



COUNCIL REPORT

Report Date: August 20, 2024
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Meeting Date: September 25, 2024
[Submit comments to Council](#)

TO: Standing Committee on Policy and Strategic Priorities
FROM: General Manager of Engineering Services and Chief Procurement Officer
SUBJECT: Contract Award for Supply and Delivery of Electrical Traffic Control Parts

Recommendations

- A. THAT Council authorize City staff to negotiate an agreement with Interprovincial Traffic Services Ltd. ("ITS") for the supply and delivery of electrical traffic control parts for \$1,903,980 plus applicable taxes over an initial three-year term (the "Agreement"), with the City holding three two-year options to extend the Agreement, for a total value of \$5,711,940 plus applicable taxes over the potential nine-year term.
- B. THAT Council delegate its authority to execute the Agreement to the City's Director of Legal Services, Chief Procurement Officer, and General Manager of Engineering Services.
- C. THAT no legal rights or obligations will be created by Council's approval of Recommendations A and B unless and until the City executes and delivers the Agreement.

Purpose and Executive Summary

The City issued a Request of Quotation ("RFQ") No. PS20240769-ENG-RFQ - Supply and Delivery of Electrical Traffic Control Parts on May 29, 2024. The City advertised the RFQ on the City of Vancouver website and BC Bid in accordance with the City's Procurement Policy (ADMIN-008). City staff, and subsequently, the Bid Committee have considered the responses received and on that basis recommended that the City negotiate the agreement with ITS.

Council Authority/Previous Decisions

The City's Procurement Policy (ADMIN-008) requires Council to approve contracts with a total value greater than \$3,000,000 following review and recommendations by the City's Bid Committee. The Bid Committee has considered the bids and recommends ITS as the successful proponent.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

The City of Vancouver's warehouse located at National Works Yard operates and provides inventory traffic control parts in support of the operational needs of the City Street, Traffic and Electrical Operations Branch. The primary usage of the traffic control parts is for new and existing traffic signal construction, operation, and maintenance.

The purpose of the RFQ was to select qualified supplier(s) with the capability and experience to supply and deliver efficiently and cost-effectively traffic control parts required for the City's operations on an as-needed basis.

The City has awarded a separate contract for ten (10) specific electrical traffic control parts as an outcome of this procurement call to Econolite Canada Inc. The dollar amount of this contract is below \$1,000,000 over the potential nine-year term of the contract therefore it has been approved and executed by the delegated authorities as per the City's Procurement Policy (ADMIN-008).

Discussion

The City put out to bid 42 electrical traffic control parts through this RFP and received responses from the following vendors:

- Interprovincial Traffic Services Ltd. ("ITS")
- Econolite Canada Inc. ("Econolite")

The bids were evaluated based on the vendor's ability to provide the best value to the City.

The criteria considered in the overall evaluation process included:

- Products meet the City's required specifications;
- Ability to meet the City's service requirements including, but not limited to, delivery lead time, warranty period, support, testing and supplier's inventory levels;
- Pricing;
- Sustainability aspects.

Based on the evaluation, it is recommended that the proposal submitted by ITS meets the City's requirements to support the operation and provides the overall best value to the City for the majority of the electrical traffic control items tendered (32 out of 42).

Financial Implications

Finance has reviewed and confirmed that funding is available from the Multiyear Approved Program Budget of the 2023-2026 Traffic Signal Controller Replacement Program and the Signal Communication Rehabilitation Program.

The quantities for this RFQ were an estimate. Traffic control parts will be ordered on an "as-needed" basis, thus actual quantities will vary depending on actual needs and approved budget.

As a result of the RFQ, the City is able to achieve cost certainty for the proposed initial three-year term and can decide to exercise the options to extend the contract.

Legal Implications

The City's Procurement Policy (ADMIN-008) requires the Director of Legal Services to execute all contracts that have been awarded by the Bid Committee and Council.

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