

HALIFAX

P.O. Box 1749
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Item No. 11.1.4
Halifax Regional Council
April 28, 2015

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed by 
Mike Labrecque, Deputy Chief Administrative Officer

DATE: March 27, 2015

SUBJECT: Award - Unit Price Tender No. 15-026, Traffic Signal Maintenance

ORIGIN

Approved 2015/2016 Operating Budget.

LEGISLATIVE AUTHORITY

Under the HRM Charter, Section 79 Halifax Regional Council may expend money for municipal purposes. Administrative Order #35, the Procurement Policy, requires Council to approve the award of contracts for sole sources exceeding \$50,000 or \$500,000 for RFPs and Tenders respectively.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Award Tender No. 15-026 to Black & McDonald Ltd. for material and services listed at the unit prices quoted for a Total Tender Price of \$687,613.66 (net HST included) for year One (1) of the contract, May 1, 2015 to March 31, 2016, with funding from Operating Account No. R827-6399 Traffic Signal Maintenance as outlined in the Budget Implications section of this report;
2. Approve the award for Year Two (2) of the contract, April 1, 2016 to March 31, 2017 to Black & McDonald Ltd. For \$698,481.70 (net HST included) contingent upon an annual performance review and budget allocation; and
3. Approve the award for Year Three (3) of the contract, April 1, 2017 to March 31, 2018 to Black & McDonald Ltd. for \$709,172.08 (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, seven 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 issued on February 27, 2015 and were closed on March 25, 2015 with only one bid package being received:

Company	For Year One (1) Total Bid (including net HST)	For Year Two (2) Total Bid (including net HST)	For Year Three (3) Total Bid (including net HST)	Total Tender Price (including net HST)
Black & McDonald Limited	\$687,613.66*	\$698,481.70*	\$709,172.08*	\$2,095,267.44*

* Recommended Bid

Black and McDonald Limited have held the traffic signal maintenance contracts since 2003. Overall, staff has been satisfied with their past performance and is recommending the award of this contract to Black and McDonald limited.

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.

FINANCIAL IMPLICATIONS

The total tender price of 2,095,267.44 including net HST of \$86,112.39 will result in a first year cost of \$687,613.66 including net HST of \$28,259.90. The cost of this tender will be recorded against the proposed 2015/2016 operating budget in cost centre R827 Traffic Lights.

ENVIRONMENTAL IMPLICATIONS

Implications not identified.

ALTERNATIVES

There are no recommended alternatives to this course of action.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

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