

MEETING DATE: April 6, 2005

SUBJECT: Notice Of Award - Supply Of Industrial Computers

RECOMMENDATION

It is recommended that the Commission confirm the approval by two Commissioners and the Chief General Manager for the notice of award of a contract to XWave Solutions in the total amount of \$278,369.64 (including taxes) for the purchase of eight industrial computers required for the Communications and Information State of Good Repair project.

FUNDING

Sufficient funds for this expenditure have been included in project 7.2 Intelligent Transportation and Technical Systems, under Communications and Information System State of Good Repair, as set out on pages 1305 - 1309, category State of Good Repair / Safety, of the 2005 - 2009 Capital Program, as approved by City Council on February 23, 2005.

BACKGROUND

At its meeting of February 9, 2005, the Commission approved revision and updates to the Authorization for Expenditures Policy / Instruction, which states that "The Commission delegates authority to the Chair, one Commissioner and the Chief General Manager to authorize items on an interim basis when the approval is required before the next Commission meeting. The interim authorization (see Appendix B) is to be followed up by a confirmation of approval Commission report that is to be submitted to the next scheduled Commission meeting".

The Communications and Information System provides data, voice and backup voice communications between 1,750 surface revenue vehicles and 7 divisional control offices including Transit Control. The current system is primarily used as an emergency co-ordination, response and route management tool.

The Communications and Information System is a life safety critical system as it provides rapid response to revenue vehicle Operator emergencies as well as route management functions. The existing Communications and Information System host computers which are responsible for performing the central processing of control and information for the system are 18 years old and are therefore more prone to failure. These computers are responsible for system tasks such as processing messages that come from the Transit Receive Universal Microprocessor (TRUMP). TRUMP units are the mobile radio and Computer units that each of the Operators use on board each Surface Revenue Vehicle. Of utmost importance is the processing of emergency messages by the Communications and Information System host computers that come from the TRUMP units such as when an Operator pushes a red or yellow key in an emergency situation, which initiates immediate communication with a divisional control office.

A Capital project has been approved for the State of Good Repair for the overall Communications and Information System operations. However, before the project team was able to develop the formal plan for host computer replacement, on Monday, September 27, 2004 there was a yellow emergency key push that was not received by the control system due to the failure of two host computers. At the same time there

was also a 'fare dispute' key push that was not processed due to the same failure. The failed computers were repaired by harvesting parts from the same type of computers providing support functions.

As a result of the above emergencies, on October 29, 2004, authorization was obtained from the Chief General Manager to expedite the replacement portion of the project for the Communications and Information System host unit and proceed with the purchase of four industrial computers on a sole source basis in order to obtain delivery of the equipment as soon as possible. Bids for an additional eight computers were to be obtained competitively.

DISCUSSION

Seven companies were invited to submit proposals in addition to the public advertisement on the TTC website, for the supply of eight IBM P5-520 industrial computers, out of which three companies submitted proposals as detailed on the attached Appendix A. IBM equipment is required in order to ensure compatibility with the existing IBM software.

XWave Solutions submitted the lowest priced proposal. They did not take any exceptions or qualifications to the Commission's Terms and Conditions and their proposal is considered commercially acceptable and is recommended for the award.

The unit pricing submitted by XWave Solutions is approximately 3.6% lower compared to the recent sole source emergency purchase on November 11, 2004 to Braegen Group Inc. for a quantity of four industrial computers. There are no other prior purchases for the specified equipment.

Glasshouse Systems submitted the second lowest priced proposal. They did not take any exceptions or qualifications to the Commission's Terms and Conditions and their proposal is considered commercially acceptable.

Braegen Group Inc. submitted the highest priced proposal. They did not take any exceptions or qualifications to the Commission's Terms and Conditions and their proposal is considered commercially acceptable.

JUSTIFICATION

The supply of the industrial computers will ensure stability, reliability and enhanced overall performance of the CIS system.

March 16, 2005
14.102.82

Attachment: Appendix A – Proposal Summary – Supply of Industrial Computers
Appendix B – Staff Summary Sheet – Interim Authorization

APPENDIX 'A'

SUPPLY OF INDUSTRIAL COMPUTERS

PROPOSAL SUMMARY

Company	Total Proposed Price
XWave Solutions	\$278,369.64 *
Glasshouse Systems	\$292,550.80
Braegen Group Inc.	\$293,132.06 **

* **Recommended for award.**

** The total **proposed price** has been adjusted to correct a calculation error **based on their proposed unit price.**

March 2, 2005