



## MEMORANDUM

**TO:** City Council

**FROM:** Shannon Sweeney, City Engineer/Interim Public Works Director

**SUBJECT:** Consideration of an Award of Contract to ADT Commercial, LLC for Construction of the Public Safety Camera System Project, PW 2023-10 and Find the Action Exempt From CEQA

**DATE:** November 28, 2023

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### **SUMMARY OF ACTION:**

Award a construction contract for the Public Safety Camera System Project (Project) to ADT Commercial, LLC (ADT). This project includes the installation of 37 cameras throughout the City and the control system required to monitor the cameras.

### **IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:**

The FY 2023-24 Capital Improvement Program (CIP) budget includes \$1,125,000 for the Public Safety Camera System Project consisting of the following funds: \$244,300 of Community Oriented Policing Services (COPS) funds and \$880,700 of American Rescue Plan Act (ARPA) funds.

Five bids were received by the bid opening date and time of October 17, 2023, 2:00 PM. The low bid of \$430,411 with a 20% contingency of \$86,082.21, and no design costs, totals \$516,493.21, well within the budgeted funds. The 20% contingency is higher than normal contingency due to the unique technical nature of this project and the high potential for additional funding that may be needed to address unforeseen conditions or issues.

With this lower than anticipated project cost the City will use ARPA funds for the entire project cost and bring forward a future Council item to reallocate the remaining funds.

There are costs to maintain the system that will need to be budgeted annually totaling an estimated \$73,800. Approximately \$46,000 is required each year for operational service, technical support, and basic upkeep of the system, and the remainder is recommended for software upgrades and preventive maintenance.

Staff time will be necessary during construction for project administration and management.

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#### **RECOMMENDATION:**

1) Award a contract for the Public Safety Camera System Project to ADT Commercial, LLC in the amount of \$430,411, in substantially final form subject to any minor, technical or non-substantive changes approved by the City Manager in consultation with the City Attorney; 2) Authorize the City Manager to approve change orders of 20% of the contract amount, \$86,082.21, for unanticipated costs during the construction phase of the Project; 3) Determine that the Project is categorically exempt from the California Environmental Quality Act ("CEQA") under the Class 1 exemption, which applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing structures, facilities, mechanical equipment, or topographical features where the project involves negligible or no expansion of existing or former use. (State CEQA Guidelines, § 15301).

#### **BACKGROUND:**

Approximately seven years ago, the Arroyo Grande Police Department (AGPD) initiated a public safety camera system allowing police officers the ability to monitor and retain video footage from twenty-three (23) designated cameras strategically placed throughout the City.

This system has since completely failed at every location leaving the City unmonitored. In 2022, the AGPD developed a plan to revitalize the camera system by entering into a contract with a vendor who can install and service cameras.

An RFP was issued in June, 2022. Three bids were received prior to the bid opening deadline. The proposals received were difficult to compare because some included monthly maintenance costs and the RFP was not as clear as desired to compare the proposals.

On August 8, 2023, the City Council rejected all bids and authorized the City Clerk to advertise for sealed construction bids.

City staff formed a project team to develop a list of minimum specifications and camera locations for this project. The project team included Commanders Zak Ayala and Dave Culver from the AGPD, Kevin Waddy and Jason Hodges from Information Technology, and Shannon Sweeney from Public Works. Staff focused on placing cameras in areas under City control and not on private property or on poles belonging to other agencies. Attachment 3 shows the camera locations ultimately selected.

These camera locations and minimum technical specifications formed the basis of a Notice Inviting Bids that was issued on September 27, 2023. The Notice Inviting Bids was published in the local paper, posted on the City's website, and distributed to plan rooms. In addition, staff sent an email to twelve potential bidders to inform them of the project.

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Five bids were received by the bid opening date and time of October 17, 2023, 2:00 PM. Bids ranged from \$430,411 to \$945,885.63 (See Bid Opening Log – Attachment 2).

**ANALYSIS OF ISSUES:**

The lowest responsible bidder for construction of the project was ADT Commercial, LLC with a bid of \$430,411. This amount, plus contingency and all other associated anticipated costs are well within the amount budgeted for this project in FY 2023-24.

Project team members reviewed ADT’s bid to verify conformance with the minimum specifications. The project team met with ADT on November 8, 2023, to view a demonstration of software and to ask any remaining clarifying questions. The project team was satisfied with ADT’s responses. Kevin Waddy, the City’s IT Manager, contacted the City of Corona and City of Long Beach, two municipalities that were provided as references. Both cities provided favorable responses to questions regarding both the product being installed and the contractor itself.

Annual costs are standard for this type of project. Costs to maintain the system that will need to be budgeted annually total an estimated \$73,800. A breakdown of these costs is provided below:

- a. technical support: \$46,000 (required, first year included in project cost)
- b. software licensing: \$1,800 (recommended after year 1)
- c. preventive maintenance: \$26,000 (recommended after year 1)

**ALTERNATIVES:**

The following alternatives are provided for the Council’s consideration:

1. 1) Award a contract for the Public Safety Camera System Project to ADT Commercial LLC in the amount of \$430,411, in substantially final form subject to any minor, technical or non-substantive changes approved by the City Manager in consultation with the City Attorney; 2) Authorize the City Manager to approve change orders for 20% of the contract amount, \$86,082.21, for unanticipated costs during the construction phase of the project (total construction costs = \$430,411 + \$86,082.21 = \$516,493.21); and 3) Determine that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Guidelines Class 1 Section 15301 Existing Facilities, Class 2 Section 15302 Replacement or Reconstruction, and Class 4 Section 15304 Minor Alterations of Land;
2. Do not approve staff’s recommendations and request further information;
3. Modify staff’s recommendation and approve; or
4. Provide direction to staff.

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**ADVANTAGES:**

Installation of the Public Safety Camera System Project is anticipated to provide the following advantages:

- a. Provide a mechanism for police staff to gather evidence following criminal activity and traffic accidents;
- b. Increase monitoring of City facilities for protection against vandalism, graffiti, and other negative activities;
- c. Improve resident, business owner, and visitor sense of safety.

**DISADVANTAGES:**

Installation of the Public Safety Camera System Project may have the following disadvantages:

- a. The process of installing the cameras and control system may create temporary inconveniences to the public in the vicinity of the installation. Staff will work to minimize these inconveniences to the greatest extent practicable;
- b. Some members of the public may view this project as a surveillance system to spy on the public, rather than its intended purpose, which is to provide the opportunity to follow up on criminal activity and gather evidence;

There are costs to maintain the system that will need to be budgeted annually totaling an estimated \$73,800. The first year's required costs are already incorporated in the base bid. Even when recurring costs are factored in for five years after project installation, ADT is the low bid.

**ENVIRONMENTAL REVIEW:**

This Project is categorically exempt from the California Environmental Quality Act ("CEQA") under the Class 1 exemption, which applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing structures, facilities, mechanical equipment, or topographical features where the project involves negligible or no expansion of existing or former use. (State CEQA Guidelines, § 15301).

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachments:

1. Proposed Agreement (specifications and addenda excluded from this attachment for brevity, but will be incorporated following Council approval)
2. Bid Opening Log Sheet
3. Camera locations

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