

# City of Hesperia

## STAFF REPORT



**DATE:** July 17, 2018  
**TO:** Mayor and Council Members  
**FROM:** Nils Bentsen, City Manager  
**BY:** Mark Faherty, Public Works Manager  
Scott Smith, Maintenance Crew Supervisor/Traffic  
**SUBJECT:** Award of Contract to Zumar Industries – Purchase of Traffic Signs

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### RECOMMENDED ACTION

It is recommended that the City Council award a three-year contract to Zumar Industries of Santa Fe Springs, California, for the purchase of traffic related signs and materials in the not-to-exceed amount of \$155,365, and authorize the City Manager to execute a Contract and Purchase Requisition for the above-mentioned services.

### BACKGROUND

The City of Hesperia, Public Works Traffic Division is responsible for the installation and maintenance of traffic related signs and roadway pavement markers (currently over 9,300 signs). Traffic signs are an important part of the City of Hesperia infrastructure; these signs are necessary to alert drivers to an approaching roadway condition and to promote safe driving while navigating the roadways through the City of Hesperia.

### ISSUES/ANALYSIS

In the approved Fiscal Year 2018-19 budget, funds have been allocated for the purpose of purchasing traffic signs and materials. Staff advertised a Request for Proposal for a new three-year contract and received three (3) Bids with one deemed incomplete and nonresponsive (Myers & Sons Hi-Way Safety, Inc).

Please review the following bid recap:

	Zumar Ind.	Safeway Sign Co.	Myers & Sons, Inc
FY. 2018-19	\$51,518.53	\$49,792.81	\$62,630.62
FY. 2019-20	\$51,923.67	\$52,967.14	\$0.00
FY. 2020-21	\$51,923.67	\$56,458.24	\$0.00
<b>Total Cost</b>	<b>\$155,365.87</b>	<b>\$159,218.19</b>	<b>Incomplete Bid</b>

Upon review of the proposals, it has been determined that, Zumar Industries, is the lowest responsible/responsive bidder with a first year cost of \$51,518.53. The total three-year contract for the not-to-exceed amount of \$155,365.87. In the proposed Fiscal Year 2018-19 Budget, funds were allocated in the amount of \$48,500 for traffic signs and materials, which leaves \$3,018.53 unfunded. Staff recommends correcting the fund balance during the mid-year adjustment.

**FISCAL IMPACT**

The amount of the three-year contract concluding in Fiscal Year 2020-2021 is \$155,365.87, with the cost of the first year being \$51,518.53. This item has been identified in the approved Fiscal Year 2018-19 Budget within account number 263-29-310-3170-7400. The remaining amount of the contract will be identified in each subsequent fiscal year to continue service throughout the duration of the contract.

**ALTERNATIVE (S)**

Provide alternative direction to staff.

**ATTACHMENT(S)**

None.