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| <b>TO:</b>     | <b>CHAIR AND MEMBERS<br/>CIVIC WORKS COMMITTEE<br/>MEETING ON JUNE 19, 2012</b>  |
| <b>FROM:</b>   | <b>JOHN BRAAM, P. ENG<br/>ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL &amp;<br/>ENGINEERING SERVICES DEPARTMENT &amp; CITY ENGINEER</b> |
| <b>SUBJECT</b> | <b>CONTRACT AWARD:<br/>2012 PAVEMENT MARKINGS FOR VARIOUS LOCATIONS</b>  |

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| <b>RECOMMENDATION</b> |
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That, on the recommendation of the Acting Executive Director of Planning, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to the award of a contract for the 2012 Pavement Markings for Various Locations project (TS1264-11, TS1254-11, TS1739-11):

- (a) the bid submitted by Acculine Pavement Markings of 381 Pomona Avenue, Burlington, Ontario, L7N 1T6, at its tendered price of \$192,200.90, excluding HST, for the 2012 Pavement Markings for Various Locations project, **BE ACCEPTED**; it being noted that this is a Single Source procurement as identified in section 14.4 a) of the City of London Procurement of Goods and Services Policy;
- (b) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
- (c) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;
- (d) the approval given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract and issuing purchase order(s) for the material to be supplied and the work to be done relating to this project;
- (e) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to the above recommendations.

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| <b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b> |
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- None

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| <b>BACKGROUND</b> |
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**Purpose:**

This report recommends the Single Source Procurement of Acculine Pavement Markings for the 2012 Pavement Markings for Various Locations project.

**Discussion:**

The 2012 Pavement Markings for Various Locations project is comprised of pavement marking work that is roughly equal parts intersection pavement marking improvements and bicycle pavement marking improvements.

The intersection work will consist of mostly new or renewed stop bars, centrelines, turn lanes, and edge lines in the vicinity of certain intersections to improve safety. For the intersections in rural areas, the pavement markings will use a reflective material to further improve safety. The individual intersections included in this contract are:

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- Crumlin Sideroad at Gore Rd
- Dingman Dr at Old Victoria Rd
- Manning Dr at Highbury Ave S
- Scotland Dr at Highbury Ave S
- Scotland Dr at White Oak Rd
- Sunningdale Rd at Clarke Rd
- Westdel Bourne at Longwoods Rd
- Westminster Dr at Highbury Ave S
- Westminster Dr at Wellington Rd
- White Oak Rd at Glanworth Dr
- Christ Church Ln at Glanworth Dr
- Christ Church Ln at Wellington Rd
- Deadman's Rd at Westdel Bourne
- Glanworth Dr at Wellington Rd
- Homewood Ln at Longwoods Rd
- Manning Dr at Wonderland Rd
- Old Victoria Rd at Wilton Grove
- Sandford St at Killaly Rd
- Tempo Rd at Glanworth Dr
- Westminster Dr and White Oak Rd
- White Oak Rd at Harry White Dr
- Manning Dr at Wellington Rd
- Queens Ave at Richmond St
- St. James St at William St
- Crumlin Sideroad at Dundas St

The bicycle portion of the contract includes the remarking of Riverside Dr/Queens Ave from Talbot St to Woodward Ave to incorporate bike lanes. These bike lanes are able to fit into the existing cross-section of the road and will therefore cause no reduction to the number of vehicle lanes. A Public Information Centre for this work was held within the community in 2011 and no opposition to the plans was encountered. This contract also includes sharrows added to several different streets throughout the City. These sharrows are being added in locations where bicycle improvements are needed but space constraints make it not practical or cost effective to add bike lanes in the near term. The locations where sharrows will be added are as follows:

- Wavell St – Graydon St to Vancouver St
- Trafalgar St – Hale St to Clarke Rd
- Pond Mills Rd – Various locations from Thompson Rd to Southdale Rd (to fill gaps in the existing bike lane)
- Wonderland Rd – Gainsborough Rd to 150m south

**Single Source Procurement:**

This contract was tendered as T12-70, was advertised in the London Free Press on April 28, 2012, and was available for download from the City of London website at noon on Wednesday May 2, 2012. In an effort to encourage competition, this tender was also advertised in the Daily Commercial News on April 30<sup>th</sup>, 2012 which has Canada-wide distribution. As well, notification of the tender was sent to some known suppliers and contractors. It has been the experience of Civic Administration that there is only one contractor with local operations (Acculine Pavement Markings) able to carry out this scale of work. Most contracted pavement marking work in the City is done as subcontracting under competitively tendered, major infrastructure work. Acculine Pavement Markings is typically the subcontractor for pavement markings within these larger tenders. This is the first time in the recent past that the City of London has issued a tender for pavement markings alone.

