



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Reject All Bids Received for the Advanced Dilemma Zone Detection (PW20-01)

REPORT IN BRIEF

Approval is requested to reject all bids received in response to Invitation for Bids PW20-01 for the Advanced Dilemma Zone Detection Project as all bids exceed the available budget.

EXISTING POLICY

Section 2.09.140(b) of the Municipal Code permits the City Council to reject bids or proposals received in response to formal competitive bid solicitations. This Code section also provides that if all bids are rejected, the City has the discretion to re-advertise.

Pursuant to Section 2.09.100(c) of the Municipal Code, a bidder alleging a mistake in a bid may be permitted to withdraw its bid in conformance with California state law, Public Contract Code 5103.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

Capital Project 833900- Advanced Dilemma Zone Detection at Various Intersections, was created to modify traffic control signal timing to reduce the number of drivers that may have difficulty deciding whether to stop or proceed during a yellow phase. This change is anticipated to reduce rear-end crashes associated with unsafe stopping and angle crashes due to illegally continuing into the intersection during the red phase. Advanced dilemma-zone detection uses the speed, location, and length of vehicles to calculate the location of the dilemma zone relative to both vehicle speeds and their intersection approach. The system reactively adjusts the start time of the yellow phase to coincide with the point when the fewest possible vehicles are in their respective projected dilemma zone, reducing the risk of an accident.

An Invitation for Bids was issued on October 18, 2019. Four responsive bids were received as summarized in Attachment 1. In accordance with the Public Contract Code (PCC) Section 5103, Columbia Electric, Inc. requested to withdrawal its bid due to a material mistake made on Bid Item #2, Traffic Control. The accurate bid amount was intended to be entered as a lump sum cost of \$330,000 instead of the identified bid amount of \$30,000. This adjustment would result in its new base bid amount totaling \$928,400. In accordance with PCC and the Sunnyvale Municipal Code, the City accepted the bid withdrawal from Columbia Electric, Inc. on the basis that this mistake made the

bid materially different than it was intended to be.

The next responsive low bid of \$923,400 from Tennyson Electric Inc., is more than 50% higher than the engineer's estimate of \$603,000. As such, the low bid, plus a 10% contingency, far exceed the available funds for this project. Although recent re-bid trends do not necessarily result in lower bids, rejecting the bids will allow staff an opportunity to reevaluate the implementation of the project to lower the initial cost impacts. Staff proposes to rescope and rebid the project with the goal of remaining within the construction budget.

FISCAL IMPACT

No fiscal impact results from rejecting the bids. If bid pricing remains high when staff re-bids the project, a Budget Modification may be necessary if the total cost exceeds the available budget.

Funding Source

Funding for design and construction is budgeted in Capital Project 833900-Advanced Dilemma Zone Detection at Various Intersections. This project is Federal grant funded by the Federal Highway Safety Improvement Program (HSIP).

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Reject all bids received in response to Invitation for Bids PW20-01 Advanced Dilemma Zone Detection

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Chip Taylor, Director of Public Works
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Bid Summary