

MEETING DATE: AUGUST 31, 2005

SUBJECT: Purchase Of Vehicle Paint Supplies

RECOMMENDATION

It is recommended that the Commission authorize the award of three-year inventory supply contracts for the supply of various vehicle paint supplies for the period September 2005 to September 2008 to the following companies:

- Gard-X Automotive Refinish Supply for an upset limit of \$1,222,000 including applicable taxes.
- Painters Supply & Equipment for an upset limit of \$240,000 including applicable taxes.
- ICI Canada Incorporated for an upset limit of \$80,000 including applicable taxes.
- Pro Glo Paints Limited for an upset limit of \$40,000 including applicable taxes.
- British Auto Supply Company Limited for an upset limit of \$15,000 including applicable taxes.

FUNDING

Sufficient funds have been included in the 2005 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 issuance from Stores.

BACKGROUND

The subject parts are primarily used for varying painting applications on the Commission's revenue and non-revenue vehicles. Several examples include black spray bumper paint, fish eye preventer and primer.

DISCUSSION

Proposals were invited from eleven known companies coupled with an advertisement on the TTC internet web site on April 4, 2005. Five companies submitted proposals as summarized on Appendix 'A'.

The proposal called for 48 pre-approved part types. Proponents were advised that alternatives would not be considered during the evaluation. A total of 46 part types are being recommend for award. The 2 part types that are not being awarded were not quoted by any of the proponents. Staff will investigate other sources of supply for these items.

Gard-X Automotive Refinish Supply submitted prices on 37 part types and has the lowest price on 24 part types. They are recommended to be awarded an upset limit contract for \$1,222,000.

Painters Supply & Equipment submitted prices on 32 part types and has the lowest price on 4 part types. They are recommended to be awarded an upset limit contract for \$240,000.

ICI Canada Incorporated submitted prices on 11 part types and has the lowest price on 9 part types. They are recommended to be awarded an upset limit contract for \$80,000.

Pro Glo Paints Limited submitted prices on 14 part types and has the lowest price on 6 part types. They are recommended to be awarded an upset limit contract for \$40,000.

British Auto Supply Company Limited submitted prices on 16 part types and has the lowest price on 3 part types. They are recommended to be awarded an upset limit contract for \$15,000.

These contracts include approximately 20% contingency for variances between forecasted and actual usage and new parts yet to be identified which may be added to the contract during the contract term.

The pricing received for this new three-year inventory supply contract is approximately 5% lower in the first year based on current prices. The pricing will be approximately 6% higher in year two based on year one prices and approximately 5% higher in year three based on year two prices.

JUSTIFICATION

These vehicle paint supplies are required in order to support varying painting applications on the Commission's revenue and non-revenue vehicles.

July 13, 2005

9-55

Attachment

APPENDIX 'A'

PURCHASE OF VEHICLE PAINT SUPPLIES

<u>Proponent</u>	<u>No. of Items Priced</u>	<u>Amount Proposed</u>	<u>No. of Items Recommended</u>	<u>Rec Lin</u>
Gard-X Automotive Refinish Supply	37	\$ 1,350,936.11	24	
Painters Supply & Equipment	32	\$ 1,318,590.52	4	\$
ICI Canada Incorporated	11	\$ 309,678.59	9	\$
Pro Glo Paints Limited	14	\$ 146,719.90	6	
British Auto Supply Company Limited	16	\$ 840,441.81	3	\$