



City of Richmond

Report to Committee

To: Public Works and Transportation Committee **Date:** October 18, 2021
From: Suzanne Bycraft
Interim Director, Public Works Operations **File:** 10-6000-01/2021-Vol 01
Re: **Change Order Approval – Contract 6715P – Traffic Control Services**

Staff Recommendation

1. That staff be authorized to issue a change order to increase the value of the current contract between the City of Richmond and Ansan Traffic Group, Lanesafe Traffic Control, and Traffic Pro Services as detailed in the staff report titled “Change Order Approval – Contract 6715P – Traffic Control Services”, dated October 13, 2021 from the Interim Director, Public Works Operations, by \$906,110, bringing the new contract value to \$2.4 million over the maximum available term of three years; and
2. That the Chief Administration Officer and the General Manager, Engineering and Public Works be authorized to execute a contract amendment with Ansan Traffic Group, Lanesafe Traffic Control and Traffic Pro Services, to reflect the increase in predicted usage of services over the three year term.

Suzanne Bycraft
Interim Director, Public Works Operations
(604-233-3338)

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Finance Department	<input checked="" type="checkbox"/>	
Purchasing	<input checked="" type="checkbox"/>	
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

At the March 9, 2020 Council meeting, the award of contract 6715P – Traffic Control Services was approved as follows:

That Contract 6715P – Traffic Control Services be awarded for a three year term commencing April 1, 2020, to three bidders, with the intent of assigning the majority of the work to Ansan Traffic Group as the primary service provider, and with Lanesafe Traffic Control and Traffic Pro Services serving as secondary and tertiary backup service providers.

The general scope of this contract includes:

- Providing traffic control services on an "as and when required" basis for various job sites, including for work and projects in connection with all aspects of roads, utilities, boulevards and medians, as well as special events; and
- Providing all the personnel, labour, supervision, management, facilities, vehicles, tools, equipment, signs, devices, accessories, supplies, fuel, and other materials which are necessary or incidental to the appropriate and complete design and provision of the traffic control services.

The initial value of this contract over the full three year term was estimated at \$1,491,780 based on best available information on estimated service requirements at that time. The impacts of the pandemic were not contemplated when the value of Contract 6715P was estimated. Physical distancing requirements have, therefore, created a higher demand for services than that initially estimated.

This report provides further details and seeks to increase the contract value by \$906,110 for a total of \$2.4 million over the maximum three year term, or to March 31, 2023.

This report supports Council's Strategic Plan 2018-2022 Strategy # 1 A Safe and Resilient City:

Enhance and protect the safety and well-being of Richmond.

1.1 Enhance safety services and strategies to meet community needs.

1.2 Future-proof and maintain city infrastructure to keep the community safe.

1.4 Foster a safe, caring and resilient environment.

Analysis

Background

Contract 6715P – Traffic Control Services was awarded through a competitive bid process issued to the marketplace on August 29, 2019. Proponents were requested to provide pricing based on

an estimate of annual traffic control hours required (10,000 regular service hours, 500 weekday evening service hours and 500 weekend service hours). In addition, proponents were required to provide fixed pricing for the three year term. The work was awarded to all three bidders, with Ansan Traffic Group as the primary service provider and Lanesafe Traffic Control and Traffic Pro Services serving as secondary and tertiary backup service providers.

The estimated total value of work over the three year term was based on historic usages from 2017 to 2019 and predicted estimates of annual traffic management plan requirements and traffic control personnel hours. The total value of the contract over the three year term was estimated at \$1,491,780, which included a 15% general contingency. Required funding amounts are included in the annual operating and capital budgets.

Volumes

Usage for these services have exceeded original estimates primarily due to the COVID-19 pandemic. The greatest increase in services occurred at the City's Recycling Depot, which initiated traffic control from April 2020 through May 2021 to ensure physical distancing within the facility. Recycling Depot traffic control has been fully transitioned to being provided by certified City staff, which has eliminated the requirement for contracted traffic control at that facility. Other pandemic impacts include the increased use of electronic message boards (EMB) (also a component of the work under this contract) for public health messaging that traditionally would not have been a requirement. Significant infrastructure projects have also required additional traffic control and EMB's beyond that originally included when estimating the total contract value.

The revised forecast is shown in Table 1 below to reflect the increases in major arterial construction, traffic control usage and COVID-19 related expenditures. The forecast values in the "Year 1 Actuals and Revised Forecast" column include a 15% contingency.

Table 1: Revised Projected Contract Value and Spend to Date

Contract Year (Apr -Mar)	Original Forecast	Year 1 Actuals and Revised Forecast	Difference
Year 1 (Apr '20 – Mar '21)	\$491,780	\$1,027,940	\$536,160
Year 2	\$500,000	\$690,113	\$190,113
Year 3	\$500,000	\$679,837	\$179,837
Total	\$1,491,780	\$2,397,890	\$906,110

Costs were trending upwards of \$2.8 million, but by managing the traffic control using City staff at the Recycling Depot, Contract 6715P costs have been able to be better contained.

Financial Impact

Funding for traffic control services is included as part of annual operating budgets and capital projects. A 15% contingency has been included in the revised forecast.

Conclusion

Increased traffic control services have been necessary as the City navigated the COVID-19 pandemic and larger infrastructure projects. Costs estimates under contract 6715P – Traffic Control Services are projected to exceed original approvals. This report seeks approval for a change order to increase the value of the contract by \$960,110 to \$2.4 million excluding taxes, over the three year contract term (through March 31, 2023) to more closely reflect actual spends and updated forecasted costs.

The current tri-party vendor award arrangement continues to represent best value for these services, therefore staff recommend the change order approval as outlined in this report.



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BD:bd