



TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MONDAY, MARCH 23, 2015
FROM:	JOHN BRAAM, P. ENG MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	SINGLE SOURCE 15-10 SUPPLY AND DELIVERY OF GLASS BEADS AND TRAFFIC PAINT (EMOP – COUNTY OF MIDDLESEX)

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, following actions **BE TAKEN** with respect to the award of the supply and delivery of glass beads and traffic paint:

- a) That approval hereby **BE GIVEN** to enter into a three (3) year contract for the supply and delivery of glass beads and traffic paint to Flex-O-Lite Ltd., 1505 Industrielle Street, La Prairie, Quebec, J5R 2E4 and Ennis Paint Canada ULC., 850 McKay Road, Pickering, Ontario, L1W 2Y4.
- b) That Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with these contracts.
- c) Approval hereby given **BE CONDITIONAL** upon the Corporation negotiating satisfactory prices, terms and conditions with both Flex-O-Lite Ltd. and Ennis Paint Canada ULC to the satisfaction of the Manager of Purchasing and Supply and the Managing Director, Environmental & Engineering Services & City Engineer
- d) Approval hereby given **BE CONDITIONAL** upon the Corporation entering into a formal contract or having a purchase order relating to the subject matter of this approval.

BACKGROUND

Purchasing Process

As a result of a competitive bid process through EMOP with The County of Middlesex as the calling agency, the supply and delivery of glass beads and traffic paint has been awarded to both Flex-O-Lite Ltd. and Ennis Paint Canada ULC. The recommendation to participate is made in accordance with section 14.4 g) Single Sourcing of the Procurement of Goods and Services Policy. "It is advantageous to the City to acquire the goods or services from a supplier pursuant to the procurement process conducted by another public body."

The Province of Ontario, the City of London and any other Broader Public Sector member will share the benefits of this agreement but each entity will separately administer their own procurement contracts. The City not only shares the benefits of this agreement but also saves the administrative costs associated with tendering this commodity.

Flex-O-Lite Ltd submitted the only bid for the supply and delivery of glass beads representing a 3.54% annual increase over the current contract pricing and meets our terms and conditions in all areas.

Ennis Paint Canada ULC. was the lower of two bids submitted for the supply and delivery of traffic paint representing a 5.09% annual savings over the current contract and meets our terms and conditions in all areas.

This contract is for a three (3) year period.

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Financial Impact

Funding for the current year has been included in various 2015 operating budgets and will be requested in future operating budget submissions.

The total annual expenditure in 2014 for the supply and delivery of glass beads is approximately \$20,012.53 (excluding HST). With a 3.54% annual increase we forecast 2015 expenditure to be approximately \$20,721.16.

The total annual expenditure in 2014 for the supply and delivery of traffic paint is approximately \$83,886.94 (excluding HST). With a 5.09% annual savings we forecast 2015 expenditure to be approximately \$79,616.00.

The total annual expenditure in 2014 for this commodity is approximately \$103,899.47 (excluding HST). With a 3.43% annual savings we forecast 2015 expenditure to be approximately \$100,337.16.

Acknowledgements

This report was prepared by Chris Rinehart, Procurement Specialist, Purchasing and Supply.

SUBMITTED BY:	RECOMMENDED BY:
JOHN PARSONS DIVISION MANAGER, TRANSPORTATION AND ROADSIDE OPERATIONS	JOHN BRAAM, P. ENG MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
REVIEWED AND CONCURED BY:	REVIEWED AND CONCURED BY:
ANNA LISA BARBON, CPA, CGA DIRECTOR, FINANCIAL SERVICES	EDWARD SOLDI, P. ENG DIRECTOR, ROADS & TRANSPORTATION