



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** MARCH 6, 2018  
**DEPARTMENT:** PUBLIC WORKS, TRAFFIC AND TRANSPORTATION DIVISION  
**FROM:** VICTOR GUTIERREZ, ASSISTANT ENGINEER  
**TITLE:** NORTH SANBORN ROAD SAFETY IMPROVEMENTS PROJECT  
NO. 9089 (FEDERAL PROJECT NO. HSIPL-5045(027))

RECOMMENDED MOTION:

A motion to:

1. Reject the Bid Protest submitted by Bear Electrical Solutions Inc. regarding Lee Wilson Electrical Company Inc. bid submittal; and
2. Approve a Resolution awarding contract to Wilson Electrical Company Inc. for the North Sanborn Road Safety Improvements Project No. 9089 (Federal Project No. HSIPL-5045(027)) in the amount of \$1,732,450; and
3. Approve a \$497,096.31 transfer from Measure X Transportation Safety (CIP No. 9220) to the North Sanborn Road Safety Improvements Project No. 9089 (Federal Project No. HSIPL-5045(027)).

RECOMMENDATION:

Staff recommends that the City Council; 1) reject Bear Electrical Solutions Inc Bid Protest, 2) award the contract to Wilson Electrical Company Inc, and 3) approve a transfer of \$ 497,096.31 of Measure X funds CIP No. 9220 to the North Sanborn Road Safety Improvements Project No. 9089 (Federal Project No. HSIPL-5045(027)).

BACKGROUND:

On December 19, 2017, Council approved plans, specifications and solicitation of bids for the North Sanborn Road Safety Improvements Project No. 9089 (Federal Project No. HSIPL-5045(027)). This project was previously bid and rejected because the received Bids from prospective contractors were over double the amount of the original Engineer's Estimate. Staff modified project plans and specifications to reduce the total cost of the project.

This project is funded with an HSIP grant. This program seeks to reduce fatalities and serious injuries on public roads and is a competitive program open to cities and counties throughout the State. Awards are based on a proposed project's Benefit to Cost ratio (B/C). Projects are developed

from a list of prescribed countermeasures for specific safety issues identified by an evaluation of collision information throughout a 10-year period. The City received an award of \$1,415,700 in HSIP money and a required local match of \$157,300 (RSTP grant funds) to make safety improvements at Sanborn Road, between East Alisal Street and Freedom Parkway.

Staff’s evaluation of the City’s collision data revealed that Sanborn Road had a high number of correctable collisions. The evaluation revealed that these crashes and the resulting injuries can be reduced by modifying the signalized intersection along this segment by installing an adaptive coordination system and installing protected left turn phases at the intersections of Sanborn Rd./Garner Ave., Sanborn Rd./Del Monte Ave., Sanborn Rd./Freedom Parkway. These improvements will include updates to the traffic signal controllers, poles, mast arms, and signal heads.

On January 30, 2018, bids were opened for this project with the following results (see attached Bid Tabulation Sheet for details):

<b>Contractor</b>	<b>Total Bid</b>
Lee Wilson Electric Company Inc., Arroyo Grande, CA	\$1,732,450.00
Bear Electrical Solutions Inc., Alviso, CA	\$2,080,203.00
PTM General Engineering Services Inc., Riverside, CA	\$2,338,343.00
Monterey Peninsula Engineering, Marina, CA	\$2,499,920.00
Granite Rock Company, San Jose, CA	\$2,503,979.00
Tennyson Electric Inc., Livermore, CA	\$2,552,790.00
<i>Engineer’s Estimate</i>	<i>\$1,785,000.00</i>

Based on the provision of the project Specifications, which states that “the basis of award shall be the lowest bid which shall be determined by the lowest total of the Base Bid”, the low bidder is Lee Wilson Electric Company Inc. Their total bid is 3% below the Engineer’s Estimate. Staff recommends awarding the project to the low bidder.

**Bid Protest**

On February 2, 2018, the City received a Bid Protest from Bear Electrical Solutions, Inc. (See Attachment B “Bid-Protest”) regarding Lee Wilson Electric Company Inc.’s bid on the grounds that Lee Wilson Electric Company Inc.’s bid package was incomplete based on the following:

- The Equal Employment Opportunity Certification form did not include the subcontractor’s name, contradicting the other submitted documents (Bidder’s Statement of Subcontractors - Part 1).
- City Bid instructions and Federal Aid Local Assistance Procedure Manual, required bid documents to be fully completed.

Salinas City Code section 12-39 provides the basis upon which a contractor may file a protest and provides the procedures by which the protest is considered. Bear Electrical Solutions Inc.'s protest met the procedure requirements as stipulated in said Code Section.

City staff reviewed and determined that the submitted Bid Protest should not be sustained. The City has the discretion to waive minor discrepancies in the bid packages provided it does not unfairly prejudice the other bidders. The omission of the subcontractor's name from the Equal Employment Opportunity Certification form is inconsequential in nature. Thus, City staff has determined that this inconsequential omission does not prejudice the other bidders and recommends that the protest be rejected.

CEQA CONSIDERATION:

The City of Salinas has determined that the project is exempt from the California Environmental Quality Act (CEQA) Guidelines Section 15301 (c), "Existing Facilities".

STRATEGIC PLAN INITIATIVE:

The Safety Improvements Project at North Sanborn Road between East Alisal Street and Freedom Parkway Project supports the Council initiatives Safe, Livable Community and Excellent Infrastructure.

FISCAL AND SUSTAINABILITY IMPACT:

The current budget for this project includes \$1,415,700 from HSIP grant funds and \$157,300 from RSTP grant funds, for a total budget of \$1,573,000. To date \$87,401 has been spent and encumbered on coordination and design, leaving an unencumbered balance of \$1,485,600.

