

TO: CITY MANAGER**DATE:** 2019 Oct 28**FROM:** DIRECTOR FINANCE**FILE:** 5820-20
Reference: RFP #19-01/16**SUBJECT: CONTRACT INCREASE
REPAIR AND MAINTENANCE OF STREET LIGHTS AND
TRAFFIC SIGNALS****PURPOSE:** To obtain Council approval to award a contract increase for the repair and maintenance of street lights and traffic signals.**RECOMMENDATION:**

1. **THAT** Council approve a contract increase to Crown Contracting Limited for an estimated amount of \$800,000.00 including GST in the amount of \$38,095.24 for the repair and maintenance of street lights and traffic signals as outlined in this report. Final payment will be based on actual quantity of goods and services purchased.

REPORT

On 2016 April 14, one submission for a Request for Proposal (RFP) 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 RFP.

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 \$200,000.00 including GST in the amount of \$9,524.00 for the period 2016 July 11 to 2017 December 31. Since the award of this contract, there have been three change orders for a total of \$1,400,000.00 including GST in the amount of \$66,666.67 for increased scope and volume of work. The City has since renewed for two additional years from 2018 January 01 to 2019 December 31 for \$2,785,000 including GST in the amount of \$132,619.00.

Crown Contracting Limited is currently providing non-emergency services for street lights and traffic signal maintenance and specific capital works while the City's in-house team of electricians is still developing its capacity to assist with the majority of emergency on-call services and day-to-day traffic signal operations and some capital works.

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Repair and Maintenance of Street Lights and Traffic Signals
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This recommendation is for a contract increase in the amount of \$800,000.00 including GST in the amount of \$38,095.24. The estimated total contract value is \$5,185,000 including GST in the amount of \$246,905.76. The contract increase is due to additional scope, which includes some capital work and on-going work for the repair and maintenance of street lights and traffic signals for the remainder of the year.

	Accumulative Total Change (including GST)
Original Contract Award	\$200,000.00
Change Orders # 1 - 3	\$1,400,000.00
Renewal 2 Years	\$2,785,000.00
Contract Increase	\$800,000.00
TOTAL	\$5,185,000.00

Crown Contracting Limited has previously performed this work to the satisfaction of City Staff. The Director Engineering concurs with this recommendation.

Funding for this requirement will be included in the 2019 – 2023 Financial Plan under various operating and capital accounts.



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

NK:GC:SL/ry:jk

Copied to: Director Engineering
City Solicitor