



Corporate Report

NO: R143

COUNCIL DATE: July 28, 2008

REGULAR COUNCIL

TO: Mayor & Council DATE: July 24, 2008
FROM: General Manager, Engineering FILE: 3807-001/11
SUBJECT: Traffic Signal and Street Light Maintenance Contract M.S. 1220-20-03-07
Additional Contract Authority

RECOMMENDATIONS

The Engineering Department recommends that Council approve an increase in contract authority for Contract M.S. 1220-20-03-07 by \$940,000, from \$3,650,000 to \$4,590,000 (including 5% GST), to fund the street light wire theft shortfall.

BACKGROUND

Contract M.S. 1220-20-03-07 was awarded to Cobra Electric Ltd. on August 1, 2007, and involves the ongoing maintenance of approximately 300 traffic signal control devices and 24,000 street lights within the City. The electrical maintenance contract is a three-year contract, with options to extend the term for up to an additional two years. Cobra Electric's performance during the first year of the contract has been satisfactory. However, both City staff and Cobra Electric staff have been dealing with ongoing, significant street light wire theft.

DISCUSSION

Since 2006, copper wire theft occurrences have caused disruptions to City lighting services, including playing field lighting in City parks, parking lot lighting and street lighting. The contractor has been diligently replacing stolen wire in a reasonable time frame; however, this brought with it additional anticipated costs. Street lighting wire theft losses reached a plateau in early 2007, with losses in February of 2007 totaling \$421,500.

Since early 2007, the Traffic Operations Section has deployed several theft mitigation measures including:

- Installing lockable street light hand hole covers at locations that have experienced wire theft or attempted wire theft.
- Installing lockable street light hand hole covers on all newly installed street lights.
- Specifying an access restriction device located inside the street light pole; designed to deter wire theft in newly developed areas and new residential subdivisions.
- Specifying theft deterrent locking systems on new street light electrical service panels.

The Engineering Department is currently reviewing other options for reducing wire theft with a view to implementing pilots to determine their effectiveness.

Although the street light wire theft mitigation measures have been successful where deployed, street light copper wire theft has continued to occur on a regular basis at unsecured locations. The following is a summary of the wire theft losses (August 1, 2007 – May 31, 2008) and projected losses for the remaining two months of the contract year.

Monthly Losses

August 2007	\$ 72,500
September 2007	89,000
October 2007	110,000
November 2007	66,000
December 2007	47,000
January 2008	78,000
February 2008	75,000
March 2008	56,000
April 2008	90,500
May 2008	62,500
June 2008	74,500 (estimated)
July 2008	<u>74,500</u> (estimated)
	\$895,500 (excluding GST)

City Traffic Operations staff and Cobra Electric staff have continued to work closely with the RCMP to document theft occurrences and assist in the apprehension of wire thieves. Due to the extensive street light wire theft problem between August of 2007 and July of 2008, an additional contract authority of \$940,000 (including 5% GST) is required.

An overall strategy to handle wire theft must include coordination of municipal by-laws across municipalities in the Region regarding the purchase and sale of scrap and salvaged materials and proactive law enforcement by By-law Enforcement Officers and police services personnel.

A new Scrap Metal Dealer Regulation By-law, 2008, No. 16655 has been given third reading by Council. This new By-law requires scrap metal dealers to maintain records of purchase transactions related to scrap metal. The scrap metal transactions will be subject to an inventory retention period to permit sufficient time for police services to examine the inventory and recover stolen scrap metal that may be used as evidence in Court proceedings. Proactive enforcement of the By-law by By-law Enforcement Officers and

the RCMP will be necessary to effectively monitor the scrap metal industry to ensure By-law compliance. This enforcement will entail audits and spot checks of purchase transactions by By-law Enforcement Officers.

Among the B.C. municipalities, Richmond has enacted a by-law similar to Surrey's new Scrap Metal Dealer Regulation By-law. Burnaby and Langley City have indicated they will likely follow Surrey's lead in enacting a similar by-law and thereby reduce the ability of metal thieves to dispose of stolen wire and hopefully reduce wire theft across the lower mainland. It would be desirable if all lower mainland municipalities adopted a similar by-law as this, along with enforcement, would have a significant effect on wire theft.

FUNDING

Funding for the additional contract authority requested in this report is available from the City's Risk Management self-insurance fund.

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VL/SP:brb

c.c. - Manager, Risk Management - Finance & Technology Dept.