

NO: R205

COUNCIL DATE: October 23, 2017

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **October 18, 2017**
FROM: **General Manager, Engineering** FILE: **2320-20 (Flagging)**
SUBJECT: **Award of Contract 1220-040-2017-119 for Annual Traffic Control Services**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract 1220-040-2017-119 to DL Safety Consulting Ltd. for annual traffic control services for a three-year term, with two additional one-year terms at the City's option, at an annual cost of \$1,771,217.00, including GST;
2. Set the annual expenditure authorization limit for Contract 1220-040-2017-119 at \$1,948,400.00, including contingency and GST; and
3. Authorize the General Manager, Engineering to execute Contract 1220-040-2017-119.

INTENT

The purpose of this report is to seek Council approval to execute a contract with DL Safety Consulting Ltd. for the supply of traffic control services as identified within this report.

BACKGROUND

This contract involves the supply of traffic control services as mandated by Work Safe BC regulations for the safety of crews working on road-related and utility-related Engineering Operations maintenance activities and construction works. In addition, the contract allows for the provision of traffic flagging services for the Surrey RCMP in relation to emergencies such as motor vehicle accidents, as well as traffic control services for special events within Surrey.

Previous Contract

The previous contract with BC Road Safe Inc. was for a one-year term with two one-year extension options available to the City at its sole discretion. The contract for years one and two were completed satisfactorily. However, the third term of the contract was not extended due to significant changes to the scope of work and quantity of traffic control required by the City. Accordingly, the traffic control contract expired on April 30, 2017 and the services were extended on a month-to-month basis until the new solicitation process was completed. A thorough analysis was required prior to initiating the RFQ process to ensure that the City's requirements and quantities were accurately reflected in the new solicitation document.

Traffic Control Growth

Historically, Engineering Operations required approximately 10–15 traffic control personnel (“TCP’s”) and 7–10 lane trucks for various maintenance and construction activities. Over the past two years, Engineering Operations has experienced an increase in demand for traffic control services. There has been an approximate increase of 24% in the number of TCP’s and 31% in the number of lane trucks required. The increase in demand can be attributed to an increase in the number of Engineering Operations crews, as well as growth in maintenance activities and construction projects. The daily requirements for traffic control services are as follows:

Traffic Control	Normal Operations	Peak Season Operations (May – August)
TCP’s	20-25	25-35
Lane Trucks	15-20	20-25

DISCUSSION

In August 2017, the City advertised a Request for Quotations (“RFQ”) for the provision of traffic control services on the City’s website and on the BC Bid website. A total of six submissions were received, of which five met the City’s requirements as indicated in the following tables with the associated yearly estimated contract costs based on the scope of work.

Submissions Meeting the City’s Requirements

Contractor	Total Annual Amount (including GST)	Corrected Amount (including GST)
1. DL Safety Consulting Ltd.	\$1,771,217.00	No Change
2. Ansan Industries Ltd.	\$1,778,931.00	No Change
3. Go Traffic Management Inc.	\$1,827,945.00	No Change
4. Canuck Flagging Group Inc.	\$1,882,755.00	No Change
5. Valley Traffic Systems Inc.	\$1,990,170.00	No Change

Submission Not Meeting the City’s Requirements

Contractor	Total Annual Amount (including GST)	Corrected Amount (including GST)
1. BCRS Road Safe Inc. (not able to supply required resources)	\$1,604,232.00	No Change

EVALUTION

The evaluation included consideration of the contractor’s experience, reputation, resources, technical and financial review, and other comments. This process is consistent with the City’s competitive procurement policy.

All RFQ submissions were reviewed for accuracy and completeness. No errors were found.

Analysis and Results

BCRS Road Safe Inc. submitted the lowest cost proposal; however, they have indicated in their submission that they will not be able to supply the number of TCP's or equipment required by the City on a daily basis for various maintenance and construction activities.

The proposal submitted by DL Safety Consulting Ltd. ("DL") is the lowest cost proposal that met our requirements and is viewed as representing the best overall value to the City. DL provided traffic control services to the City from 2013 to 2015. Their past performance has been satisfactory. DL has demonstrated in their submission that they have sufficient staffing and equipment to meet the City's daily requirement for traffic control services. In addition, DL has also provided traffic flagging services for various other regional municipalities to satisfactory standards.

The RFQ requires a \$50,000.00 Performance and Labour & Materials Payment Bond, which will be submitted by DL within ten days of notice of award. DL has no outstanding legal claims against the City.

Based on the above, it is recommended that DL Safety Consulting Ltd. be awarded Contract 1220-040-2017-119.

Term

This contract is for a three-year term with two one-year extension options available to the City at its sole discretion. Should the contract be extended beyond the first term, the unit prices and contract value will be adjusted as per the Consumer Price Index for Vancouver. The contractor's performance will be evaluated prior to the end of each term with such information being taken into account with respect to exercising the renewal option for the subsequent year.

SUSTAINABILITY CONSIDERATIONS

This project supports the objectives of the City's Sustainability Charter. In particular, this contract relates to the Sustainability Charter theme of Public Safety. Specifically, this project supports the following Desired Outcome:

- Transportation Safety SD9: Address traffic safety issues in a holistic way, particularly around schools and critical accident locations.

FUNDING

Funding for this contract is available in the approved Engineering Operations Budget, Engineering Capital Budget and RCMP Operations Budget.

Fraser Smith, P.Eng., MBA
General Manager, Engineering

HJ/cc