



City of Richmond

Report to Committee

To: Public Works and Transportation Committee **Date:** May 4, 2009
From: Victor Wei, P. Eng. **File:** 1000-01
Director, Transportation **XRef:** T.3398
Re: **AWARD OF CONTRACT T.3398 – MAINTENANCE, UPGRADING AND
INSTALLATION OF TRAFFIC SIGNAL SYSTEMS IN RICHMOND**

Staff Recommendation

That Contract T.3398 – Maintenance, Upgrading and Installation of Traffic Signal Systems in Richmond be awarded to Cobra Electric Limited.

Victor Wei, P. Eng.
Director, Transportation
(604-276-4131)

FOR ORIGINATING DEPARTMENT USE ONLY					
ROUTED TO:		CONCURRENCE		CONCURRENCE OF GENERAL MANAGER	
Budgets	Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>			
Purchasing.....	Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>			
REVIEWED BY TAG	YES	NO	REVIEWED BY CAO	YES	NO
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>	<input type="checkbox"/>

Staff Report

Origin

The City's existing Contract with Cobra Electric Limited for traffic signal systems maintenance will expire on May 31, 2009. Staff have completed the required tender process and identified the lowest priced, most qualified bidder to seek the approval of Council to award the 2009 Traffic Signal Maintenance, Upgrade and Installation Contract (T.3398).

The maintenance and upgrading of traffic signal controllers, cabinets, electronic control equipment and data communications networks requires specialized skills. The work to be performed under contract T.3398 involves the provision of skilled labour and specialized equipment necessary to maintain and upgrade sophisticated traffic signal components and a city-owned conduit/cable and wireless data communications network in the City of Richmond.

Analysis

Contract T.3398 is a one-year contract covering 24-hour traffic signal maintenance, upgrading and installation works commencing June 1, 2009 to May 31, 2010. Approximately 300 signalized traffic devices, over 100 km of communications cable and several wireless radio systems are included in this contract. This contract has provisions to be extended for up to four additional one-year increments upon mutual consent between the Contractor and the City. Multiple one-year contract extensions are common in other lower mainland municipal traffic signal maintenance/installation contracts. This Contract T.3398 allows for *Unit Prices* to be considered for modification by a Price Index Adjustment Factor (PIAF) consistent with the British Columbia Ministry of Transportation's Annual Electrical Adjustment Calculation for Provincial electrical maintenance contracts.

The contract is configured to allow the City to maintain the existing level of service.

Two tenders for contract T.3398 were received on April 23, 2009 as follows:

- Cobra Electric Limited - \$882,899.90
- Crown Contracting Limited - \$1,032,840.62

The tenders were reviewed to confirm submission and completion of the required forms. Both tenders were deemed acceptable.

The lowest and most qualified bidder, Cobra Electric Limited is currently providing traffic signal maintenance work for a number of local municipalities including: City and District of North Vancouver, District of West Vancouver, Cities of Richmond, Surrey, Burnaby and Coquitlam, and the Township of Langley. Cobra Electric Limited has been Richmond's traffic signal maintenance contractor since 1985 covering multiple signal maintenance contracts and is familiar with Richmond's traffic signal physical plant.

Crown Contracting Limited has experience in traffic signal installation, including a number of projects in Richmond, but has little maintenance experience, which is limited to a total of two

years in 1999 and 2001 for a small municipality. Traffic signals staff have considerable practical experience working with both Cobra Electric Limited and Crown Contracting Limited related to traffic signal works and are thus familiar with their capabilities to meet the needs of Contract T.3398.


Financial Impact

The maintenance, upgrade and installation work for this contract is funded from a number of sources in the recently approved 2009 Operating and Capital Budgets for the Transportation Division including: Traffic Signal and Communications Network Maintenance accounts and the Major Road Network Signal Maintenance account.

The amount of \$882,899 shown in the preferred proponent's bid price is not a fixed number that is used to guarantee payment to the contractor as the proposed contract is based on the actual work performed as directed by the City throughout the year. The amount shown was only used for the purpose of fixing an estimated scope of work for the proponents to quote their prices on. As such, staff will ensure the actual work in 2009 does not exceed the approved budget.

Conclusion

The lowest and most qualified bidder, Cobra Electric Limited, has been Richmond's traffic signal maintenance contractor since 1985, covering multiple signal maintenance contracts. Cobra Electric Limited has given the City quality and cost effective services over this time. Of the two tenders received, Cobra Electric Limited represents the best value and has the required experience, staff and equipment resources to maintain, upgrade and install traffic signal systems in Richmond.



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JRB:lce