
**TORONTO TRANSIT COMMISSION
REPORT NO.**

MEETING DATE: October 25, 2006

SUBJECT: Purchase Of Steel Wheels

RECOMMENDATION

It is recommended that the Commission authorize the award of 1700 steel wheels for inventory supply to the following companies:

- Triocel Incorporated for 500 streetcar steel wheels totalling \$696,722.40 including applicable taxes.
- Orx for 1200 subway car steel wheels totalling \$1,753,776.00 including applicable taxes.

FUNDING

Sufficient funds to cover these items have been included in the 2006 TTC Operating Budget and will be included in future budgets as required. These inventory materials will be charged to the appropriate budget at the time of issuance from Stores.

BACKGROUND

The subject steel wheels are used to maintain the streetcar and subway car fleet.

DISCUSSION

Tenders were invited from twelve companies coupled with an advertisement on the TTC internet website on August 22, 2006. Six companies submitted proposals as summarized in Appendix 'A'.

The tenders called for firm pricing on 500 streetcar and 1200 subway car steel wheels.

Triocel Incorporated submitted prices on both types of steel wheels. Their submission contained firm pricing on the streetcar steel wheels and non-firm pricing on the subway steel wheels. The latter is not considered for award. Their tender also included a qualification regarding packaging. Staff reviewed this qualification and deemed it as acceptable. Therefore, Triocel Incorporated is recommended for the award of 500 streetcar steel wheels in the total amount of \$696,722.40 CDN when converted from their tendered amount of \$627,000 USD based on the current published exchange rate of 1.1112.

ORX submitted pricing for the subway steel wheels only and were the lowest compliant tender. They were recommended for the award of 1200 subway car steel wheels in the total amount of \$1,753,776.00 CDN.

The remaining companies, as shown in Appendix 'A' did not submit the lowest complaint prices and are not recommended for award.

The pricing for streetcar steel wheels and subway car steel wheels has remained the same since 2001 and 2004 respectively.

JUSTIFICATION

These steel wheels are required in order to support streetcar and subway car vehicle maintenance needs.

October 2, 2006

9-118-63

- Appendix 'A'

APPENDIX 'A'

PURCHASE OF STEEL WHEELS

COST SUMMARY

TENDERER	500 STREETCAR STEEL WHEELS TOTAL AMOUNT	1200 SUBWAY CAR STEEL WHEELS TOTAL AMOUNT
TRIOCEL Incorporated	\$696,722.40 **	\$1,626,524.64 *
ORX	No Bid	\$1,753,776.00 **
Penn Machine Company - Option 1 - Option 2	\$749,757.00 \$915,003.00	No Bid No Bid
TSS, Incorporated	\$853,860.00	No Bid
CAF Components Division	No Bid	\$2,071,152.00
Valdunes	No Bid	\$1,983,600.00
Ronsco Incorporated	No Bid	No Bid
Holden America Incorporated	No Bid	No Bid
Standard Steel, LLC	No Bid	No Bid
Sumitomo Canada Limited	No Bid	No Bid

* Price is not Firm

** Recommended for Award