

Purchase Of Brake Drums

Meeting Date: December 13, 2000

Subject: Purchase Of Brake Drums

Recommendation

It is recommended that the Commission authorize the awarding of a three year inventory supply contract for brake drums to Neopart, and MCI Service Parts Co. with a combined upset limit of \$261,000.00 including applicable taxes for the period from January 2001 to December 2003.

Funding

Sufficient funds will be included in the 2001 TTC Operating Budget and will be included in future Operating Budgets as appropriate. These inventory materials will be charged to the appropriate budget at the time of usage.

Background

The subject brake drums are used on the Commission's bus fleet. Staff have estimated that over the three year period, approximately 2,500 pieces of 2 part types will be required to support maintenance needs.

Discussion

Tenders were invited from thirteen known suppliers coupled with an advertisement in the Globe and Mail on November 7, 2000. Six companies submitted tenders as summarized in Appendix 'A'.

Neopart is the lowest acceptable tenderer on item #1 and MCI Services Part Co. is the lowest acceptable tenderer on item #2. Neither of the companies included exceptions or qualification in their tenders and both are considered acceptable.

Initially, Neopart will be allocated \$229,000.00 and MCI Services Part Co. will be allocated \$32,000.00. During the terms of these contracts, adjustments to the allocations may be made based on the actual part usage.

The pricing for the new three year contract is approximately 1% lower over the three years of the contract than the previous pricing under the current three year contract.

Justification

The brake drums are required in order to support maintenance needs.

November 29, 2000

9-118-80

Attachment - Appendix 'A'

Appendix 'A'

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Cost Summary

Orion Bus Industries Inc. \$149,727.24

MCI Service Parts \$265,196.86

Neopart \$266,115.27

New Flyer Industries \$266,367.45

Fort Garry Industries Ltd. \$271,193.00

Bartlett Provincial Brake Inc. \$294,805.25

Note: Orion Bus Industries Inc. provided pricing for only the first year of the contract for both items, therefore their tender is considered unacceptable.