STAFF REPORT

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: South County Corridors Transit Performance Initiative – Construction Contract Award

ACTION ITEM

RECOMMENDED ACTION(S):

Consider approving the award of a construction contract to Tennyson Electric in the amount of $2,816,296 for implementation of transit and traffic improvements on the South County Corridors Transit Performance Initiative Project.

BACKGROUND/RATIONALE:

The South County Corridors Transit Performance Initiative Project will optimize traffic flow for motorists and enhance the travel experience for bus riders along the Line 97 route by installing an Adaptive Traffic Control System (ATCS), Transit Signal Priority (TSP) system and relocating bus stops to the far side. ATCS adjusts the signal timing to accommodate changing traffic conditions and respond to fluctuations in traffic patterns in real-time to ease traffic congestions. The project will improve pedestrian access to bus stops through reconstruction of some curb ramps and sidewalk repairs. The project intends to reduce transit travel time as well as improve service reliability.

The District issued an Invitation for Bid (IFB) for construction in October 2017. Due to unexpectedly high bids, the District re-issued the IFB for a shorter segment from the Bay Fair BART Station to Union Landing on the edge of Union City. The segment along Alvarado-Niles Road between Union Landing and Decoto Road, and Decoto Road between the Alvarado-Niles Road and the Union City BART Station was eliminated. Staff advertised this follow-up IFB procurement in December 2017. Results from the first and second IFBs are summarized in the table below. The re-bid project still includes all the elements mentioned above, just with reduced quantities due to the removal of the Alvarado-Niles Road and Decoto Road segments.

Staff conducted the procurement as a sealed public bid through an Invitation for Bid with a 15% Small Business Enterprise (SBE) utilization goal.

Tennyson Electric’s bid was found to be responsive and responsible. While their cost was higher than the engineer’s estimate, their cost was found reasonable given the current market conditions. Tennyson Electric is a SBE and would surpass the SBE goal.

The final contract is a firm-fixed price valued at $2,816,296 with a period of performance of six months from the Notice to Proceed. This includes the base bid price plus one alternative.
Summary of IFBs and Bids

<table>
<thead>
<tr>
<th>Procurement</th>
<th>Vendor</th>
<th>Base Bid (+ Alternates)</th>
<th>Engineer’s Estimate (without alternatives)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct. 2017 IFB</td>
<td>Tennyson Electric</td>
<td>$3,245,338</td>
<td>$2,200,000</td>
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<tr>
<td></td>
<td>St. Francis</td>
<td>$4,493,844</td>
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<tr>
<td>Dec. 2017 IFB</td>
<td>Tennyson Electric</td>
<td>$2,786,796 (+ $816,450)</td>
<td>$2,395,254</td>
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As a federally funded project, AC Transit conducted a nation-wide outreach effort of eligible firms, totaling in excess of 1,000, including over 500 DBE and SBE firms. Staff advertised this procurement in the East Bay Times family of newspapers as well on the AC Transit website.

The additive alternatives included in the IFB package are second priority improvements to be exercised as budget allows. Additive alternatives include 26 additional bus stop and signal modifications, which are secondary in terms of project benefit compared to other elements. Staff’s recommendation for award of $2,816,296 is based on the base bid price ($2,786,796) and one additive alternative ($29,500). The additive alternative included is bus stop improvements at the intersection of Hesperian Boulevard/Sycamore Street. This alternative included far-side bus stop relocations. Staff believes it is worth the cost for the benefit it offers, and the benefits are much higher than other alternatives.

**BUDGETARY/FISCAL IMPACT:**

This procurement will utilize funds within the current project budget. The table below shows the specific funding sources and amounts:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Federal Congestion Mitigation and Air Quality (CMAQ)</td>
<td>$2,493,319</td>
</tr>
<tr>
<td>Transportation For Clean Air (TFCA)</td>
<td>$180,438</td>
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<tr>
<td>District Capital</td>
<td>$142,539</td>
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<td></td>
<td>$2,816,296</td>
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The Metropolitan Transportation Commission (MTC) plans to provide additional project funds to increase the budget available to the project. Staff is including this project in its proposed request for Low Carbon Transit Operations Program (LCTOP) Cap & Trade funds to ensure that sufficient funds are available depending on the amount that MTC can provide.

**ADVANTAGES/DISADVANTAGES:**

The advantage of this procurement is utilizing funds within the current project budget. In addition, the construction will be occurring in spring and summer when the weather is more predictable.
There are no disadvantages that staff can identify other than cost.

**ALTERNATIVES ANALYSIS:**

The District could again reject all the bids and re-bid the contract or redesign the project. This is not recommended as staff believes that the current contract and project structure is the most efficient way to achieve the desired project outcomes. It is also far from assured that further re-bidding will result in lower proposed bid costs due to current construction market conditions. The District could also decide to cancel the project construction, but that would likely require repayment of funds already spent on the planning and design process so far and so is not recommended.

**PRIOR RELEVANT BOARD ACTION/POLICIES:**

SR 17-040  Bid for Construction for South County Corridors Transit Performance Initiative (Line 97) Project and Project Update  
SR 17-247  South County Corridors Transit Performance Initiative – Cooperative and Operations Agreement and Semiannual Project Update

**ATTACHMENTS:**

None.

**Approved by:**  Ramakrishna Pochiraju, Executive Director of Planning & Engineering  
**Reviewed by:**  Denise Standridge, General Counsel  
Claudia Allen, Chief Financial Officer  
Robert del Rosario, Director of Service Development and Planning  
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