



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:** DECEMBER 9, 2025

**DEPARTMENT:** PUBLIC WORKS DEPARTMENT

**FROM:** DAVID JACOBS, PUBLIC WORKS DIRECTOR

**BY:** ADRIANA ROBLES, CITY ENGINEER

**TITLE:** AMENDMENT TO AGREEMENT FOR SERVICES WITH BEAR ELECTRICAL SOLUTIONS (BES)

### RECOMMENDED MOTION:

A motion to approve a Resolution approving Amendment No. 3 to Agreement for Services between the City of Salinas and Bear Electrical Solutions (BES) extending the term of the agreement through to December 31, 2027, and including a “not to exceed” amount of \$4,320,000 for the contract established in 2018.

### EXECUTIVE SUMMARY:

On December 18, 2018, the City Council awarded a traffic signal maintenance agreement to Bear Electrical Solutions, Inc. (“BES”). The traffic signal maintenance agreement was originally for a three-year term, through December 2021, with an option to award subsequent 2-year extensions upon successful demonstration of exemplary performance. In 2021 City Council approved Amendment No. 1, increasing the annual not to exceed amount from \$300,000 to \$570,000. City staff recommends further extending the term of the agreement through to December 31, 2027, and including a total contract “not to exceed” amount of \$4,320,000 reflecting the total amount of compensation to be paid under the agreement, including the recommended one-year extension.

### BACKGROUND:

The City operates 116 traffic signals and other electronic traffic devices such as pedestrian hybrid beacons. Included with these are signals along corridors that work together to provide traffic progression. Maintenance of traffic signals typically falls under two categories, preventative maintenance and responsive maintenance or emergency repair.

1. Preventive Maintenance is performed at regularly scheduled intervals for upkeep of signal equipment such as, but not limited to, signal cabinets (which house electronics for signal operations), pedestrian push buttons, LED signal heads, and associated tasks such as record keeping and testing. Preventive Maintenance is designed to reduce the incidence of malfunctions and extend the life of a traffic signal. Signal malfunctions always create inconveniences to motorists and pedestrians and other road users.

2. Responsive Maintenance or Emergency Repair includes the repair of failed equipment and traffic signal infrastructure and its restoration to safe and normal operation. These are typically unscheduled and are a result of unexpected failure or damage. Collision with a traffic signal, Acts of Nature, malicious mischief, or replacement of obsolete or deteriorated equipment are examples of responsive maintenance. These include calls outside of regular business hours, weekends and holidays. This specialized contractor performs responsive maintenance for the City on an “as needed” basis. Most emergency response calls need specialized equipment, certified signal maintenance personnel, and electricians to repair or replace signal poles, mast arms, components of traffic signal cabinet or replacement of entire signal cabinets so traffic control can be restored within the least amount of time possible.

On October 5, 2018, Public Works staff released a Request for Proposals (RFP) for Traffic Signal Preventive Maintenance and Emergency Repair Services. The scope of work prescribed by the RFP scope of work included providing preventative and routine traffic signal maintenance, responsive maintenance, emergency repair, inspection support, and supervision for the maintenance of traffic signals within the City of Salinas. The traffic signal maintenance agreement was awarded to BES on December 18, 2018, by Council Resolution No. 21536.

The traffic signal maintenance agreement was originally for a three-year term, through December 2021, with an annual not to exceed amount of \$300,000. An option to award subsequent 2-year terms upon successful demonstration of exemplary performance was included in the original agreement.

At the end of 2021, the signal maintenance program kept reaching the annual \$300,000 limit and staff required an amendment to continue outside on-call signal maintenance services. The City does not have the in-house ability to perform traffic signal repair and maintenance and must rely on contracting out this work. To streamline future maintenance and repair staff recommended increasing the annual contract limit to \$570,000 each year. City Council in September 2021 approved Contract Amendment No. 1 through Resolution No. 22186 extending the maintenance agreement to December 31, 2023 with an annual not to exceed amount of \$570,000 per year.

On December 31, 2023, the City Manager signed Agreement No. 2 which extended the terms of the Agreement until December 31, 2025 and increased the compensation schedule by 10%. This increase did not adjust the total annual compensation of \$570,000, see Attachment 3.

BES has continued demonstrating exemplary performance, and Public Works staff wish to extend the current agreement through December 31, 2027. Bear has requested a 5% increase on their labor rates which can be absorbed within the current budgeted amount of \$570,000.

In order to comply with updated purchasing policy, the “not to exceed” amount for the entire contract since inception must be identified. For this agreement the entire not to exceed amount of compensation to be paid under the agreement, including the proposed one-year extension, is \$4,320,000.

Table 1 provides a summary of the not to exceed amounts for each of year of service since 2018.

Table 1. Contract Summary

Original Contract		First Contract Extension		Second Contract Extension		Third Contract Extension	
Year	Amount	Year	Amount	Year	Amount	Year	Amount
2019	\$300,000	2022	\$570,000	2024	\$570,000	2026	\$570,000
2020	\$300,000	2023	\$570,000	2025	\$570,000	2027	\$570,000
2021	\$300,000						

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

This action aligns with the City Council's strategic plan goal of Infrastructure by providing exemplary service in response to traffic signal management.

DEPARTMENTAL COORDINATION:

There is ongoing coordination between divisions within Public Works Department. The Transportation Division oversees the maintenance and traffic signal operations; the Administration Division coordinates the procurement and contract execution; and the Maintenance Services Division reports malfunctions and field checks traffic signal operations when needed. Traffic staff shares the contractor contact information with Police and Fire Department personnel who report most of after-hours signal maintenance calls. Staff also provides contact information to the County Dispatch (911) office for reported signal problems after-hours.

**FISCAL AND SUSTAINABILITY IMPACT:**

The annual traffic signal limit of \$570,000 equates to approximately \$5,000 per year per traffic signal. Sufficient funds are available and appropriated in the General Fund Traffic Signal (5236) and Capital Improvement Program (CIP) 9654 account.

<b>Fund</b>	<b>General Ledger Number (Operating/CIP)</b>	<b>General Ledger Account Name</b>	<b>Remaining Budget Appropriation</b>	<b>Amount Requested</b>
1000	50.5236-63.4700	Outside Services Maint & Repairs – Traffic Signal	\$270,000	\$270,000
2401	50.9654-66.4000	Capital Outlays Improvements	\$1,403,808.30	\$17,808.47
2401	50.9654-66.5400	Capital Outlays Equipment	\$282,191.53	\$282,191.53

**ATTACHMENTS:**

Resolution

Attachment 1: Original Agreement

Attachment 2: Amend No. 1

Attachment 3: Amend No. 2

Attachment 4: Amend No. 3