

**Item No. 11.1.1**  
**Halifax Regional Council**  
**November 2, 2010**

**TO:** Mayor Kelly and Members of Halifax Regional Council

Original Signed by 

**SUBMITTED BY:**

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Wayne Anstey, Acting Chief Administrative Officer

Original Signed by 

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Mike Labrecque, Deputy Chief Administrative Officer

**DATE:** October 1, 2010

**SUBJECT:** Award - Unit Price Tender No. 10-007R Traffic Signal Maintenance

**ORIGIN**

Approved 2010/2011 Operating Budget.

**RECOMMENDATION**

It is recommended that Halifax Regional Council:

1. Award Tender No. 10-007R to Black & McDonald Ltd. for material and services listed at the unit prices quoted for a Total Tender Price of \$367,964.82 (net HST included) for year One (1) of the contract, October 1, 2010 to September 30, 2011 with funding from Operating Account No. R827 Traffic Signal Maintenance as outlined in the Budget Implications section of this report;
2. Approve the award for Year Two (2) of the contract, October 1, 2011 to September 30, 2012 to Black & McDonald Ltd. For \$234,071.03 (net HST included) contingent upon an annual performance review and budget allocation;
3. Approve the award for Year Three (3) of the contract, October 1, 2012 to September 30, 2013 to Black & McDonald Ltd. for \$238,509.49 (net HST included) contingent upon an annual performance review and budget allocation.

**BACKGROUND**

The scope of work for this tender includes the maintenance of all traffic control devices under the jurisdiction of HRM, and requires the successful bidder to be on-call for emergency maintenance work 24 hours per day, 7 days per week. The three year Traffic Signal Maintenance Contract ensures that all traffic related devices will be maintained and in good working order for the life of the contract.

**DISCUSSION**

Tenders were closed on September 22, 2010. The following bids were received:

<b>Tender</b>	<b>Company</b>	<b>For year one (1) Total Bid (including net HST)</b>	<b>For year two (2) Total Bid (including net HST)</b>	<b>For year three (3) Total Bid (including net HST)</b>	<b>Total Bid for 3 years \$ (including net HST)</b>
<b>No. 10-007R Traffic Signal Maintenance Various Locations- Three (3) Year Contract</b>	XL Electric Ltd.	\$327,010.81	\$340,092.38	\$353,693.99	\$1,020,797.18
<b>No. 10-007R Traffic Signal Maintenance Various Locations- Three (3) Year Contract</b>	* Black & McDonald Ltd.	\$367,964.82*	\$234,071.03	\$238,509.49	\$840,545.34

**Recommended bidder \***

This is a **UNIT PRICE** contract and the cost will be dependent upon the actual quantities measured and approved by the HRM Project Manager. The traffic signal maintenance work is demand in nature, which will dictate the overall amount of work to be undertaken under the subject service contract.

In comparison, the recommended bid for the previous Traffic Signal Maintenance contract which ended in September, 2010 was \$932,275.00 including net HST.

### **BUDGET IMPLICATIONS**

Based on the lowest tender price of \$840,545.34 for a 3 year contract, including net HST, funding in the amount of \$126,081.80, (pro rated from November 2, to March 31, 2011) including net HST for year One (1) of the contract, will be available in the 2010/11 Operational Budget from Account R827 - Traffic Signal Maintenance. The budget availability has been confirmed by Financial Services for the 2010/11 fiscal year.

### **FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

### **ALTERNATIVES**

There are no recommended alternatives to this course of action.

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A copy of this report and information on its status, can be obtained by contacting the Procurement Office at 490-4170, or Fax 490-6425.

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Procurement Approval by: \_\_\_\_\_  
Anne Feist, Operations Manager Procurement, 490-4200

Report Approved by: \_\_\_\_\_  
Gord Helm, A/Director, Transportation and Public Works, 490-6066

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