

**MEETING DATE:** April 19, 2006

**SUBJECT:** Procurement Authorization – Supply Of Brake Control Units For The CLRV Streetcars

## **RECOMMENDATION**

It is recommended that the Commission authorize the award of a contract to Knorr Brake Limited for the supply of brake control units (BCU's) for the CLRV Streetcar fleet in 2006 and 2007 in the amount of \$3,133,750.

## **FUNDING**

Funds are included in Program 4.15 – Streetcar Overhaul Program Life Extension of 196 Canadian Light Rail Vehicles (as set out on pages 1023 to 1028, State of Good Repair/Safety), of the TTC 2006 – 2010 Capital Program, which was approved by City Council on December 12, 2005.

## **BACKGROUND**

The nearly 30 year old CLRV Streetcar fleet is equipped with the original BCU's, and the performance of this first generation model BCU has been unreliable. Furthermore, as the fleet ages, the reliability of these BCU's has deteriorated to unsatisfactory levels. Conversely, the newer ALRV fleet, which is approximately 18 years old, is equipped with a second generation model BCU that has proved to be much more reliable than the CLRV first generation BCU.

Staff has determined in order to improve the reliability of CLRV Streetcars, it is necessary to upgrade the BCU to a newer more reliable model, similar to that which is used on the ALRV Streetcars. Further, as the Commission has directed staff to proceed with the rebuild of 100 CLRV Streetcars under the LEP program, now is an appropriate time to upgrade the CLRV BCU's.

## **DISCUSSION**

The original equipment manufacturer (OEM), and only approved source of these BCU's is Knorr Brake Limited (Knorr). In October 2005, a single source Request for Proposal (RFP) was issued to Knorr for the supply of 109 CLRV Streetcar BCU's to be delivered in 2006 and 2007. A total of 100 BCU's are required for the vehicles and 9 are required for operating spares.

Knorr's proposal did not state any exceptions or qualifications to the Commission's terms and conditions, and offered a total price of \$3,133,750.

The price offered by Knorr's is the same price that they offered in 2003 based on ordering a quantity of 200 BCU's. Aside from a prototype purchased in 2003 at the same price, this is the first time the CLRV BCU's have been purchased and staff has reviewed the pricing and consider it acceptable.

The 109 CLRV BCU's will be delivered in three lots; 9 in October 2006, 50 in March 2007 and 50 in December 2007. Upon receipt of each lot they will be held in the Commission's inventory of parts and then charged to the appropriate capital account when they are issued from inventory

to be installed on the CLRV's.

Knorr's proposal is considered commercially acceptable, and it is recommended that they be awarded a contract for the supply of 109 CLRV BCU's for delivery in 2006 and 2007.

Knorr has agreed to hold their price in the event that the Commission elects to proceed with the rebuilding of the remaining 96 CLRV's in the future.

**JUSTIFICATION**

The purchase of 109 BCU's is required to upgrade the existing BCU's to a more reliable model to improve the reliability of the 100 CLRV's that are to be rebuilt.

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April 4, 2006  
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