

Staff Report

Origin

Contract T.3398 (Maintenance, Upgrading and Installation of Traffic Signal Systems in Richmond) allows the City to retain a contractor to provide 24-hour traffic signal maintenance, upgrading and installation works. Approximately 335 signalized traffic devices, over 140 kilometres of communications cable and several wireless radio systems are included in this contract. The current contract between the City and Cobra Electric Limited expired on May 31, 2014 and is being extended on a month-to-month basis with no change in unit pricing. The procurement process to obtain a new contract was temporarily deferred to accommodate the relocation of the Traffic Management Centre from the site of Fire Hall No. 1 to the City Hall Annex.

Following the completion of a Request for Proposals process to identify the lowest priced and most qualified contractor for a new contract, staff have identified Cobra Electric Limited as the preferred proponent and are seeking Council approval to award the new contract.

This report supports Council's 2014-2018 Term Goal #6 Quality Infrastructure Networks:

Continue diligence towards the development of infrastructure networks that are safe, sustainable, and address the challenges associated with aging systems, population growth, and environmental impact.

6.1. *Safe and sustainable infrastructure.*

6.2. *Infrastructure is reflective of and keeping pace with community need.*

Analysis

Contract 5658P – Traffic Signal System Maintenance, Upgrading and Installation

The scope of work comprises the maintenance of traffic signals and troubleshooting controllers, cabinets, electronic control equipment, copper and fibre optic data communications cable networks, and wireless networks. The work to be performed under this contract would involve the provision of specialized skilled labour and equipment to perform a satisfactory and professional job of maintaining, upgrading and installing sophisticated traffic signal components and portions of a City-owned conduit, cable and wireless voice/data communications infrastructure.

The City's Purchasing section within the Finance Department worked with the Transportation Department to conduct the Request for Proposals process to identify the most qualified and experienced contractor for the new contract. Contract 5658P for Traffic Signal System Maintenance, Upgrading and Installation was issued to the marketplace by the City on May 25, 2016 with a closing date of June 13, 2016. The following two proposals were received:

- Cobra Electric Limited: \$1,601,249.00
- Crown Contracting Limited: \$1,934,743.00

Staff evaluated the proposals based on the criteria of quality, service, price, and qualifications and experience in signal maintenance, communications, upgrade, and installation.

The lowest and most qualified bidder, Cobra Electric Limited, currently or has recently provided traffic signal maintenance work for the City of Richmond as well as a number of local municipalities including North Vancouver (City and District), West Vancouver, Surrey, Burnaby, Coquitlam, Langley (Township and City), Port Moody, Mission, and Delta. Cobra Electric Limited has been Richmond's traffic signal maintenance contractor since 1985 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 limited maintenance experience and resources as required by Contract 5658P. Staff have considerable practical experience in working with both Cobra Electric Limited and Crown Contracting Limited on traffic signal related works and are thus familiar with their respective capabilities to meet the needs of Contract 5658P.

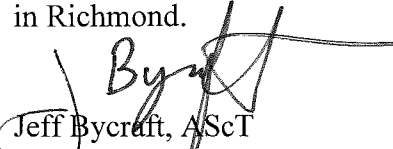
The contract would be configured to allow the City to maintain the existing level of service and allow for unit prices to be considered for modification by a Price Index Adjustment Factor (PIAF) consistent with the British Columbia Ministry of Transportation's Annual Electrical Adjustment Calculation for Provincial electrical maintenance contracts.

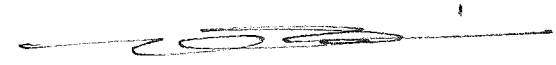
Financial Impact

The maintenance, upgrade and installation work for this contract would be funded from several sources in the approved 2016 Operating and Capital Budgets (Traffic Signal Maintenance) and (Traffic Signal Communications)) and the proposed 2017 Operating and Capital Budgets, which are subject to Council approval. The amount of \$1,601,249.00 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 in the proposal was used only for the purpose of defining an estimated scope of work for the proponents to provide quotes. As such, staff would ensure that the actual work done would not exceed the approved budget(s).

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 proposals 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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