

MEETING DATE: APRIL 19, 2006

SUBJECT: Notice Of Award - Purchase Of 1000 MCM Cable

RECOMMENDATION

It is recommended that the Commission receive the notice of award of Chair Moscoe, Vice Chair Giambrone and the Chief General Manager authorizing the award for inventory of a contract to Robertson Electric Wholesale for the supply of 12,000 meters of 1000 MCM Cable in the amount of \$712,632.00 including applicable taxes.

FUNDING

Sufficient funds for this expenditure have been included in the 2006 TTC Operating Budget and Capital Program, under Project 2.1 – Replace Surface Track Power Distribution, as set out on pages 105 to 110 – category State of Good Repair/Safety of the TTC 2006-2010 Capital Program, as approved by the City Council on December 12, 2005. This inventory material will be charged to the appropriate budget at the time of issuance from Stores.

BACKGROUND

At its meeting of July 13, 2005, the Commission approved the revisions and updates to the Authorization for Expenditures Policy/Instruction, which states the *“The Commission delegates authority to the Chair, Vice Chair and the Chief General Manager to authorize items on an interim basis that would normally be authorized by the Commission when the approval is required before the next Commission meeting. In the event that the Chair and/or Vice-Chair are not available, authority would be delegated to any 2 Commissioners and the Chief General Manager.”* These authorizations are to be followed up by a notice of award Commission report that is to be submitted to the next scheduled Commission meeting for information.

The subject 1000 MCM cable is used to provide power on aerial feeder wires that in turn provides power necessary to operate the Commission’s streetcars.

DISCUSSION

Tenders were invited from eleven known companies coupled with an advertisement on the TTC internet website on January 13, 2006. Five companies submitted tenders as summarized in Appendix ‘A’.

Anixter Canada Incorporated submitted the lowest tendered price, however their submission is deemed non-compliant as their quoted price is firm for only 30 days. Further, their submission did not include a formula for price adjustments. Their tender was not considered further.

Noramco Wire and Cable submitted the second lowest tendered price however, their submission had an exception indicating that their price is not firm, thereby rendering their submission as unacceptable. Their tender was not considered further.

Robertson Electric submitted the third lowest tendered price. Their pricing is approximately 2% higher than

that of Noramco Wire and Cable, however they are offering firm pricing and are therefore recommended for award.

Milrail Incorporated also offered firm pricing, however they did not submit the lowest tendered price.

King Cable's offer submission had an exception indicating that their price is not firm, thereby rendering their submission as unacceptable. Their tender was not considered further.

The price submitted by Robertson Electric Wholesale is approximately 59% higher than the previous order in 2004. This large increase in price is the product of large price increases in the copper industry mainly attributed to increasing demand in China. Staff also researched the copper indices and have confirmed that the base price for copper has increased approximately 67% in this timeframe.

JUSTIFICATION

This cable is required in order to support electrical power maintenance needs.

March 29, 2006

9-118-55

Attachment – Appendix 'A'

APPENDIX 'A'

PURCHASE OF 1000 MCM CABLE

TENDER SUMMARY

TENDERER	TENDERED AMOUNT
Anixter Canada	\$693,450.00 *
Noramco Wire and Cable	\$697,728.00 *
Robertson Electric Wholesale	\$712,632.00
Milrail Incorporated	\$724,776.00
King Cable	\$780,390.00 *

* Prices Not Firm