

DISCUSSION

In accordance with the Purchase and Expenditure Authorization Bylaw, the RFQ was posted on BC Bid and the City of Surrey website with the following results.

<i>Contractor</i>	<i>RFQ Amount with GST</i>	<i>Corrected Amount</i>
1. Sutton Road Markings Ltd.	\$616,560.00	No Change

EVALUATION

The City's evaluation team reviewed submissions for accuracy and completeness. No errors were found.

Only one bid was received on this Contract. There are a limited number of contractors that have the capacity or technical expertise to undertake this contract. The RFQ allowed proponents the option of quoting on the supply of thermoplastic pavement marking services using two installation methods, mechanical extrusion or spray. Mechanical extrusion of thermoplastic pavement markings does provide a longer service life but comes at a significantly higher cost than using spray technology. The maintenance of the city's existing pavement markings using spray thermoplastic technology strikes a more efficient balance between service life and costs. SRM is the only contractor that provides an option of using spray technology for the installation of thermoplastic pavement markings.

The sole bidder, SRM, met all the requirements of the RFQ. In addition, SRM is the incumbent thermoplastic pavement marking contractor and has provided this service to the City on a continuous basis for the past 20 years. The proposed RFQ amount includes an approximate 10% increase in roadmarking costs over our previous contract with SRM. SRM has not increased the cost of supplying roadmarking maintenance to the City for the past six years. Staff has consistently found their workmanship and overall service to be of high quality and they have met all requirements to the City's satisfaction.

They have no outstanding legal claims against the City. It is recommended that Contract M.S. 1220-040-2018-071 be awarded to SRM.

TERM

This award is for a (1) one-year term with the option for (2) two one-year extension available to the City at its sole discretion. Should the Contract be extended for the second and third terms, the unit prices and contract value will be adjusted following the Consumer Price Index for Vancouver. The contractor's performance will be evaluated prior to the end of each one-year term and the information will be taken into account with respect to exercising the renewal option for the subsequent year.

SUSTAINABILITY CONSIDERATIONS

This project supports the objectives of the City's Sustainability Charter 2.0. In particular, this project relates to the Sustainability Charter 2.0 theme Infrastructure. Specifically, this contract supports the following Desired Outcomes ("DO") and Strategic Direction ("SD"):

- All Infrastructure DO1: City facilities and infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems; and
- All Infrastructure SD1: Proactively manage community assets to maintain them over the long-term in a state of good repair.

FUNDING

Funding for this Contract is available in the approved 2018 Engineering Operations Streets Maintenance and Pavement Budget.

CONCLUSION

Based on the above discussion, the Engineering Department recommends that Council:

1. Award Contract M.S. 1220-040-2018-071 to Sutton Road Marking Ltd. for annual thermoplastic pavement marking services at various locations throughout the City for a one year period, with two additional one-year terms at the City's option, for an annual cost of \$616,560.00 (including GST);
2. Set the annual expenditure authorization limit for Contract M.S. 1220-040-2018-071 at \$678,216.00 (including GST and contingency); and
3. Authorize the General Manager, Engineering to execute the Contract M.S. 1220-040-2018-071.

Fraser Smith, P.Eng., MBA
General Manager, Engineering

RK/ggg/jma