



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Jason Simpson, City Manager

Prepared by: Rick De Santiago, Public Works Manager

Date: November 8, 2022

Subject: Second Amendment to Appendices 1-5, 7-9, and 11 to the Western Riverside Council of Governments Professional Services Agreement between WRCOG, and Yunex, LLC

Recommendation

Approve and authorize the City Manager to execute Second Amendment to Appendices 1-5, 7-9, and 11 to the Amended and Restated Professional Services Agreement between WRCOG, Yunex, LLC, and the Member Agency to extend the Agreement one year to December 1, 2023, for Streetlight Retrofit, Operation, and Maintenance Services.

Background

At the direction of the Executive Committee, WRCOG developed a Regional Streetlight Program that assisted 10-member agencies and a Community Services District to purchase streetlights previously owned and operated by Southern California Edison (SCE) within their jurisdictional boundaries. Once the member agency purchased the streetlights, the lamps were retrofitted to light-emitting diode (LED) technology to provide more economical operations (i.e., lower maintenance costs and reduced energy use). Local control of the streetlight system provides agencies with opportunities for future revenue generation, such as digital-ready networks, telecommunications, and information technology strategies. To identify and elaborate on these new opportunities, WRCOG developed a Smart Streetlights Implementation Plan and Broadband Assessment that could apply to all WRCOG member agencies.

In October 2017, WRCOG entered into a contract agreement with Siemens Industry, Inc., Intelligent Traffic Systems, for regional streetlight retrofit and ongoing operations & maintenance services in an amount not to exceed \$5,913,073 over a five-year contract period. In November 2019, WRCOG executed a First Amendment to the Professional Services Agreement to allow for Consumer Price Index (CPI) pricing adjustments and to transfer the assignment of the Agreement to Siemens due to a corporate restructuring resulting in the unit "Intelligent Traffic Systems" being moved to Siemens Mobility. In October 2021, WRCOG transferred the agreement to Yunex, LLC, due to the worldwide carve-out of the unit "Intelligent Traffic Systems" from Siemens Mobility. In each instance, the participating members have executed an identical amendment or transfer letter respective to their Appendix to the agreement.

Discussion

The Regional Streetlight Program oversees a contract with Yunex, formerly Siemens, to provide participating members with streetlight retrofit and operations & maintenance (O&M) services. The Agreement with Yunex expires on December 1, 2022.

Yunex provides streetlight O&M services to nine participating agencies, including the Cities of Eastvale, Hemet, Lake Elsinore, Menifee, Murrieta, Perris, San Jacinto, and Wildomar, as well as the Jurupa Community Services District. In March 2022, staff met with representatives from each participating agency to solicit feedback regarding the contractor's customer service, response times, the overall performance of the streetlight O&M services, and the potential for a contract extension. Additionally, staff held a streetlight O&M workshop in July 2022 to provide the participating agencies with a summary of the individual discussions and an opportunity for a roundtable discussion on the subject matter. The agencies that participated in the meeting expressed a high level of satisfaction with the service provided by Yunex and supported an extension of the existing contract. A few items for consideration and improvement were also raised: late invoicing, limited information on the quarterly night reports, and timing for replacing a pole knockdown. Having received this feedback from the participating agencies and recognizing that an optional term is included in the agreement, staff is requesting authorization of a Second Amendment to the Amended & Restated Professional Services Agreement and Appendices with Yunex, authorizing a one-year extension of the term to December 1, 2023.

Concurrently, staff has been coordinating with the participating agencies that have expressed interest in a contract extension to process a Second Amendment to the Appendix to the Professional Services Agreement with WRCOG and Yunex. Most participating agencies require the City Council's or Board's approval for the Second Amendment. As such, staff are coordinating with the agency's staff to schedule a meeting date, provide the necessary documentation, assist with staff reports, and provide any information to support the presentation.

Fiscal Impact

No Additional Fiscal Impact due to the Amendment

Exhibits

A – Second Amendment to Appendices 1-5, 7-9 and 11

B – First Amendment to Appendix No. 4

C – Scope of Services