

## **Amendment to a Non-Competitive Bridge Contract with Sidan Traffic Control Services Ltd. for the Provision of Traffic Control Equipment**

**Date:** September 2, 2020

**To:** Infrastructure and Environment Committee

**From:** General Manager, Transportation Services Division and Chief Procurement Officer, Purchasing and Materials Management Division

**Wards:** All

### **SUMMARY**

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The purpose of this report is to request authority to amend a non-competitive bridge contract with Sidan Traffic Control Services Ltd. for the non-exclusive supply, delivery, installation and removal of barricades, OTM approved signage/traffic control devices and custom signage, in the amount of \$160,000.00 net of HST (\$162,816.00 net of HST recoveries), for the period from October 2, 2020 to December 31, 2020. The non-competitive bridge contract will support the City's ActiveTO program, which was developed in response to the COVID-19 pandemic and allow staff sufficient time to award a new competitive contract. The bridge contract will continue to honour the existing terms, pricing and conditions of the existing competitive contract # 47019435 with Sidan Traffic Control Services Ltd., which expired on July 31, 2020 for the remainder of the calendar year.

This report also includes as information, over expenditures not previously reported, that occurred on existing competitive Blanket Contract # 47019435 with Sidan Traffic Control Services Ltd., which amounts to \$492,339.25 net of HST (\$501,004.42 net of HST recoveries). In addition, an interim bridge contract was granted from August 1, 2020 to October 1, 2020 to address immediate requirements for \$690,000.00, net of HST (\$702,144.00 net of HST recoveries), to continue to accommodate the City's ActiveTO program pending further approval. The current bridge contract honours the existing terms, pricing and conditions of existing competitive Blanket Contract # 47019435.

City Council approval is required in accordance with Municipal Code Chapter 195, Purchasing, where the current request exceeds the Chief Procurement Officer's authority of the cumulative five year commitment limit for each vendor under Article 7, Section 195-7.3(D) of the Purchasing By-law or exceeds the threshold of \$500,000 net of Harmonized Sales Tax allowed under staff authority as per the Toronto Municipal Code, Chapter 71, Financial Control, Section 71-11a.

## RECOMMENDATIONS

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The General Manager, Transportation Services Division and the Chief Procurement Officer, Purchasing and Materials Management Division, recommends that:

1. City Council grant authority to the General Manager, Transportation Services, to negotiate and execute an amendment to non-competitive bridge contract with Sidan Traffic Control Services Ltd. for the non-exclusive supply, delivery, installation and removal of barricades, OTM approved signage/traffic control devices and custom signage for the City's ActiveTO program, in the amount of \$160,000.00 net of HST (\$162,816.00 net of HST recoveries), for the period of October 2, 2020 to December 31, 2020, on terms and conditions satisfactory to the General Manager and in a form satisfactory to the City Solicitor.

## FINANCIAL IMPACT

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The total value identified in this report, is \$160,000.00, net of HST. The cost to the City is \$162,816.00, net of HST recoveries.

The funding for 2020 will be accommodated on a one-time basis in the 2020 Approved Operating Budget for Transportation Services to support ActiveTO initiatives. Should ActiveTO continue in 2021, the funding required will be included for consideration as part of the 2021 Operating Budget submission for Transportation Services during future budget processes.

Funding details are provided below:

Term	Cost Centre	Cost Element	Net of HST	Net of HST Recoveries
October 2 to December 31, 2020	TS8020	4520	\$160,000.00	\$162,816.00

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

## DECISION HISTORY

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At its meeting on August 19, 2015, the Bid Committee granted authority to award Request for Quotation No. 6036-15-3031 to Sidan Traffic Control Services Ltd. for the supply, installation and removal of barricades and traffic control devices, in accordance with the contract details set out in the report (July 28, 2015) from the Director, Purchasing and Materials Management.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.BD42.6>

## COMMENTS

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In August 2015, the Bid Committee granted authority to award Request for Quotation No. 6036-15-3031 to Sidan Traffic Control Services Ltd. for the non-exclusive supply, delivery, installation and removal of barricades, Ontario Traffic Manual (OTM) approved signage/traffic control devices and custom signage for various Divisions within the City of Toronto from the date of award to July 31, 2016, with the option to renew the Contract for additional four (4) separate one (1) year periods at the sole discretion of the City and subject to budget approval(s).

Transportation Services have exercised all option years, which include the final option year 4 renewal (August 1, 2019 to July 31, 2020) for a total contract value of \$851,886.28, net of HST.

In response to the COVID-19 pandemic, the existing contract with Sidan Traffic Control Services Ltd. was suddenly relied on to support the City's new ActiveTO program, which launched on May 16, 2020. The ActiveTO program consists of recurring short-term major road closures (i.e. weekends and holidays) of streets adjacent to popular recreational trails, like the Martin Goodman Trail and the Lower Don Trail (i.e. Lake Shore Blvd W, Lake Shore Blvd E, Bayview Ave), to prevent crowding and provide space for physical distancing. This has resulted in the over expenditures of existing Blanket Contract # 47019435, in the amount of \$492,339.25, net of HST.

The ActiveTO program is an integral component in the City's response to COVID-19 and support the City's recovery and rebuilding efforts. As a result, it is imperative that this program is maintained, while City staff work expeditiously to issue a new competitive solicitation and award a competitive contract. In response, the Purchasing and Materials Management Division processed an interim bridge contract to address immediate requirements from August 1, 2020 to October 1, 2020 for \$690,000.00, net of HST, to continue to accommodate road closure traffic set ups for major road closures that are implemented as part of the City's ActiveTO program. The bridge contract honours the existing terms, pricing and conditions of existing competitive Blanket Contract # 47019435.

Taking into consideration the uncertainty surrounding the ongoing COVID-19 pandemic and the possibility of extending the City's ActiveTO program beyond October 1, 2020, Transportation Services is requesting an amendment to the non-competitive bridge contract with Sidan Traffic Control Services Ltd. from October 2, 2020 to December 31, 2020 in the amount of \$160,000.00, net of HST, to allow staff sufficient time to award a new competitive contract. The bridge contract will continue to honour the existing terms, pricing and conditions of existing Blanket Contract # 47019435 for the remainder of the calendar year.

Transportation Services is currently preparing a corporate solicitation and anticipates awarding a new competitive contract by January 1, 2021. Competing priorities due to the COVID-19 pandemic and staffing constraints has resulted in a delay in issuing a subsequent call and awarding a new contract before the existing contract with Sidan Traffic Control Services Ltd. expired on July 31, 2020.

The Fair Wage Office has reported that Sidan Traffic Control Services Ltd. has reviewed and understands the Fair Wage Policy and Labour Trades requirements. They have also agreed to fully comply.

## **CONTACT**

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## **SIGNATURE**

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Barbara Gray  
General Manager  
Transportation Services

Michael Pacholok  
Chief Procurement Officer  
Purchasing and Materials Management Division