



# CITY COUNCIL AGENDA REPORT

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MEETING DATE: MAY 2, 2006

ITEM NUMBER:

**SUBJECT:** AWARD FORMAL BID #1097 FOR THE TRAFFIC SIGNAL PROJECT

**DATE:** APRIL 20, 2006

**FROM:** FINANCE DEPARTMENT/PURCHASING

**PRESENTATION BY:** MARC R. PUCKETT, DIRECTOR OF FINANCE

**FOR FURTHER INFORMATION CONTACT:** TERESA ROMERO @ 714/754-5227

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## **RECOMMENDATION:**

Staff recommends the award of Formal Bid #1097 "Traffic Signal Project" for the purchase of traffic signals and cabinets for three intersections, to JTB Supply Company Inc., 1030 North Batavia, Suite A, Orange, California, 92867, for \$84,841.44.

## **BACKGROUND:**

This purchase provides for sixteen (16) traffic signals and two (2) cabinets for the Public Services Department, for future installation at three intersections. The proposed intersections include: East 17<sup>th</sup> Street & Santa Ana Avenue, East 17<sup>th</sup> Street & Westminster Avenue, and East 17<sup>th</sup> Street & Orange Avenue.

As required by the City of Costa Mesa Municipal Code, the "Notice Inviting Bids for Traffic Signal Project" solicited qualified vendors listed on the Bidders' List and vendors requesting bid packages. Seven prospective bidders were invited to bid. A "Notice Inviting Bids" was also published on the City of Costa Mesa web site, public bulletin board in City Hall, and in the Daily Pilot. On April 17, 2006, the City Clerk received and read one bid submittal.

## **ANALYSIS:**

The bid submitted by JTB was the only responsive and responsible bid for \$84,841.44. Purchasing staff evaluated and compared the bid to the City's Engineer's Cost Proposal. Based on the Engineer's knowledge and expertise of the materials, JTB's bid was consistent with the cost proposal, while still providing a substantial budget savings. The Engineer's Cost Proposal totaled \$99,130.00, indicating a budgeted savings of \$14,288.56. Further purchase history analysis of traffic signal and cabinet purchases in 2005, indicated JTB's pricing was fair and reasonable. Finally, JTB's bid provided a 2% net 20-day discount, resulting in a potential cost savings of \$1,697.43 if paid within this term. .

## **ALTERNATIVES CONSIDERED:**

The alternative to purchasing the eighteen items was to combine the purchase of the traffic signal equipment with the installation services. However, due to the tentative installation schedule, Engineering staff determined purchasing and storing the eighteen items now would prove more beneficial than delaying the purchase and combining it with the installation. Thus, Purchasing staff does not recommend this alternative.

**FISCAL REVIEW:**

The FY 05-06 adopted budget provides funding of \$84,841.44 for traffic signals and cabinets at three intersections identified above.

**LEGAL REVIEW:**

There is no legal review required on this item.

**CONCLUSION:**

Staff recommends that City Council approve the purchase of sixteen traffic signals and two cabinets for the "Traffic Signal Project" from JTB Supply Co, Inc. for \$84,841.44.

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MARC R. PUCKETT  
Director of Finance

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TERESA M. ROMERO  
Buyer

Distribution: City Manager  
Public Services Director  
Deputy City Clerk