

**Contract 08TM-01TP, Tender Call 58-2008:
Maintenance and Operation of Electrical Traffic Control and
Related Devices within the City of Toronto for the Period
February 1, 2009 to January 31, 2013**

Date:	June 12, 2008
To:	Public Works and Infrastructure Committee
From:	General Manager, Transportation Services Acting Director, Purchasing and Materials Management
Wards:	All Wards
Reference Number:	P:\2008\Internal Services\pmmd\pw08010pmmd (AFS 7635)

SUMMARY

The purpose of this report is to advise on the results of Tender Call No. 58-2008, Contract 08TM-01TP for the maintenance and operation of electrical traffic control and related devices within the City of Toronto for the period February 1, 2009 to January 31, 2013, in accordance with the specifications as required by the Transportation Services Division, and to request authority to award a contract to the recommended bidder.

RECOMMENDATIONS

The General Manager of Transportation Services and the Acting Director of Purchasing and Materials Management recommend that the Public Works and Infrastructure Committee:

1. Grant authority to award a contract for Tender Call 58-2008, Contract 08TM-01TP for the maintenance and operation of electrical traffic control and related devices within the City of Toronto for the period February 1, 2009 to January 31, 2013, to Stacey Electric Company Limited in the amount of \$67,079,041.04 net of GST, being the lowest bid in conformance with the tender requirements.

2. The General Manager of Transportation work with the Deputy City Manager and Chief Financial Officer to adjust project cost and commitments of \$35,850,000 in the 2008 Approved Capital Budget for Transportation Services at the next quarterly Capital Quarterly Variance Report.

Financial Impact

The total contract award for this report is \$70,432,993.09 including all applicable taxes and charges over the four year contract term. The cost to the City net of GST is \$67,079,041.04. The engineering estimate for this project is \$68,629,000 net GST.

Funds for this contract are included under various operating and capital accounts. The following tables, Table 1 and Table 2, provide the relevant programs and forecasted funding between operating and capital budgets and cover the total cost of the project.

Table 1

Transportation Services Forecasted Operating Budget for Electrical Traffic Control Devices under Contract 08TM-01TP

Program Description	Cost Centre	G/L Account	2009	2010	2011	2012	TOTAL
Traffic Plant Installation & Maintenance, Electronics and Communications	TP0241	4481	\$1,119,000	\$1,119,000	\$1,119,000	\$1,119,000	\$4,476,000
Traffic Plant Installation & Maintenance, RESCU, Field Electronics	TP0241	4482	\$315,000	\$315,000	\$315,000	\$315,000	\$1,260,000
Traffic Data Centre, Contracted Services, Electronic Maintenance	TP0248	4481	\$9,000	\$9,000	\$9,000	\$9,000	\$36,000
Traffic Plant Installation & Maintenance, Illuminated Signs	TP0252	4477	\$137,000	\$137,000	\$137,000	\$137,000	\$548,000
Traffic Plant Installation & Maintenance, Detection, Inductive Loops	TP0252	4482	\$378,000	\$378,000	\$378,000	\$378,000	\$1,512,000
Traffic Plant Installation & Maintenance, Pedestrian Crossovers	TP0252	4483	\$390,000	\$390,000	\$390,000	\$390,000	\$1,560,000
Traffic Plant Installation & Maintenance, Traffic Signals	TP0252	4486	\$4,513,000	\$4,513,000	\$4,513,000	\$4,513,000	\$18,052,000
Damage Due to Collisions, Illuminated Signs	TP0258	4477	\$10,000	\$10,000	\$10,000	\$10,000	\$40,000
Damage Due to Collisions, Pedestrian Crossovers	TP0252	4483	\$53,000	\$53,000	\$53,000	\$53,000	\$212,000
Damage Due to Collisions, Signals	TP0258	4486	\$887,000	\$887,000	\$887,000	\$887,000	\$3,548,000
TOTAL:			\$7,811,000	\$7,811,000	\$7,811,000	\$7,811,000	\$31,244,000

Keeping the level of service for operating activities under this contract constant over the next four years, the operating budget anticipated for electrical traffic control devices under Contract 08TM-01TP is \$31,244,000. The forecasted amount for each year of the contract is based on

maintaining the Transportation Services approved 2008 operating budget for electrical traffic control devices.

