



STAFF REPORT ACTION REQUIRED

Contract 05TM-01TP, Tender Call 80-2005, Open Contract No. 47010956 for Maintenance and Operation of Electrical Traffic Control Devices

Date:	June 12, 2007
To:	Public Works and Infrastructure Committee
From:	General Manager, Transportation Services Director, Purchasing and Materials Management
Wards:	All Wards
Reference Number:	P:\2007\Internal Services\pmmd\pw07025pmmd (AFS #4167)

SUMMARY

The purpose of this report is to request Public Works and Infrastructure Committee's authority to increase the value of Contract No. 47010956 issued to Stacey Electric Company Limited for the maintenance and operation of electrical traffic control and related devices by \$1,200,000 net of GST, which represents a 3.4% increase on the original contract value of \$35,647,791.95 net of GST.

According to the Financial Control Bylaw, Chapter 71 section 71.11.1.C, any amendment to a commitment which requires expenditures in excess of \$500,000 requires approval of Standing Committee prior to making payment for the expenditure.

RECOMMENDATIONS

The General Manager of Transportation Services and the Director of Purchasing and Materials Management recommend that:

1. Public Works and Infrastructure Committee grants authority to amend Contract No. 47010956 issued to Stacey Electric Company Limited by an increase of \$1,200,000 net of GST, a 3.4 % increase of the original contract, to a revised total value of \$36,847,791.95 net of GST.

Financial Impact

The Contract increase identified in this report is \$1,272,000.00 including all applicable taxes and charges. The cost to the City, net of GST is \$1,200,000.00. Funding is available in the 2007 Transportation Services Capital Budget in the account, Traffic Control Projects, CTP706.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact statement.

DECISION HISTORY

Public Works Committee in its meeting dated May 26th, 2005, authorized the award of Tender No. 80-2005 to Stacey Electric Company Limited, being the lowest bidder meeting specifications, for the maintenance and operation of electrical traffic control and related devices within the City of Toronto for a total value of \$35,647,791.95 excluding GST, from February 1st, 2006 to January 31st, 2009. Electrical traffic control and related devices include traffic control signals, pedestrian crossovers (PXOs), flashing beacons and illuminated signs, electronic changeable message signs, and closed circuit television cameras (CCTV) operated by the Transportation Services Division.

ISSUE BACKGROUND

Contract No. 47010956 was issued for a 3 year period starting from February 1, 2006 and expiring on January 31st, 2009. The scope of work performed under this contract includes emergency and routine maintenance work for traffic signal modifications and upgrades, collision replacements, adjustments to accommodate special events and film industry requests, and modification work to support construction and development activities.

During the initial twelve months of the contract an increase in the volume of work was experienced. This increase exceeded the estimated annual work volume under the contract. The requested increase in contract value is to realign these estimates with the work volume experienced in the first year of the Contract and to address an anticipated increase in capital funding for 2007 to deal with projects backlog. This increase will provide sufficient available commitment under the Contract to support these activities.

COMMENTS

Reasons for increased costs

The requested increase is based on an increase in the following activities:

Road Construction Support

Capital programs such as road reconstruction, streetcar track reconstruction and watermain replacement often impact the existing electrical traffic control device infrastructure. This contract supports the relocation, modification or reinstatement of the electrical traffic control device infrastructure for these construction activities. Examples of work under road reconstruction support, include Ellesmere Road widening, The Queensway, Kingston Road at Port Union and Sheppard/Leslie Bridge Rehabilitation. The increase in capital funding to deal with the backlog of road repair has resulted in additional work carried out under this contract. Although the work is funded from available capital budget, the costs flow through the contract impacting the total contract expenditure. The requested contract increase for Road Construction Support adjusts for this increased level of work in this area.

Traffic Signal Modifications

Traffic Signal Modifications include various changes to the operation of traffic signals. Examples of these changes include advanced left turn green arrows, flashing don't walk operation and other general traffic signal timing adjustments carried out City-wide. Capital funding in this area has been increased in order to deal with the backlog of requests. Again although this work is funded from available capital budget, the costs flow through this contract directly impacting the contract expenditure. The requested contract increase for Traffic Signal Modifications adjusts for this increased level of work in this area.

The reasons for increased costs are based on the first twelve months of the contract's thirty-six month term. Transportation Services will continue to monitor contract expenditures and report back to Public Works and Infrastructure if further increases are required.

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