

Meeting Date: May 8, 2007

Subject: Sale Of Decommissioned Buses

Recommendation

It is recommended that the Commission approve the award of a contract for the sale and removal of 230 surplus buses over a period of 12 to 15 months, commencing April 2007 for a value of \$548,467.20 to Ummsu LLC.

Funding

Proceeds from the disposition of capital assets are netted against the depreciated expense for the year.

Background

On January 31, 2007 the Commission approved the declaration for surplus of 230 GM, GM Classic and Flyer D-40 buses.

The decommissioning process includes removing driver seats, communication equipment, fare collection equipment and other parts that may be needed to maintain other buses to meet service.

In December 2004, a surplus bus donation procedure was developed that enables non-profit organizations improved access to the Commission's surplus buses. Requests for donation will continue to be considered in addition to the sale of these 230 surplus buses.

Discussion

Ten companies were invited to submit bids in addition to the public advertisement on the TTC Materials and Procurement website on March 8th, 2007 for the sale of 230 surplus buses. Seven companies submitted bids of which Ummsu LLC was the highest as detailed in Appendix "A". The bid from Ummsu LLC is 122% higher than the Commission received the last time buses were sold in December 2005.

Justification

Due to the lack of available space, it is essential that these 230 surplus buses be disposed of in the best interest of the Commission as soon as possible after the decommissioning process.

April 20, 2007

9-118-80

Attachment – Appendix "A"

Appendix “A”

Sale of Decommissioned Buses

Cost Summary

Company	Quantity	Total Price
1. Ummsu LLC *	230	\$548,467.20
2. Total Scrap Management	230	\$310,500.00
3. Beeton Truck & Auto Wreckers	230	\$211,830.00
4. Newmarket Iron & Metal	230	\$189,432.60
5. Future Enterprise	230	\$186,300.00
6. RAM Iron and Metal	230	\$ 93,150.00
7. Walt's Towing Inc.	230	\$ 75,762.00

* recommended for award