


Item No. 11.1.4
Halifax Regional Council
July 5, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

Original signed by 

SUBMITTED BY: _____

Richard Butts, Chief Administrative Officer

Original Signed by 

Mike Labrecque, Deputy Chief Administrative Officer, Operations

DATE: June 16, 2011

SUBJECT: Sole Source Award for UPS Battery Backup for Traffic Signals

ORIGIN

Approved 2011/2012 Capital Budget.

RECOMMENDATION

It is recommended that Halifax Regional Council, in accordance with the Sole Source Policy (Administrative Order 35, Section 8(11) sub-sections (a) and (b) attached), award the Sole Source Purchase of UPS Battery Backup equipment, via Quotation No. G5531rev1, in the amount of \$79,674.50 (net HST included) to Tacel Limited, with funding from Project Account Nos. CTU00419 -Traffic Signal Rehabilitation and CTU01085- Traffic Signal Installation as outlined in the Budget Implications section of this report.

BACKGROUND

UPS Battery Backup equipment and cabinets are purchased annually and are used for the provision of emergency power to traffic signals when the normal power supply is interrupted. It is normal practice to install battery backup systems at complex and/or high volume signalized intersections as part of our recapitalization program or when new traffic signals are installed.

Battery backup systems must be tested annually to ensure proper operation and the required testing equipment is specific to the manufacturer utilized. In order to reduce costs associated with the purchase of testing equipment from various manufacturers and associated training requirements, only one product manufactured by Alpha Technologies has been utilized. Tacel Limited is the exclusive distributor for this product in our region.

DISCUSSION

A quotation from Tacel Limited was received on May 10, 2011.

Quotation	Company	Total Vendor Quote (including net HST) \$
Quotation No. G5531rev1*	Tacel Limited	\$79,674.50

Recommended *

A standing offer will be created to support future purchases of Battery Backup Systems and equipment manufactured by Alpha Technologies and distributed by Tacel Limited. (Tacel Limited is the only Alpha Authorized Distributor for Alpha Technologies systems as per the enclosed attachment from Alpha Technologies.) This agreement will be reviewed annually and will remain in effect until such time as market conditions and or requirements change.

Items included in this agreement but not limited to are the following: alpha traffic cabinet pad mounted; transfer and generator switches; battery cable kit; surge protection; battery heater mats; FXM200 120Vi/o.48vde; gel batteries and alpha guard.

BUDGET IMPLICATIONS

Based on the quoted price of \$76,400 plus net HST of \$3,274.50 for a net total of \$79,674.50, funding is available in the 2011/12 Project Budget from Project Account Nos. CTU00419 - Traffic Signal Rehabilitation and CTU01085- Traffic Signal Installation. The budget availability has been confirmed by Financial Services.

Budget Summary: **Project Account No. CTU00419 – Traffic Signal Rehabilitation**

Cumulative Unspent Budget	\$587,247.09
Less: Quote No. G5531rev1	<u>\$ 39,837.25</u>
Balance	\$547,409.84

Project Account No. CTU01085 – Traffic Signal Installation

Cumulative Unspent Budget	\$840,427.64
Less: Quote No. G5531rev1	<u>\$ 39,837.25</u>
Balance	\$800,590.39

* This project was estimated in the Approved 2011/12 Project Budget at \$75,000.00.

The balance of funds will be used for additional equipment.

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.

ATTACHMENTS

Attachment A - Sole Source Policy, Administrative Order 35, Section 8 (11)

Attachment B - Sole Source Letter from Alpha Technologies

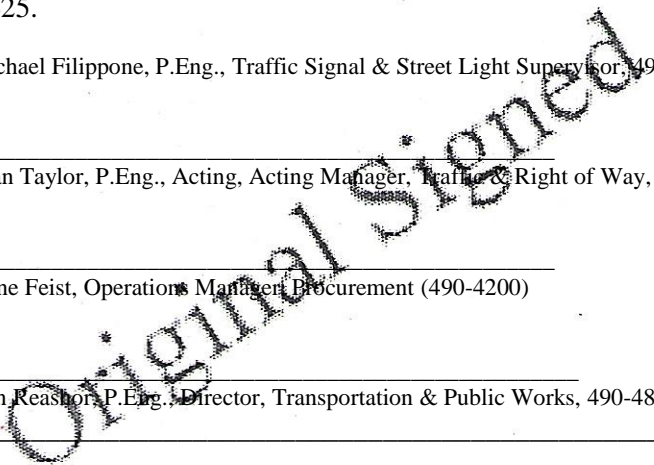
A copy of this report and information on its status, can be obtained by contacting the Procurement Office at 490-4170, or Fax 490-6425.

