MEETING DATE: October 22, 2003

SUBJECT: Procurement Authorization For The Supply Of Uniform Shirts

RECOMMENDATION

It is recommended that the Commission approve the issuance of a purchase order to R. Nicholls Distributors Incorporated, in the amount of \$1,004,374.28 for the supply of uniform shirts for the period January 1, 2004 to December 31, 2006.

FUNDING

Sufficient funds for the 2004 expenditures will be included in the 2004 TTC and Wheel-Trans Operating Budgets, and sufficient funds will be provided in future operating budgets as required.

BACKGROUND

Under the terms of the Collective Agreement with Local 113, the Commission is required to supply Operators and Collectors with uniform shirts every two years. In addition, the Commission also supplies uniform shirts to uniformed Supervisory personnel.

DISCUSSION

Nine companies were invited to submit tenders in addition to the advertisement on the TTC web site of Wednesday, July 3, 2003. A total of three companies submitted tenders as detailed on Appendix A.

Aero Mode Incorporated submitted the lowest bid. However, their tender did not comply with the Commission's union-manufacturing requirements. As a result, they are considered non-compliant and are not recommended for award.

Based on the foregoing, it is recommended that the contract be awarded to the second lowest bidder, R. Nicholls Distributors Incorporated. Their submission did not state any exceptions or qualifications to the Commission's standard terms and conditions and is considered to be commercially acceptable. This firm is our current supplier and has performed in a satisfactory manner.

| The pricing submitted by R. Nicholls Distributors is the same for the first year (2004) as |
|--|
| is currently being paid, with an average increase of 3% for each of the second (2005) and |
| third (2006) year. |

JUSTIFICATION

As the existing contract expires on December 31, 2003, a new contract should be awarded at this time. This will ensure uninterrupted supply of uniform shirts for the 2004, 2005 and 2006 issues to uniform employees.

September 9, 2003

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Appendix A - Summary of Tenders

APPENDIX 'A'

PROCUREMENT AUTHORIZATION FOR THE SUPPLY OF UNIFORM SHIRTS TENDER SUMMARY

| TENDERER | *AERO MODE | **R. NICHOLLS DIS. INC. | YORK UNFORMS LTD. |
|----------------------|--------------|----------------------------|-------------------|
| TOTAL TENDERED PRICE | \$612,278.40 | \$1,004,374.28 | \$1,218,358.87 |

^{*} Aero Mode's tender is considered non-compliant

^{**} RECOMMENDED FOR AWARD