



CITY OF COSTA MESA

77 Fair Drive
Costa Mesa, CA 92626

Agenda Report

File #: 25-231

Meeting Date: 4/1/2025

TITLE:

SECOND AMENDMENT TO THE CITYWIDE TRAFFIC SIGNAL MAINTENANCE CONTRACT

DEPARTMENT: PUBLIC WORKS DEPARTMENT / TRANSPORTATION
SERVICES DIVISION

PRESENTED BY: RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR

CONTACT INFORMATION: RAMIN NIKOUI, SENIOR ENGINEER (714) 754-5184

RECOMMENDATION:

Staff recommends the City Council:

1. Approve the Second Amendment to the Maintenance Services Agreement (MSA) with Yunex, LLC to provide maintenance of the City's traffic signals, increasing the annual compensation limit by \$200,000, for an annual not to exceed amount of \$700,000.
2. Authorize the City Manager and the City Clerk to execute the agreement and future amendments to the agreement.

BACKGROUND:

On May 3, 2022, the City Council awarded an MSA with Yunex, LLC to perform routine and extraordinary traffic signal maintenance services for the City's traffic operations equipment. The contract term is for three (3) years with two (2) one-year renewal options for a total of five years with an annual not to exceed amount of \$400,000.

On April 2, 2024, the City Council amended the MSA with Yunex, LLC (Attachment 2) to increase the annual not to exceed amount by \$100,000. The increased budget was to offset the increase in maintenance cost and the installation of additional traffic safety improvements. Currently, the City is in the third year of the initial term of the signal maintenance contract with an annual amount not to exceed \$500,000 and a 10% contingency. The City would like to further increase the annual compensation limit on the contract going forward to have the ability to do all the necessary repairs and maintenance work on the City's traffic signal infrastructure.

ANALYSIS:

Yunex, LLC has successfully provided reliable and continuous traffic signal maintenance services to the City for the past ten years. The necessary services include the performance of "routine" as well as "extraordinary" maintenance of the City's 131 traffic signals, four (4) pedestrian hybrid beacons/fire station signals (HAWK), ten (10) rectangular rapid flashing beacons (RRFB), 52 radar speed

feedback signs, four (4) flashing crosswalks, 49 Closed Circuit Television cameras, seventeen (17) battery backup systems, ten (10) school warning flashers, and approximately 36 miles of underground communications cable and associated hardware. The City recently added rectangular rapid flashing beacons at three (3) pedestrian crossings, two (2) new radar speed feedback signs, twelve (12) new street name signs, and one (1) new traffic signal cabinet.

The City's Transportation Services Division has seen a significant increase in the cost of traffic signal equipment over the past year. This increase is due to several factors, including the rising costs of raw materials, supply chain disruptions, freight costs and economic factors, as well as an increase in the number of repairs resulting from costly traffic collisions with the City's signal infrastructure, including signal poles and signal cabinets. The City's traffic signal infrastructure and equipment are also aging, requiring more frequent repairs. The current compensation limit on the existing contract is not adequate to be able to repair, replace, and maintain the City's signal infrastructure. In addition, the City has added new traffic signals, HAWK signals and RRFB locations throughout the City, requiring additional ongoing maintenance costs.

During the second half of the 2024 calendar year, the City experienced above average expenses for signal Call Outs, which are defined as immediate repairs required at signalized intersections. These repairs include replacing signal lights, addressing detector issues, servicing cameras, and performing other necessary traffic signal maintenance to ensure public safety. The average cost of Call Outs during this period was 43% higher than in the first half of 2024.

Expenses for signal knockdowns also increased significantly during the second half of the 2024 calendar year. These expenses are incurred when traffic signal infrastructure, such as poles, cabinets, and signal heads, are damaged due to vehicle collisions. The total expenses for this period more than doubled compared to the first half of 2024. Due to the high cost of repairs for certain collisions, an increase in the spending limit will be necessary to offset these expenses.

With the continued increase in maintenance costs, staff requests City Council approval of the Second Amendment to the MSA to increase the annual compensation limit by \$200,000 to ensure continued maintenance of the City's traffic signal infrastructure and operations.

ALTERNATIVES:

An alternative to awarding this agreement would be to reject the proposed amendment and redirect staff to proceed with the contract as is. This would require staff to reduce the maintenance of traffic signal equipment to preserve funding for urgent special requests and emergency responses. This alternative is not recommended as it would severely impact public safety and daily operations.

FISCAL REVIEW:

Funding for the amendment to the Maintenance Service Agreement with Yunex, LLC for traffic signal maintenance is available in the Public Works Department Fiscal Year 2024-25 Operating Budget in the General Fund (Fund 101) and Capital Improvement Program Fund (Fund 401).

LEGAL REVIEW:

The City Attorney's Office has reviewed this agenda report, prepared the proposed Amendment to the MSA and approves them both as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item supports the following City Council Goals:

- Strengthen the public's safety and improve the quality of life.
- Maintain and enhance the City's facilities, equipment and technology.

CONCLUSION:

Staff recommends the City Council:

1. Approve the Second Amendment (Attachment 1) to the Maintenance Services Agreement (MSA) with Yunex, LLC to provide maintenance of the City's traffic signals, increasing the annual compensation limit by \$200,000, for an annual not to exceed amount of \$700,000.
2. Authorize the City Manager and the City Clerk to execute the agreement and future amendments to the agreement.