52,000 per year, three-year term totaling \$156,000. The term includes FY 18/19 – FY 20/21, with the option of a one-year contract extension, which would include the current FY 21/22. Last year Council authorized Amendment 1, executed in September 2020, which added \$75,000 to the FY20/21 contract budget to cover a heavier load of traffic signal and streetlight maintenance than anticipated.

Bear Electrical has been very responsive to the City's maintenance needs and is very familiar with the transportation infrastructure.



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Options

- 1) Authorize the City Manager to execute a contract amendment with Bear Electrical Solutions, Inc. to extend the term for FY 21/22 and add funds in the amount \$75,000 for a total not to exceed project budget of \$306,000 for on-call traffic signal maintenance services.

- 2) Do not approve contract budget amendment with Bear Electrical Solutions, Inc.

Recommendation

The staff recommends Option 1.