<b>FY 17-18</b>				
<b>Funding Source</b>	<b>Appropriations</b>	<b>Expenditures as of 2/23/18</b>	<b>Encumbrances as of 2/23/18</b>	<b>Available Budget</b>
HSIP/RSTP	1,573,000.00	87,401.31	-	1,485,598.69
				-
				-
	<b>1,573,000.00</b>	<b>87,401.31</b>	<b>-</b>	<b>1,485,598.69</b>

Based on the lowest bid received, the estimated total construction cost is \$1,982,695 including inspection and contingencies.

Estimated Construction Cost:

Contract Cost (construction cost)	\$ 1,732,450
Inspection (~5%)	\$ 70,000
Contingencies (~10%)	\$ 180,245

Total Estimated Project Costs

**\$ 1,982,695**

Based on the lowest bid received, there is a shortfall of \$ 497,096.31. Staff proposes to fund the shortfall by requesting that Council authorize the transfer of \$ 497,096 from the Measure X Transportation Safety, CIP No. 9220 funds to the North Sanborn Road Safety Improvements Project No. 9089 (Federal Project No. HSIPL-5045(027)) and to proceed with the award of contract to Lee Wilson Electric Company Inc.

ATTACHMENTS:

Resolution  
Location Map  
Bid Tabulation Sheet  
Bid Protest  
Letter - City Findings and Determination  
Salinas City Code section 12-39

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**A RESOLUTION REJECTING BID PROTEST; AWARDING CONTRACT TO LEE WILSON ELECTRIC COMPANY INC FOR THE NORTH SANBORN ROAD SAFETY IMPROVEMENTS PROJECT NO. 9089 (FEDERAL PROJECT NO. HSIPL-5045(027)); AND AUTHORIZING A \$492,325 TRANSFER OF MEASURE X TRANSPORTATION SAFETY FUNDS (CIP NO. 9220) TO THE NORTH SANBORN ROAD SAFETY IMPROVEMENTS PROJECT NO. 9089 (FEDERAL PROJECT NO. HSIPL-5045(027))**

**WHEREAS**, representatives of the City Clerk of Salinas on January 30, 2017, at a public meeting held in the Rotunda at Salinas City Hall, Salinas, California, publicly opened, examined and declared the bids or proposals delivered to or filed with said City Clerk for the North Sanborn Road Safety Improvements Project No. 9089 (Federal Project No. HSIPL-5045(027)), in accordance with the plans and specifications for such work filed in the office of said City Clerk on December 5, 2017, and now on file in said office; and

**WHEREAS**, Bear Electrical Solutions, submitted a Bid Protest regarding the bid from Lee Wilson Electric Company Inc. on the grounds that Lee Wilson Electric Company Inc.'s bid package was incomplete because the Equal Employment Opportunity Certification form did not include the subcontractor's name, contradicting the other submitted documents (Bidder's Statement of Subcontractors). Additionally, City Bid instructions and Federal Aid Local Assistance Procedure Manual, required bid documents to be fully completed; and

**WHEREAS**, City staff reviewed and determined that the submitted Bid Protest was not found to be sustained. The City has the discretion to waive minor discrepancies in the bid packages provided such discrepancies do not unfairly prejudice the other bidders. The City Council finds that the omission of the subcontractor's name from the Equal Employment Opportunity Certification form is inconsequential in nature and does not prejudice the other bidders; and

**WHEREAS**, the lowest bidder, Lee Wilson Electric Company Inc, submitted a bid that is 3% below the Engineer's Estimate; and

**WHEREAS**, City staff thereupon reported the results of the bidding to the City Council at its regular meeting on March 6, 2018, and the Council in open session at said meeting examined the report of staff; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL** that the protest submitted by Bear Electrical Solutions on February 2, 2018 is hereby rejected.

**BE IT FURTHER RESOLVED** that pursuant to the City Charter Section 13.1 and City Code Section 12-21, in reference to the North Sanborn Road Safety Improvements Project No. 9089 (Federal Project No. HSIPL-5045(027)), that all of said bids or proposals are rejected except the bid from Lee Wilson Electric Company Inc, (hereinafter referred to as “Successful Bidder”), being the lowest and best bid which is hereby accepted. The subject contract is hereby awarded to said Successful Bidder for the sum of \$1,732,450, and more specifically at the unit prices particularly set forth and contained in the Proposal for the North Sanborn Road Safety Improvements Project No. 9089 (Federal Project No. HSIPL-5045(027)), of said successful bidders previously filed in the office of the City Clerk. Said sum shall be paid by the City of Salinas to said Successful Bidder in cash, lawful money of the United States of America, payable at the time and manner specified in the plans and specification and contract documents for the project filed in the office of the City Clerk, entitled “North Sanborn Road Safety Improvements Project No. 9089 (Federal Project No. HSIPL-5045(027)).”

**BE IT FURTHER RESOLVED** that said plans and specification are hereby referred to for all of the details and particulars thereof, and said plans and specification are by reference incorporated in and hereby made a part of this resolution.

**BE IT FURTHER RESOLVED** that the Mayor of Salinas is hereby authorized and directed on behalf of the City of Salinas to execute a contract consistent with the Proposal of said Successful Bidder for said work.

**BE IT FURTHER RESOLVED** that the Council hereby approves the transfer of \$497,096.31 Measure X Transportation Safety, CIP No. 9220 funds to the North Sanborn Road Safety Improvements Project No. 9089 (Federal Project No. HSIPL-5045(027)).

**PASSED AND APPROVED** this 6th day of March 2018, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**APPROVED:**

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Joe Gunter, Mayor

**ATTEST:**

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Patricia M. Barajas, City Clerk