



ADMINISTRATIVE REPORT

Report Date: July 14, 2014
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Meeting Date: July 23, 2014

TO: Standing Committee on Planning Transportation and Environment

FROM: General Manager of Engineering Services, General Manager of Financial Services and Chief Purchasing Official

SUBJECT: Contract Award for the Supply of Traffic Control Services

RECOMMENDATION

- A. THAT Council authorize City staff to negotiate, to the satisfaction of the City's General Manager of Engineering Services, Director of Legal Services, and Chief Purchasing Official, and enter into a contract with Ansan Industries Limited for the supply of traffic control services for a three (3) year term (plus two (2) one (1) year extension terms) at an approximate cost of \$8.51 million plus applicable taxes for the initial 3 year term with funding to be provided from approved operating and capital budgets.
- B. THAT the Director of Legal Services be authorized to execute on behalf of the City the contract contemplated by Recommendation A.
- C. THAT no legal rights or obligations will be created by Council's adoption of Recommendations A and B above unless and until such contract is executed by the Director of Legal Services.

REPORT SUMMARY

The City issued a Request for Proposal (RFP) PS20131200 in April 2014 for the Supply of Traffic Control Services. The RFP was advertised on the City of Vancouver's website and BC Bid. The RFP for the work was called in accordance with the terms and conditions of the Procurement Policy.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The City's Procurement Policy requires that contracts with values over \$2 million must be approved by Council following review and recommendation by the Bid Committee. The Bid Committee has considered and approved Ansan Industries Limited as the successful proponent.

BACKGROUND

Traffic Control Services are required for alerting and diverting traffic as needed when City work is being performed in areas that are accessible by citizen traffic. Having a dedicated Traffic Control resource to plan and execute traffic management per specific City job (street work, construction, etc.) is an essential component to keeping City workers and City contractors safe when working in and around vehicle traffic.

The purpose of the RFP was to seek and partner with a service provider with demonstrated capability to meet the City's service requirements with competitive pricing and overall best value to the City.

STRATEGIC ANALYSIS

The RFP was issued in accordance with the City's Procurement Policy. The City received proposals from four proponents in response to the RFP. The proposals were evaluated through the work of an evaluation team under the stewardship of Supply Chain Management to determine which proponent offered the best overall value to the City. The evaluation team was comprised of representatives from Engineering Services (technical evaluation) and Supply Chain Management (financial evaluation). In determining which proposal offered the best overall value to the City, the evaluation team examined, among other factors:

- Financial offering
- Demonstrated Service Levels & Service Support
- Quality Programs
- Technical Capabilities & Acceptable Equipment and Fleet
- Safety Compliance
- Financial & Risk Management
- Sustainability

Based on the overall evaluation, the team concluded that the proposal submitted by Ansan Industries Limited best met the City's requirements and provided the best overall value to the City.

FINANCIAL IMPLICATIONS

Finance has reviewed the financial information and confirmed that funding for the contract is available through the approved Capital and Operations budgets recovered through Engineering Branches for years 2014 to 2016. As a result of the RFP process, based on forecasted usage and Ansan's proposed pricing, the City was able to achieve a forecasted savings of approximately \$166,000 over the initial 3 year term.

ENVIRONMENTAL IMPLICATIONS

Ansan has undertaken a number of sustainability initiatives including:

- lane closure trucks that are equipped with dual batteries to allow them to operate without engine idling
- utilization of an electronic methods for payroll, communications, as well as for invoicing and receiving payments
- the implementation of electronic timekeeping through the use of iPads to eliminate paper usage.

CONCLUSION

In summary, City staff recommend that the City of Vancouver negotiate and enter into a three-year contract, with the option to extend for two additional one-year terms, with Ansan Industries Limited for the supply and delivery of traffic control services as Ansan Industries Limited offers the best overall value to the City.

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