



DATE: May 28, 2019

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Professional Services Agreement with St. Francis Electric, Inc.: Approval of Amendment No. 2 to Increase the Agreement by \$200,000 for a Total Not-to-Exceed Amount of \$475,000

RECOMMENDATION

That Council adopts the attached resolutions authorizing the City Manager to execute Amendment No. 2 to the Professional Services Agreement (PSA) with St. Francis Electric, Inc., (SFI), in an amount of \$200,000 for a total amount not-to-exceed \$475,000 for on-Call streetlight and traffic signal maintenance services.

SUMMARY

In July 2016, the City entered into a professional services agreement with SFI for on-call streetlight and traffic signal maintenance for an amount not to exceed \$175,000 annually. On March 27, 2018, Council authorized an amendment to the contract increasing the not to exceed amount to \$275,000. This action, Amendment No. 2, seeks to increase the not to exceed amount for FY 2019 by \$200,000 for additional streetlight and traffic signal maintenance to account for the increased cost of materials and unprecedented level of vehicular damage to the City's streetlight and traffic signal infrastructure. This proposed amendment will increase the agreement by \$200,000, for a total not to exceed amount of \$475,000.

BACKGROUND

Hayward's Public Works and Utilities Department is responsible for maintaining 146 traffic signals and approximately 8,280 streetlights. Prior to 2013, the City relied exclusively on outside contractors to maintain and repair streetlights and traffic signal equipment. In February 2013, the City hired its first in-house traffic signal technician. The position performs day-to-day services such as replacing signal detection, street light fixture repair, and overall inspection.

The services provided by SFI support complex problem solving, large labor-intensive projects, and after-hours and weekend emergency services. The services include, but are not limited to, installation of streetlights and traffic signal infrastructure, fiber optic cable installation, and repairing the recurring damage to the City's signal and streetlight infrastructure from automobile accidents.

DISCUSSION

Costs associated with the maintenance of signals and streetlights have increased significantly. While planned traffic signal modifications and upgrades were budgeted for, the increase in costs for the surge in knockdowns and increased cost of materials were not. For example, there is a 12% to 19% increase in costs to replace the newly installed streetlights in the Mission/Foothill Boulevard corridor. There is a significant increase in the number of streetlights, traffic signal poles, and traffic signal control cabinet knockdowns at a cost ranging between \$5,000 and \$20,000 per knockdown. There is a need to increase the budget for SFI to compensate for the work on emergency repairs and to extend support services through the balance of the fiscal year.

A separate revenue account was previously established to enable the City to recover costs when associated with vehicular accidents. A recovery rate of 60% was set as the goal for insurance restitutions resulting from accidents. This has proved challenging in the last several years due to:

- Inability to recover funds from uninsured drivers
- Hit and Run accidents
- Insurance not fully covering costs of materials and labor
- An extremely laborious administrative process that yields diminishing returns

While some funds have been recovered, current recovery rate falls in the low 40% range for recovery.

ECONOMIC IMPACT

The ability to quickly and efficiently replace damaged streetlighting and traffic signals provides a significant benefit to Hayward residents, businesses, and patrons of Hayward merchants.

FISCAL IMPACT

This proposed amendment would authorize an additional \$200,000 towards the existing professional services agreement for a not to exceed total of \$475,000. The FY 2019 budget includes sufficient funds in Fund 210-Gas Tax to cover the amendment total.

STRATEGIC INITIATIVES

The purpose of the Complete Streets initiative is to build transportation networks that are safe, comfortable, and convenient for everyone regardless of age or ability, including motorists, pedestrians, bicyclists, and public transportation riders. This agenda item supports the following goals and objectives:

Goal 1: Prioritize safety for all modes of travel.

Objective 3: Ensure that roadway construction and retrofit programs and projects include complete streets elements.

Goal 2: Provide Complete Streets that balance the diverse needs of users of the public right-of-way.

Objective 1: Increase walking, biking, transit usage, carpooling, and other sustainable modes of transportation by designing and retrofitting streets to accommodate all modes.

SUSTAINABILITY FEATURES

Maintaining a reliable and robust infrastructure will help minimize the City's environmental footprint. The upkeep of the City's street light inventory and traffic signals is an important part of a sustainable community. It allows the City to meet environmental goals by replacing high energy lights with more energy efficient lights and reduce greenhouse gas emissions by optimizing traffic flows. The effort to replace all High-Pressure Sodium bulbs in City's 8,000 plus streetlights with LED bulbs has resulted in a longer useable life and lower yearly energy costs.

NEXT STEPS

If Council approves this request, the City Manager will execute an amendment to the PSA with SFI to increase the agreement amount by \$200,000 for a total not to exceed amount of \$475,000.

Prepared by: Vasavi Pannala, Senior Transportation Engineer

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Kelly McAdoo, City Manager