

**Purchase Order Amendment to Contract 47010956,  
Tender Call 80-2005 – Maintenance and Operation of  
Electrical Traffic Control and Related Devices**

<b>Date:</b>	June 10, 2008
<b>To:</b>	Public Works and Infrastructure Committee
<b>From:</b>	General Manager, Transportation Services Acting Director, Purchasing and Materials Management
<b>Wards:</b>	All Wards
<b>Reference Number:</b>	P:\2008\Internal Services\pmmd\pw08008pmmd (AFS 7636)

**SUMMARY**

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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 \$4,000,000.00 net of GST, which represents a 10.8% increase of the current contract value of \$36,847,791.95 net of GST. This increase is a result of Council's approval of new programs and an increased volume of activity in the capital programs, subsequent to the award of the contract.

According to the Financial Control Bylaw, Chapter 71 section 71.11.1.C, any amendment to a commitment which requires expenditures in excess of \$500,000.00 requires approval of Standing Committee prior to making payment for the expenditure.

**RECOMMENDATIONS**

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**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 amend Contract No. 47010956 issued to Stacey Electric Company Limited by an increase of \$4,000,000.00 net of GST, to a revised total value of \$40,847,791.95 net of GST.

## Financial Impact

The Contract increase identified in this report is \$4,200,000.00 including all applicable taxes and charges. The cost to the City, net of GST is \$4,000,000.00. Funding is available in the 2008 Transportation Services Capital Budget in the accounts, Traffic Control Projects, CTP707 and CTP708. The breakdown by capital account is as follows:

WBS Element	Capital Program Description	Amount
CTP707-07	Traffic Plant Requirements / Signal Asset Management	\$1,200,000.00
CTP708-03	Signal Major Modifications	\$ 950,000.00
CTP708-09	Advanced Traffic Signal Control	\$ 550,000.00
CTP708-15	Third Party Signals (Recoverable)	\$ 400,000.00
CTP708-21	Upgrades To Meet New ESA Standards	\$ 500,000.00
CTP708-26	PXO Replacement & Visibility Enhancement	\$ 400,000.00
Total Net of GST:		<b>\$4,000,000.00</b>

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 26<sup>th</sup>, 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 1<sup>st</sup>, 2006 to January 31<sup>st</sup>, 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.

At its meeting on June 27<sup>th</sup>, 2007, the Public Works and Infrastructure Committee granted authority to amend Contract 47010956 by an increase of \$1,200,000.00 net of GST, a 3.4% increase of the original contract, to a revised total value of \$36,847,791.95 net of GST. The increased costs were based on the first twelve months of the contract's thirty-six month term resulting from road construction support and traffic signal modifications as detailed in the staff report. The staff report identified that Transportation Services would continue to monitor contract expenditures and report back to Public Works and Infrastructure if further increases were required.

**Public Works and Infrastructure Committee, June 27, 2007, PW7.4**  
**Contract 05TM-01TP, Tender Call 80-2005, Open Contract No. 47010956**  
**For Maintenance and Operation of Electrical Traffic Control Devices**  
(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5139.pdf>)

## **ISSUE BACKGROUND**

Contract No. 47010956 was issued for a 3 year period starting from February 1, 2006 and expiring on January 31<sup>st</sup>, 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, as well as modification work to electrical traffic control devices to support road reconstruction, TTC track reconstruction and development activities. The contract quantities for these activities were estimated in 2005 by projecting workload activity for the term of the contract based on anticipated budget.

During the initial twelve months of the contract, an increase in the originally estimated volume of work was experienced. Increase workloads were noted in the area of road reconstruction, streetcar track reconstruction and watermain replacement work which often impact the existing electrical traffic control device infrastructure. These activities require support under Contract 47010956, to modify, relocate and reinstate the traffic signal infrastructure to maintain safe operation for the public during and after these construction activities. In addition to this work, an increase workload was also experienced in the area of traffic signal modifications. These activities include various changes to improve the operation of traffic signals.

As a result of all these activities, the work that had to be undertaken under this contract exceeded the initial annual work volume.

## **COMMENTS**

### **Reasons for increased costs**

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

### **Road Construction Support**

There continues to be an increased need to support capital programs such as road reconstruction, streetcar track reconstruction and watermain replacement projects that often impact the existing electrical traffic control device infrastructure. The services provided under Contract 47010956 are critical to support the timely completion of these construction activities and ensure the proper and safe operation of the traffic signals. The increase in capital funding to deal with the backlog of road repair has resulted in additional work being 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 to support the installation of pedestrian countdown signals 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. The requested contract increase for Traffic Signal Modifications adjusts for this increased level of work in this area.

## **Other Programs**

Accessible pedestrian signals (APS) and Pedestrian Crossover Enhancements are capital programs that have received recent Council approval for increased funding subsequent to the award of Contract 47010956.

### **Update on the City's Accessible Pedestrian Signals Retrofit Program**

<http://www.toronto.ca/legdocs/mmis/2008/pw/bgrd/backgroundfile-10400.pdf>

### **Pedestrian Crossover Review**

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060523/wks3rpt/cl002.pdf>

### **Pedestrian Crossover Review (Part II) - Minor Arterial Roadways**

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060925/wks6rpt/cl008.pdf>

The requested increase under this report will provide for increased costs based on the second year of the contract and projections for the remainder of the contract 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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## **SIGNATURE**

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