

MEETING DATE: March 21, 2001

SUBJECT: Purchase Authorization - Supply Of Escalator Handrails

RECOMMENDATION

It is recommended that the Commission approve the award for the supply of escalator handrails to Escalator Handrail Company Inc. in the amount of \$204,171.00. The duration of the contract will be for a 12-month period, April 1, 2001 to March 31, 2002.

FUNDING

Sufficient funds for the 2001 requirements are included in the 2001 TTC Operating Budget and in Project 3.2 Equipment, under Subway Escalator Overhaul Program of 2001-2005 Capital Program, as set out on pages 407-412. Adequate provision will be made in the future years' budgets as required.

The handrails replaced as part of the day-to-day running maintenance will be charged to TTC Operating Budget, whereas the complete handrail replacements that are required as part of the Escalator Overhaul Program (11 escalators for 2001) will be charged to the Capital Program Budget.

BACKGROUND

The Commission has escalators manufactured by five companies, which are Goldstar, Hitachi, Montgomery-Kone, Otis and Schindler. Periodically throughout the year, due to wear and tear and vandalism, escalator handrails will require replacement. In addition, the 276 escalators and 2 moving walkways must be maintained in compliance with the CSA/B-44 Safety Code for Elevators, Escalator, Dumb Waiters and Moving Walkways. Consequently, a handrail manufacturer is required to perform on-site field splicing when required.

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DISCUSSION

A specification was developed and tenders were requested for the supply of escalator handrails on an 'as required' basis and installation (field splicing) when required. Eight companies were invited to submit tenders, out of which two companies submitted tenders as detailed on the attached spreadsheet, Appendix 'A'.

The lowest bid was submitted by Semprit Industrial. However, their bid included a number of exceptions/qualifications making this bid non-compliant to various Commission requirements (e.g. Semprit Industrial cannot provide on-site field splicing as specified, cannot supply high quality resilient thermoplastic urethane as specified).

Escalator Handrail Company Inc. submitted all the requested documentation and has not taken any exceptions/qualifications to the Tender. Escalator Handrail Company's unit pricing is approximately 5.6% higher than currently paid to the same vendor for the same tender quantities, which was tendered in August 1999.

Companies that did not tender were contacted to identify why they did not bid. One of the companies does not supply the specified handrails, two companies indicated that they felt they could not tender competitively and two companies are not ISO 9001 registered as required by TTC specifications.

JUSTIFICATION

It is essential to replace escalator handrails when worn or vandalized so as to provide safe and reliable escalators to TTC patrons and to be compliant with the industry's safety code requirements.

March 6, 2001

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Attachment: Appendix 'A'

**SUPPLY OF ESCALATOR HANDRAILS AND
INSTALLATION WHEN REQUIRED**

COMPANY	TOTAL EVALUATED PRICES
*Escalator Handrail Company Inc.	\$204,171.00
**Semprit Industrial Products	\$181,739.10

*Lowest Compliant Bid

** This bid did not provide for on-site field splicing and the availability of supply of a high quality handrail product essential to meeting escalator reliability performance targets

Engineers Estimate: \$195,000.00

Plant Maintenance Department

March 6, 2001