
**TORONTO TRANSIT COMMISSION
REPORT NO.**

MEETING DATE: MARCH 21, 2007

SUBJECT: Procurement Authorization - Supply Of Disposable Batteries

RECOMMENDATION

It is recommended that the Commission authorize the award of three-year inventory supply contracts for the supply of disposable batteries to the following companies for the period from May 2007 to May 2010:

- Wesco Distribution Canada LP for \$262,000 including applicable taxes.
- Powertrade Electric Limited for \$108,000 including applicable taxes.

FUNDING

Sufficient funds to cover these items have been included in the 2007 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 disposable batteries (e.g. 6 volt, 9 volt, size AAA, AA, C, D, etc.) are used to operate various shop and office equipment throughout the Commission.

DISCUSSION

Proposals were invited from nine known companies. Seven companies submitted proposals as summarized in Appendix 'A'.

The proposal called for 15 pre-approved part types. Proponents were advised that alternatives would not be considered during the evaluation. A total of 12 part types are being recommended for award. The 3 part types that are not being recommended for award are comprised of 3 part types that had no pricing received. Staff will investigate other sources of supply for these items and these items may be the subject of a future Request for Proposal.

Wesco Distribution Canada LP submitted prices on 9 part types and has the lowest price on 5 part types. They are recommended to be awarded a contract for \$262,000 for these 5 part types.

Powertrade Electric Limited submitted prices on 9 part types and has the lowest price on 7 part types. They are recommended to be awarded a contract for \$108,000 for these 7 part types.

The following companies submitted pricing but were not the lowest prices on any of the part types and are not being recommended for award:

- Guillevin International Company
- Robertson Electric Wholesale

The following companies did not submit all the required forms in the proposal which rendered their offers as non-compliant and were not considered further:

- Hansler Smith Limited
- CEA

Comtrex Communications Limited submitted prices on 5 part types, however their proposal is based on alternatives which thereby renders their offer 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 less than 1% higher in the first year of the contract based on current pricing. The pricing will be 0.03% higher in year two based on year one prices and approximately 1% higher in year three based on year two prices.

JUSTIFICATION

These disposable batteries are required in order to support the varying applications of maintenance needs throughout the Commission.

February 28, 2007

9-118-55

- Appendix 'A'

APPENDIX 'A'

SUPPLY OF DISPOSABLE BATTERIES

PROPOSAL SUMMARY

PROPONENT	NO. OF ITEMS PRICED	AMOUNT PROPOSED	NO. OF ITEMS RECOMMENDED
Wesco Distribution Canada LP	9	\$311,761.09	5
Powertrade Electric Limited	9	\$125,668.52	7
Guillevin International Company	10	\$340,369.62	--
Robertson Electric Wholesale	8	\$315,332.34	--
Hansler Smith Limited	13	\$365,874.91	--
CEA	11	\$324,964.79	--
Comtrex Communications Limited	5	\$115,927.40	--