

NO: R206

COUNCIL DATE: October 23, 2017

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **October 13, 2017**

FROM: **General Manager, Engineering** FILE: **3807-001/12**

SUBJECT: **Award of Contract M.S. 1220-030-2017-037 for the Maintenance of Roadway Electrical Systems**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract M.S. 1220-030-2017-037 to Cobra Electric Ltd. related to the maintenance of roadway electrical systems for a three-year term from January 1, 2018 to December 31, 2020 (the "Term") in the amount of \$11,165,420.79, including GST;
2. Set the expenditure authorization limit for Contract M.S. 1220-030-2017-037 as follows:
 - i) At \$4,100,000.00 (including applicable taxes) for the year from January 1, 2018 to December 31, 2018;
 - ii) At \$4,300,000.00 (including applicable taxes) for the year from January 1, 2019 to December 31, 2019;
 - iii) At \$4,500,000.00 (including applicable taxes) for the year from January 1, 2020 to December 31, 2020.

These expenditure authorization limits provide a contingency and annual infrastructure inventory increase for Contract M.S. 1220-030-2017-037; and

3. Authorize the General Manager, Engineering to execute Contract M.S. 1220-030-2017-037.

SCOPE OF WORK

The scope of work associated with this contract consists of ongoing maintenance of approximately 500 electrical traffic signalling devices and approximately 29,000 street lights across the City.

BACKGROUND

The City has received good value and service by contracting out the maintenance work associated with its traffic control device and street light inventory. The current electrical maintenance contract with Cobra Electric Ltd. expires on December 31, 2017.

DISCUSSION

Evaluation of Proposal

In early August 2017, a public competitive procurement process was undertaken which resulted in the City receiving a total of two submissions. The following proponents submitted proposals:

1. Cobra Electric Ltd.; and
2. Crown Contracting Limited.

The above referenced proposals were evaluated by a team facilitated by the Purchasing Section, consistent with the criteria disclosed in the solicitation document as follows:

- Experience, reputation and resources;
- Technical approach and methodology; and
- Financial considerations.

Both submitted proposals were found to be fully compliant with the scope of services, as identified in the Request for Proposals (“RFP”).

Subsequent to review of the submitted proposals, staff established that Cobra Electric Ltd. was the preferred proponent and has the necessary experience and resources to carry out the work as specified in the RFP. Staff further established that:

- Cobra Electric Ltd. provided the most competitive bid;
- The hourly labour rates, as proposed, are comparable to rates paid under previous electrical maintenance contracts;
- The material costs, as proposed, are similar to costs contained in previous electrical maintenance contracts;
- Cobra Electric Ltd. is very familiar with the infrastructure servicing requirements/obligations of the contract; and
- Based on the overall evaluation, the evaluation team concluded that the proposal submitted by Cobra Electric Ltd. best met the City’s requirements and provides best overall value to the City.

Expenditure Authorization

The expenditure authority, in addition to covering the cost of on-going regular maintenance of the current inventory, will address contingency and an infrastructure inventory increase.

SUSTAINABILITY CONSIDERATIONS

This work of this contract supports the objectives of the City’s Sustainability Charter. In particular, this project relates to the Sustainability Charter themes of Public Safety and Infrastructure. Specifically, this contract supports the following Desired Outcomes.

- Transportation Safety SD8: Ensure all public infrastructure is built and maintained to ensure community safety and well-being for all ages and abilities;
- All Infrastructure DO1: City facilities and infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems; and
- All Infrastructure DO2: Infrastructure systems provide safe, reliable and affordable services.

FUNDING

Funding for the subject contract is available in the 2018, 2019 and 2020 Engineering Operating Budgets.

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

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