When the tender closed on May 16<sup>th</sup>, 2012, Acculine Pavement Markings was the only contractor to submit a bid. Usually Acculine works as a subcontractor on larger works and because of this, they had trouble securing a bonding agreement letter as required by the tender close. This necessitated the automatic rejection of their bid as it did not meet the requirements set out in the tender documents. Given the extra time, Acculine Pavement Markings will be able to secure acceptable bonding for the contract execution.

Due to the above chain of events, it is the recommendation of Civic Administration that this contract be awarded to Acculine Pavement Markings with the same terms and price as Tender

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T12-70. Acculine Pavement Markings has agreed to uphold the original terms and prices set out in the tender. This award would be a single source procurement under section 14.4 a) of the City of London Procurement of Goods and Services Policy. The Purchasing & Supply Division is in agreement with this justification. This section of the policy reads:

**14.4 Single Source**

*Single Source means that there is more than one source of supply in the open market, but only one source is recommended due to predetermined and approved specifications.*

*The procurement may be conducted using a Single Source process if the goods and/or services are available from more than one source, but there are valid and sufficient reasons for selecting one supplier in particular, as follows:*

- a) *An attempt to acquire the required goods and/or services by soliciting competitive bids has been made in good faith, but has failed to identify more than one willing and compliant supplier;*

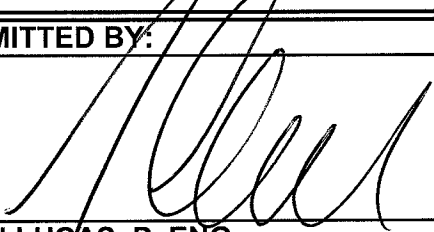
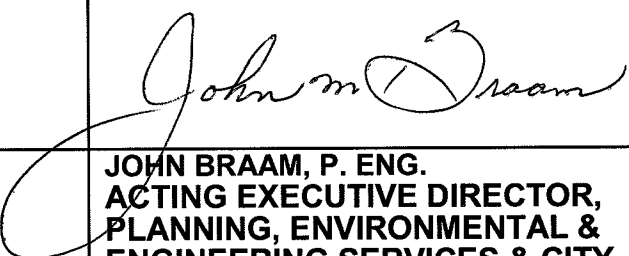
Their tender price of \$192,200.90 (excluding H.S.T.) is less but similar compared to the tender estimate of \$223,000.35 (excluding H.S.T.) and will provide good value to the City of London. This amount is within available budgets as shown in the Sources of Financing Report attached as Appendix "A".

**Conclusions:**

- An attempt to acquire the required services for this contract by soliciting competitive bids has been made in good faith, but has failed to identify more than one willing supplier which has necessitated a Single Source Procurement.
- Award of this contract as a Single Source Procurement to Acculine Pavement Markings under the same contract terms as tender T12-70 will allow the project objectives to be met within the available budget.
- Acculine Pavement Markings has significant experience completing this type of work in the City of London.

**Acknowledgements:**

This report was prepared within the Transportation Planning & Design Division by Aaron Rozentals, P.Eng.

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| <b>SUBMITTED BY:</b>   | <b>RECOMMENDED BY:</b>   |
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| <b>JOHN LUCAS, P. ENG.<br/>DIVISION MANAGER<br/>TRANSPORTATION PLANNING &amp;<br/>DESIGN</b> | <b>JOHN BRAAM, P. ENG.<br/>ACTING EXECUTIVE DIRECTOR,<br/>PLANNING, ENVIRONMENTAL &amp;<br/>ENGINEERING SERVICES &amp; CITY<br/>ENGINEER</b> |

Attachments:

Appendix "A": Sources of Financing

cc: J. Freeman – Purchasing & Supply  
Acculine Pavement Markings, 381 Pomona Avenue, Burlington, Ontario, L7N 1T6