
TO: CITY MANAGER **DATE:** 2017 September 27

FROM: DIRECTOR FINANCE **FILE:** 5820-20
Reference: 19-01/16

**SUBJECT: CONTRACT INCREASE
REPAIR AND MAINTENANCE OF STREET LIGHTS AND TRAFFIC
SIGNALS**

PURPOSE: To obtain Council approval to increase the existing contract for the repair and maintenance of street lights and traffic signals.

RECOMMENDATION:

1. **THAT** Council approve a contract increase to Crown Contracting Limited in the amount of \$450,000 for the total contract value of \$1,600,000 including GST in the amount of \$76,190 as outlined in this report. Final payment will be based on actual quantity of goods and services provided

REPORT

On 2016 April 14, one submission for a Request for Proposal was received for work that involved the repair and maintenance of City street lights and traffic signals. No contract award was made as a result of this Request for Proposal.

On 2016 July 11, after direct negotiation with Crown Contracting Limited, a contract was awarded for the repair and maintenance of street lights and traffic signals in the amount of \$200,000 including GST in the amount of \$9,524 for the period 2016 July 11 to 2017 December 31. Since the award of this contract, there have been two change order approvals for increased scope and volume of work. The initial change order was approved by Council in 2017 February in the amount of \$700,000 and subsequently, a second change order by the Purchasing Manager in the amount of \$250,000 for a combined approval of \$1,150,000 including GST in the amount of \$54,762.

The City has retained Crown Contracting Limited to provide emergency services, street and traffic light maintenance and specific capital works during the transitional period while the City builds capacity in the Electrical Division.

The current contract extension relates to additional scope of work for various capital projects (e.g. installation of new lit crosswalks and street light pole replacements) and on-going maintenance requires a third change order in the amount of \$450,000 including GST in the amount of \$21,429 to address the additional requirements for the near future. Total contract value is \$1,600,000 including GST in the amount of \$76,190.

To: City Manager
From: Director Finance
Re: Contract Increase
Repair and Maintenance of Street Lights and Traffic Signals
2017 October 02..... Page 2

The Director Engineering concurs with this recommendation.

Funding for this requirement is included in the 2017 – 2021 Financial Plan under various operating and capital accounts.



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

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Copied to: Director Engineering