

NO:R098

COUNCIL DATE: May 30, 2011

REGULAR COUNCIL

TO: Mayor & Council **DATE: May 25, 2011**

FROM: General Manager, Engineering **FILE: 3807-001/11**
General Manager, Finance and Technology

SUBJECT: Additional Contract Authority - Contract No. M.S. 1220-20-03-07
Traffic Signal and Street Light Maintenance

RECOMMENDATION

The Engineering Department and Finance & Technology Department recommend that Council:

1. approve an increase of \$1,650,000.00 in the 2011 expenditure authority with respect to Contract No. M.S. 1220-20-03-07 between the City of Surrey and Cobra Electric Ltd. that will increase the expenditure authority from \$4,497,392.00 (including HST) to \$6,147,392.00 (including HST), which is necessary to cover the costs of replacing street light system wire that is lost due to theft; and
2. authorize the Mayor to forward a letter to each of the Provincial Attorney General and the Provincial Solicitor General, urging them to act quickly and decisively in introducing legislation so as to make it more difficult for thieves to dispose of stolen wire and to allow for more effective prosecutions of and more severe penalties for scrap dealers who are found in possession of such wire.

BACKGROUND

Contract M.S. 1220-20-03-07 between the City and Cobra Electric provides for the ongoing maintenance of over 29,000 street lights and 360 electrical traffic control devices across the City. The repair of damage to City street light systems due to wire theft is a component of the Contract and is completed by Cobra Electric on an as-required basis.

Copper wire theft has become a significant problem not only for the City of Surrey but for most cities and other companies across the lower mainland and for many jurisdictions across North America. Since 2005, the City of Surrey has experienced a dramatic increase in copper wire theft from the City's street light systems, as evidenced by the information contained in the following table.

Table 1 – Annual Street Light Wire Theft Repair Costs (Calendar Year)

Year	Wire Theft Repair Costs	Average Copper Price \$/lb.
2005	\$15,718.38	\$1.65
2006	\$215,696.80	\$3.25
2007	\$1,235,822.68	\$3.40
2008	\$1,168,381.74	\$3.75
2009	\$145,684.60	\$2.30
2010	\$1,268,529.95	\$3.05

The table also demonstrates the variability of wire loss from year to year, which appears to be correlated to the fluctuations in market value of copper. The value of copper is currently trading at above \$4.00/lb., the highest rate to date. The City has experienced a significant increase in wire theft in the first three months of 2011. If current trends continue wire theft repair costs in 2011 will exceed \$2,000,000.

DISCUSSION

Several wire theft mitigation measures have been implemented to deter wire theft; however, due to the size of the City and its expansive network of street lights, protection of the City’s copper wire assets has been challenging.

Theft Mitigation Measures

The following is a description of some of the theft deterrence measures that have been implemented to date:

1. Locking or security-bolted hand hole covers have been retrofitted in existing street light poles at locations where theft has been most prevalent. Close to 4,000 poles have been fitted out with this feature. The number is increasing with every repair.
2. All new street lights installed in the City include lockable hand hole covers and “baffles” inside the streetlight poles that make it difficult to remove street light wire in large segments. The baffle device makes it difficult to access the wires and acts to cut the wire if someone attempts to pull the wire out of the street light pole. This combination has been very effective at deterring copper wire theft; however, it is cost prohibitive to install such devices on all of the 29,000 existing street lights (i.e., in the range of \$600 to \$1,000 per pole) as each street light pole would need to be removed, fitted with the device and re-installed. The total cost for the entire City would be in the order of \$20 million to \$30 million.
3. All new copper street light wire being installed in the City is labelled on its insulation jacket with the words “Property of the City of Surrey” and is date-coded. This feature will help police in prosecuting thieves when such wire is found in their possession and will allow verification as to the location from where the wire was taken. Staff is also studying the potential use of alternate metal wiring that would reduce its value as scrap metal.

4. The RCMP are working closely with Cobra Electric and City personnel to ensure the timely reporting of these thefts to police which has resulted in an increase in timely police attendance to wire theft sites. This is helping the police to gather information and evidence with a view to apprehending the thieves. In this regard, the RCMP has been successful in making several arrests.
5. Movable CCTV cameras have been acquired by the City and are being installed at high theft locations with a view to capturing images of the thieves and having evidence with which to prosecute them.
6. The Provincial Police Services Division is working on legislation to combat the propensity for scrap dealers to purchase stolen wire. This report recommends that Council authorize the Mayor to forward a letter to the Attorney General and the Solicitor General urging them to expedite the implementation of such legislation so as to make it more difficult for thieves to dispose of stolen wire and to allow for more effective prosecution of scrap dealers who are found in possession of such wire.
7. An inter-agency Task Force has been formed involving representatives from the City, Telus, Shaw, B.C. Hydro, the Province, the RCMP and Crime Stoppers to discuss the success of different initiatives targeted at reducing wire theft and to explore new ideas. The Task Force is currently developing a public awareness campaign and public wire theft reporting strategy, which will act to educate the public about the problem and encourage the public to become involved in deterring wire theft by recognizing and reporting wire theft activities. Work is underway to prepare information for the public including newspaper articles, advertisements, social media communications and brochures. The Task Force is also implementing an "alarm system" to alert the police to the location of a wire theft as soon as the wire is cut, which would hopefully allow the police to catch the thieves "red-handed". The Task Force meets approximately once a month.

FUNDING

Funding to cover the recommended increase in the subject contract related to the theft of copper wire is available from the City's Self Insurance Reserve that is managed by the City's Risk Management Division.

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