



REPORT FOR ACTION

Amendment of Blanket Contract No. 47021609 to Upper Canada Road Services Inc., for the Provision of Durable Pavement Markings

Date: August 21, 2019

To: Infrastructure and Environment Committee

From: General Manager, Transportation Services and Chief Purchasing Officer

Wards: All

SUMMARY

The purpose of this report is to request authority to amend Blanket Contract No. 47021609 with Upper Canada Road Services Inc., for the provision of durable pavement markings for Vision Zero Road Safety Plan and cycling infrastructure in the amount of \$350,000 net of all taxes and charges (\$356,160 net of HST recoveries) and to extend the contract end date to December 31, 2019.

RECOMMENDATIONS

The General Manager, Transportation Services and the Chief Purchasing Officer recommend that:

1. The Infrastructure and Environment Committee, in accordance with Section 71-11.1.C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law), grant authority to amend Blanket Contract No. 47021609 with Upper Canada Road Services Inc., for the provision of durable pavement markings by an additional amount of \$350,000 net of all taxes and charges (\$356,160 net of HST recoveries), revising the current contract value from \$1,558,930, net of all taxes and charges (\$1,586,367 net of HST recoveries) to \$1,908,930 net of all taxes and charges (\$1,942,527 net of HST recoveries) and extend the contract end date to December 31, 2019 under the same terms and conditions set out in Tender Call 100-2018.

FINANCIAL IMPACT

The amendment request included in this report will increase the total contract value by \$350,000 net of all taxes (\$356,160 net of HST recoveries).

Funding for the requested contract amendment is available within the Transportation Services 2019 Approved Capital Budget (CTP817-05).

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting of July 17, 2018, the Executive Committee, in accordance with Section 71-11.1.C of the City of Toronto Municipal Code Chapter 71 (Financial Control Bylaw), granted authority to amend Contract No. 18CW-400PM with Upper Canada Road Services Inc., to install pavement markings in the amount of \$779,465 net of all taxes (\$793,184 net of HST recoveries), revising the purchase order value from \$779,465 to \$1,558,930, net of all taxes and charges (\$1,586,367 net of HST recoveries).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX36.1>

At its meeting of June 26, 27, 28, and 29, 2018, City Council adopted the Operating Variance Report for the Year Ended December 31, 2017. In doing so, Council allocated \$22.0 million from the Capital Financing Reserve to further accelerate the Road Safety Plan, and directed the General Manager, Transportation Services to report back on how the additional funding will be spent in 2018.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX35.26>

COMMENTS

Upper Canada Road Services Inc., was selected through a competitive process through the issuance of Tender Call No. 100-2018 and subsequently entered into an agreement by issuance of Blanket Contract No. 47021609 in July 2018 in the amount of \$779,465.00 net of all taxes. The contract provides for the custom application and re-application of durable pavement markings including centre/lane/transverse lines, zebra bars, bike symbols, diamonds, arrows, sharrows, chevrons, speed hump triangles (sharks teeth), and solid green area markings.

Toronto's Vision Zero Road Safety Plan is a comprehensive action plan focused on reducing traffic-related fatalities and serious injuries on Toronto's streets. At the June 2018 meeting of City Council, the 2018-2027 Capital Budget and Plan for Transportation Services was increased by \$22.0 million in 2018 to enhance the Vision Zero Road Safety Plan, fully funded by the Capital Financing Reserve.

As one of the elements to support delivery of this enhanced program, a purchase order amendment (POA) was issued on August 2, 2018 to increase the contract value by

\$779,465 net of all taxes, which revises the contract value from \$1,558,930 to \$1,908,930 net of all taxes and charges for the installation of additional durable pavement markings to support the Vision Zero Road Safety Plan and cycling infrastructure. The increase in contract value that was included in this POA was identified before the full scope of Vision Zero and cycling infrastructure durable pavement markings planned for 2018 - 2019 could be determined through detailed design.

In spring 2019, staff in Transportation Services began preparation of the contract requirements for a new solicitation encompassing new and revised detailed design for a new durable pavement marking contract for 2019-2020. Issuance of the tender call has been delayed by challenges in confirming contract requirements (i.e., the need to define unit quantities through detailed design), and staff training needed in the new procurement system.

In order to continue delivering Vision Zero and cycling infrastructure durable pavement markings, a second POA was issued in June 2019 to extend the validity date from June 30, 2019 to August 30, 2019 and a third POA was issued in August 2019 to extend the validity date to September 30, 2019, with no increase in contract value.

As the remaining contract value for durable pavement markings is now almost entirely spent on delivered projects, with additional projects ready to be delivered through the end of the year, and to ensure that the contract is not overspent without approval, this report requests authority to increase the contract value by an additional amount of \$779,465 net of all taxes revising the current contract value from \$1,558,930 to \$1,908,930 net of all taxes, along with an extension until December 31, 2019, in order to complete 2019 delivery of Vision Zero and cycling infrastructure durable pavement markings. The current vendor, Upper Canada Road Services Inc., has confirmed that they will continue to honour the prices under the same terms and conditions set out in Tender Call 100-2018.

A new tender process for the provision of durable pavement markings for 2019-2020 is expected to be issued in September 2019, but the new contract will not be in place until later this fall. If the value of the current contract is not increased, durable pavement marking work for Vision Zero and cycling infrastructure will need to stop until the new contract is in place.

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SIGNATURE

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