



Corporate Report

NO: R174

COUNCIL DATE: JULY 23, 2007

REGULAR COUNCIL

TO: Mayor & Council DATE: July 17, 2007
FROM: General Manager, Engineering FILE: 3807-001/11
SUBJECT: Contract Award M.S. 1220-20-03-07, Cobra Electric Ltd.

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract M.S. 1220-20-03-07 to Cobra Electric Ltd. in the amount of \$3,299,621.00, including 6% GST.
2. Set the expenditure authorization for Contract M.S. 1220-20-03-07 at:

\$3,650,000.00 for the first year of the contract (August 1, 2007 – July 31, 2008)
\$3,750,000.00 for the second year of the contract (August 1, 2008 – July 31, 2009)
\$3,900,000.00 for the third year of the contract (August 1, 2009 – July 31, 2010)

SCOPE OF WORK

Contract M.S. 1220-20-03-07 involves the ongoing maintenance of traffic signals and streetlights within the City. There are currently over 290 traffic signals and approximately 20,000 streetlights under the City's jurisdiction. The contract term is for three years with options to extend the term for up to an additional two years.

TENDER RESULTS

Tenders for Contract M.S. 1220-20-03-07 were received on July 12, 2007, with the results as follows:

<i>Contractor</i>	<i>Tendered amount with GST included</i>		
	<i>2007</i>	<i>2008</i>	<i>2009</i>
1. Cobra Electric Ltd.	\$3,299,621.00	\$3,405,621.00	\$3,512,621.00
2. Crown Contracting Ltd.	\$3,865,658.88	\$3,912,923.22	\$3,963,069.70

EVALUATION

Both tenders were checked for accuracy and completeness. No errors were found. Both submissions included the required 10% bid bond, and were signed and sealed on the Tender Form and Summary Sheet of the Schedule of Quantities and Prices.

The low bidder, Cobra Electric Ltd., has provided a Consent of Surety for a Performance Bond and a Labour and Materials Bond. Cobra Electric's past performance on the contact has been very good, and they have no outstanding legal claims against the City. We, therefore, recommend that Cobra Electric Ltd. be awarded the work.

FUNDING

The funding for this contract is as follows:

Tender Amount (2007)	\$3,299,621.00
Less GST (6%)	(\$186,771.00)
Less Cost Recoveries	
Delta Cost Share	(\$50,000.00)
White Rock Cost Share	(\$25,000.00)
Less ICBC Recoveries	<u>(\$270,000.00)</u>
Net Funding Requirement	\$2,767,850.00

The net funding needed is available in the Traffic Operations Operating Budget.

Paul Ham, P.Eng.
General Manager, Engineering

BW/rdd

c.c. - City Manager
- Shiri Naryan, Finance & Technology Department
- Jo-Ann Anakotta, Finance & Technology Department