# TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: March 21, 2007

SUBJECT: Procurement Authorization – Supply Of Subway Car Cleaner

## **RECOMMENDATION**

It is recommended that the Commission authorize the award of a three year contract for the supply of subway car cleaner for exterior washes to West Penetone Incorporated for the period April 1, 2007 to March 31, 2010 in the upset limit amount of \$762,000.00.

## **FUNDING**

Sufficient funds are included in the 2007 TTC Operating budget and will be included in future operating budgets as appropriate.

## **BACKGROUND**

Previously, Johnson Diversey Incorporated's Bright Test Cleaner and Railway A.P.C. Cleaner were the only approved products for cleaning of subway cars. In December 2005, a Request for Information was issued to search the market for potential alternate products to generate competition and reduce pricing.

As a result of the Request for Information, four companies submitted product information and subsequently, samples from all four companies were obtained for testing. At the conclusion of the testing, all four products were determined acceptable for use based on the specific dilution rates used during the testing for each of the products.

#### **DISCUSSION**

On January 22, 2007, six companies were invited to submit proposals out of which four companies submitted proposals as summarized in Appendix 'A'.

West Penetone Incorporated submitted the lowest overall evaluated proposal pricing based on the dilution ratio as tested and approved by the Commission's Engineer. They did not state any exceptions or qualifications and their submission is considered commercially and technically acceptable and recommended for award.

Transchem Incorporated submitted the second lowest overall proposal pricing. They did not state any

exceptions or qualifications and their submission is considered commercially compliant.

Johnson Diversey and Mr. Janitorial Supplies submitted the third and fourth lowest evaluated proposals, respectively. They did not state any exceptions or qualifications and their submissions are also considered commercially compliant.

A price comparison with the current contract pricing revealed an approximate 33.5% decrease in year one of the contract, 0% increase in year 2 and 0% increase in year 3.

The recommended upset limit amount includes an allowance of approximately 20% to allow for fluctuations in usage over the three year period.

#### **JUSTIFICATION**

The cleaning chemicals are required to maintain the exterior and undercar of the subway car fleet at an acceptable level of cleanliness.

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March 5, 2007 9-118-58 - Appendix 'A'

## APPENDIX 'A'

# SUPPLY OF SUBWAY CAR CLEANERS

# **PROPOSAL SUMMARY**

PROPONENTS	EVALUATED PROPOSAL PRICING 3 YEAR TOTAL (2)
West Penetone Incorporated (1)	\$ 634,837.50
Transchem Incorporated	\$1,027,282.50
Johnson Diversey Incorporated	\$1,685,205.00
Mr. Janitorial Supplies	\$5,985,612.49

# **NOTES**

- (1) Recommended for Award
- (2) The totals were derived by taking the number of concentrated litres required to produce the number of diluted product required by the Commission for the 3 year period.