Report Prepared by: Michael Filippone, P.Eng., Traffic Signal & Street Light Supervisor, 490-6194

Business Unit Review: _____
Alan Taylor, P.Eng., Acting, Acting Manager, Traffic & Right of Way, 490-6680

Procurement Review: _____
Anne Feist, Operations Manager, Procurement (490-4200)

Report Approved by: _____
Ken Reashor, P.Eng., Director, Transportation & Public Works, 490-4855



Administrative Order 35
Procurement Policy Section 8 (11)
Sole Source/Single Source Purchases

(11) **Sole Source/Single Source Purchases:** The terms and conditions of a sole source/single source purchase shall be negotiated. A sole source/single source purchase occurs:

- (a) To ensure compatibility with existing products, facilities or service, to recognize exclusive rights, such as exclusive licences, copyright and patent rights, or to maintain specialized products that must be maintained by the manufacturer or its representative.
- (b) Where, for technical reasons, there is an absence of competition and the goods or services can be supplied by a particular supplier and no alternative or substitute exists.
- (c) For the procurement of goods or services the supply of which is controlled by a supplier that is a statutory monopoly.
- (d) For the purchase of goods on a commodity market.
- (e) For work to be performed on or about a leased building or portions thereof that may be performed only by the lessor.
- (f) For work to be performed on a property by a contractor according to the provisions of a warranty or guarantee held in respect of the property or the original work.
- (g) For the procurement of a prototype of a first good or service to be developed in the course of and for a particular contract for research, experiment, study or original development, but not for any subsequent purchases.
- (h) For the procurement of a good or service for testing or trial use.
- (i) For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases.
- (j) For the procurement of original works of art.
- (k) For the procurement of goods intended for resale to the public.
- (l) Where the Municipality has a rental contract with a purchase option and such purchase option could be beneficial to the Municipality.
- (m) Notwithstanding anything in this policy, where a purchase is determined by Council to be fair and reasonable and is made from a nonprofit corporation supported by the Municipality, such a purchase may be made as a single source purchase.
- (n) Where items are offered by sale by tender, auction or negotiation such purchase will be deemed to be a single source purchase and the CAO may authorize the submission of a bid or the conduct of negotiations where the CAO determines the purchase to be clearly in the best interest of Halifax Regional Municipality.
- (o) Where goods or consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of such matters through an open tendering process could reasonably be expected to compromise government confidentiality, cause economic disruption or otherwise be contrary to the public interest. Purchases of this nature must be approved by the CAO
- (p) Where compliance with an open tendering process may interfere with the Municipality's ability to maintain security or order or to protect human, animal or plant life or health.

Attachment B



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member of The  Group™

May 10, 2011

Michael Filippone
Traffic Light Supervisor
Halifax Regional Municipality
Public Works & Transportation, Traffic Signal Maintenance
3825 Macintosh St.
Halifax, NS B3K 5A7

Re: Alpha Technologies Authorized Distributor for Eastern Canada

Mr. Filippone;

Please accept this document as confirmation that Tacel Ltd. is the only Alpha Authorized Distributor for Alpha Technologies systems at signalized traffic intersections in Eastern Canada. Thank you very much for your interest in Alpha Technologies battery backup systems. We will Continue to support both existing and future installations jointly with Tacel Ltd. I am certain that Alpha's dependability and reliability will serve your needs on upcoming projects. If you have any further questions, please feel to contact me at the number below.

Best regards,

Rob Moore
National Sales Manager, AC power
Alpha Technologies
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Email: rob.moore@alpha.ca
Website: www.alpha.ca