Table 2

Transportation Services Forecasted Capital Budget for Electrical Traffic Control Devices under Contract 08TM-01TP

Program Description	2009	2010	2011	2012	Total
Road Capital Projects	\$1,650,000	\$1,675,000	\$1,700,000	\$1,725,000	\$6,750,000
New Traffic Control Signals	\$100,000	\$105,000	\$110,000	\$115,000	\$430,000
Signal Major Modifications	\$1,250,000	\$1,300,000	\$1,350,000	\$1,400,000	\$5,300,000
Audible Signals	\$500,000	\$500,000	\$250,000	\$250,000	\$1,500,000
Traffic Plant Requirements	\$1,700,000	\$1,800,000	\$1,900,000	\$2,000,000	\$7,400,000
Advanced Traffic Signal Control	\$700,000	\$705,000	\$710,000	\$715,000	\$2,830,000
Transit Priority (Fully Recoverable)	\$175,000	\$185,000	\$195,000	\$200,000	\$755,000
LED Signal Mod Conversion	\$30,000	\$30,000	-	-	\$60,000
Upgrades to Meet ESA Standards	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$6,000,000
Third Party Signals (Fully Recoverable)	\$850,000	\$850,000	\$850,000	\$850,000	\$3,400,000
PXO Replacements and Enhancements	\$450,000	\$475,000	\$500,000	-	\$1,425,000
Total:	\$8,905,000	\$9,125,000	\$9,065,000	\$8,755,000	\$35,850,000

Forecasting the level of capital programs under this contract for the next four years, the respective capital for electrical traffic control devices under Contract 08TM-01TP is \$35,850,000. The amounts identified for each of these capital programs have been included in the Transportation Services 5 year Capital Plan. However project cost and commitments of \$35,850,000 will need to be adjusted at the next Quarterly Capital Variance Report. There will be zero net debt impact as a result of this adjustment on the Approved 5 year Capital Plan for Transportation Services.

As shown in Tables 1 and 2, the Transportation Services Division's forecasted operating and capital amounts are \$31,244,000 and \$35,850,000, respectively, for the maintenance and operation of electrical traffic control devices. The funding for these activities covered under this contract commencing February 1st, 2009, will be requested in subsequent annual Operating and Capital Budget submissions for each year of the contract period.

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

ISSUE BACKGROUND

Electrical traffic control devices within the City of Toronto include traffic control signals, pedestrian crossovers, flashing beacon and illuminated signs, as well as electronic changeable message signs operated by the Transportation Services Division. In addition to providing key core maintenance activities for these existing electrical traffic control devices, the contract also supports the improvement and expansion of several capital programs that impact the traffic signal infrastructure including road reconstruction, signal major modifications, new electrical traffic control devices, audible pedestrian signals, transit priority, and third party modifications including development related requests, as well as the film industry or special events. The existing contract for the maintenance and operation of electrical traffic control and related devices commenced on February 1, 2006 and will expire on January 31, 2009.

A new tender package was designed to commence February 1, 2009 to January 31, 2013 thereby providing a four year term. On April 24, 2008, Tender Call No. 58-2008 was issued inviting tenderers to submit packages for this City-wide contract. The Purchasing and Materials Management Division, at its Public Opening held on May 20, 2008, opened the following tenders for Contract No. 08TM-01TP, Maintenance and Operation of Electrical Traffic Control and Related Devices within the City of Toronto:

<u>Firm Name</u>	<u>Price Complete</u> <u>Net of GST</u>
Stacey Electric Company Limited	\$67,079,041.04 *
Guild Electric Limited	\$71,641,267.55
Black & McDonald Limited	\$77,207,602.64 *
AGI Traffic Technology Inc.	\$86,237,785.08 *

*Tender prices were corrected for mathematical errors. Purchasing and Materials Management has verified that the mathematical errors were corrected.

COMMENTS

The tender documentation submitted by the recommended bidder has been reviewed by the Transportation Services Division and the Purchasing and Materials Management Division, and was found to be in conformance with the tender requirements.

Traffic Plant Installation and Maintenance staff of the Transportation Services Division, have compared the bid to the estimated cost and found the price of the recommended bidder to be reasonable and within the budget.

The Fair Wage Office has reported that the recommended firm has indicated that it has reviewed and understands the Fair Wage Policy and Labour Trade requirements and has agreed to fully comply.

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