

Meeting Date: November 22, 2000

Subject: Procurement Authorization - Escalator Step Refurbishment

Recommendation

It is recommended that the Commission approves the award for the refurbishment of escalator steps to Canex Machining Limited for an upset limit contract in the amount of \$250,000. The duration of this contract will be from December, 2000 to December 31, 2002.

Funding

Sufficient funds for the 2000 requirements are included in the 2000 TTC Operating Budget. Adequate provision will be made in the 2001 and 2002 TTC Operating Budgets as required.

Background

Aluminum escalator steps are cast in one or two components with step treads and risers being an integral part of the step casting. These parts are subject to wear and damage. Damaged areas of escalator steps require refurbishment through grinding, welding and machining operation.

Discussion

The work of this contract consists of the refurbishment of Commission supplied escalator steps of various manufacturers, which are Montgomery, OTIS, Hitachi, Goldstar and Schindler. It is anticipated that approximately 500 steps in total, comprised of various quantities from a range of manufacturers, will require refurbishment during the contract duration.

The cost to replace an escalator step with a complete assembly could range from approximately \$500 to \$3,000 each; refurbishment cost will not exceed \$500 each. It was therefore determined that refurbishment of step treads and risers is the most economic approach instead of replacing with a complete step assembly.

Subsequently, a specification was developed and Tender No. M31T0107 was advertised on September 7, 2000. In addition, six companies were invited to submit tenders. A pre-bid meeting was held and took place on September 14, 2000 at Ossington Subway Station. Interested parties were able to view typical kinds of step repairs required and a standard concept for cost of repairs was predetermined. Tenders were submitted by three companies.

The Commission's specification required the companies' welders to be CAN/CAS-W59.2-M 1991 (R1988), certified aluminum welders. The specifications also detail a

quality control procedure that is to be followed. Two of three companies submitted compliant tenders, as summarized in Appendix 'A'. Canex Machining, the lowest compliant bidder, is recommended for award.

Justification

This escalator step refurbishment contract is essential to support the continued safe operation and reliability of Commission escalators. In addition, this contract will assist in minimizing the down time of an escalator as a result of these repairs.

November 7, 2000

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Attachment: Appendix 'A'

Appendix 'A'

Escalator Step Refurbishment Tender No. M31T0107

COMPANY	TOTAL EVALUATED PRICES
** Canex Machining Ltd.	\$235,100.00
H.J. Skelton Canada Ltd.	\$339,125.00
*Downsview Tool and Machine	\$81,000.00

* Company's welders are not certified as specified within the tender document.

** Staff have included an allowance of approximately \$15,000.00 within the \$250,000.00 upset limit amount recommended award to Canex Machining Ltd. for additional work not accounted for to suit site conditions.

Plant Maintenance Department

November 7, 2000