



City of Richmond

Report to Committee

To: Public Works and Transportation Committee **Date:** September 13, 2021
From: Lloyd Bie, P. Eng.
 Director, Transportation **File:** 02-0775-50-7256/Vol 01
Re: **Recommendation to Award Contract 7256P - Traffic Signal System Maintenance, Upgrading and Installation**

Staff Recommendation

1. That Contract 7256P – “Traffic Signal System Maintenance, Upgrading and Installation” for an initial three year term estimated at \$6,878,728.86 excluding contingency and taxes, with an option to renew for one further two-year term for a maximum of five years, be awarded to Cobra Electric Services Limited. Staff request to award the contract for \$6,878,728.86 and issue change orders up to an additional \$687,873.00 excluding taxes, for a maximum value of \$7,566,601.86 to Cobra Electric Services Limited;
2. That staff be authorized to extend the contract for the final two years of the five year contract; and
3. That the Chief Administrative Officer and General Manager, Planning and Development, be authorized to execute the above contract.

Lloyd Bie, P. Eng.
 Director, Transportation
 (604-276-4131)

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Finance Department Engineering	✓ ✓	
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

Contract 7256P (*Traffic Signal System Maintenance, Upgrading and Installation*) allows the City to retain a contractor to provide 24-hour traffic signal maintenance, upgrading and installation works at approximately 422 signalized traffic devices. The existing contract between the City and Cobra Electric Services Limited expires on October 24, 2021 and is currently being extended on a month-to-month basis.

Following the completion of a Request for Proposal process to identify a qualified traffic signal maintenance contractor, staff recommend that Cobra Electric Services Limited be awarded the new contract.

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

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

This report supports Council's Strategic Plan 2018-2022 Strategy #5 Sound Financial Management:

5.3 Decision-making focuses on sustainability and considers circular economic principles.

This report supports Council's Strategic Plan 2018-2022 Strategy #6 Strategic and Well-Planned Growth:

6.3 Build on transportation and active mobility networks.

Analysis

The scope of work includes the maintenance, upgrading and installation of traffic signals, traffic cameras, pedestrian signals, special crosswalks, fire signals, warning signals, directional and lane use signs, driver feedback signs, and count sensors, and the maintenance of the existing communications network.

Procurement Process

A competitive procurement process was undertaken to identify the most qualified and experienced contractor to maintain, upgrade and install the City's traffic signal system. The contract term will be for three years with the option to renew for an additional two years to a maximum of five years total.

A Request for Proposal (RFP) was posted on BC Bid by the City on August 4, 2021. One submission was received from Cobra Electric Services Limited.

Transportation staff have evaluated the submission and have determined Cobra Electric Services offers good value and has the experience and equipment required to meet the needs of the City.

The proposed rates for the new contract have increased by 3% compared to the previous five year contract and represents the first price increase since 2017. Pricing for the initial three year term of the new contract will remain unchanged. Any proposed changes to the rates for the optional fourth and fifth year will be communicated by the contractor to the City for consideration. Pricing adjustments beyond the initial term of the contract will require justification and be supported by cost data based on industry price indices.

Financial Impact

The proposed contract will be funded from Capital and Operating Budgets approved by Council under the Consolidated 5 Year Financial Plan (2021-2025). The amount of \$2,522,200.62 is an estimate for Year 1 or \$7,566,601.86 for the initial three year term. The actual work will be defined and issued on an “as required” basis.

Conclusion

Cobra Electric Services Limited has been the City’s traffic signal contractor since 1985 and have continuously provided a good level of technical expertise, dependability and cost-effective services over this period of time. Staff recommend that Contract 7256P be awarded to Cobra Electric Services Limited and that staff be authorized to extend the contract for the final two years of the five year contract. Staff further recommend that the Chief Administrative Officer and General Manager, Planning and Development, be authorized to execute the above contract.



Bill Johal
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BJ:bj