

MEETING DATE: JUNE 21, 2006

SUBJECT: Purchase Of Various Communication Components

RECOMMENDATION

It is recommended that the Commission authorize the award of three-year inventory supply contracts for the supply of various communication components to the following companies for the period from June 2006 to June 2009:

- Wireless Source for \$392,000 including applicable taxes.
- Glentel Incorporated for \$190,000 including applicable taxes.
- Advantech Communication Systems for \$15,000 including applicable taxes.

FUNDING

Sufficient funds to cover these items have been included in the 2006 TTC Operating Budget and will be included in future budgets as required. These inventory materials will be charged to the appropriate budget at the time of issuance from Stores.

BACKGROUND

The subject communication components are used for varying communication maintenance needs. Several examples include pagers, antennae, holsters, transmitters and chargers.

DISCUSSION

Proposals were invited from eighteen known companies coupled with an advertisement on the TTC internet website on March 6, 2006. Eight companies submitted proposals as summarized in Appendix 'A'.

The proposal called for 21 pre-approved part types. The proponents were also advised that alternatives would not be considered during the evaluation. A total of 16 part types are being recommended for award. The 5 part types that are not being recommended for award are comprised of 4 part types that will be re-assigned to another grouping of parts more specific to the manufacturer. The remaining 1 part type was removed from the evaluation as it has become obsolete.

Wireless Source submitted prices on 17 part types and has the lowest compliant price on 3 part types. They are recommended to be awarded an upset limit contract for \$392,000 for 3 part types.

Glentel Incorporated submitted prices on 21 part types and has the lowest price on 12 part types. However, 1 part type in their proposal submission was based on an alternate since the currently approved part has become obsolete. Therefore, staff has removed this item from the evaluation. They are recommended to be awarded an upset limit contract for \$190,000 for 11 part types.

Advantech Communication Systems submitted prices on 16 part types and has the lowest compliant price on 2 part types. They are recommended to be awarded an upset limit contract for \$15,000 for 2 part types.

Paging Network of Canada Incorporated/Pagenet submitted prices on 1 part type and has the lowest price on this 1 part type, however their offer is based on an alternate which has rendered their submission as non-compliant and was not considered further.

Trak Com Wireless Incorporated submitted prices on 5 part types, however they are not the lowest price on any of those part types.

OMNI Provincial Electronics (Ont.) Incorporated submitted prices on 4 part types, however they are not the lowest price on any of those part types.

Kenwood Electronics Canada submitted prices on 2 part types, however their offer is based on alternates which has rendered their submission as non-compliant and was not considered further.

Digital Mobile Systems Incorporated submitted prices on 3 part types, however their offer is based on alternates which has rendered their submission as non-compliant and was not considered further.

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

The pricing for the new three-year inventory supply contracts are approximately 2% lower in the first year of the contract. The pricing will be approximately the same in year two based on year one pricing and approximately the same in year three based on year two pricing.

JUSTIFICATION

These components are required in order to support varying communication maintenance needs.

May 29, 2006
9-118-55
- Appendix 'A'

APPENDIX 'A'

PURCHASE OF VARIOUS COMMUNICATION COMPONENTS

PROPOSAL SUMMARY

PROPONENT	NO. OF ITEMS PRICED	AMOUNT PROPOSED	NO. OF ITEMS RECOMMENDED
Wireless Source	17	\$730,996.62	3
Glentel Incorporated	21	\$775,118.24	11
Advantech Communication Systems	12	\$411,677.00	2
Paging Network of Canada Incorporated/Pagenet	1	\$81,075.00	--
Trak Com Wireless Incorporated	5	\$283,444.07	--
OMNI Provincial Electronics (Ont.) Incorporated	3	\$167,568.80	--
Kenwood Electronics Canada	2	\$20,367.65	--
Digital Mobile Systems Incorporated	3	\$611,133.00	--