

# Procurement Authorization Amendment - Supply Of Forty-Foot Low Floor City Buses - Provision Of Bus Security Camera System

Meeting Date: August 27, 2008

Subject: Procurement Authorization Amendment - Supply Of Forty-Foot Low Floor City Buses - Provision Of Bus Security Camera System

## Recommendation

It is recommended that the Commission authorize issuance of a contract amendment to Daimler Buses North America Ltd. (Daimler) in the amount of \$1,280,945.13 for the supply and installation of a complete security camera system on 129 low floor city buses to be provided under Contract C32PY08704.

## Funding

Sufficient funds for the provision of Security Camera Systems on buses are included in Project 4.11, Future Purchase of Replacement 40 foot Low Floor Diesel Hybrid Buses, or Equivalent (2009), as set out on Pages 1037-1038 of the State of Good Repair/Safety Category, in the TTC 2008-2012 Capital Program, which was approved by City Council on December 11, 2007.

## Background

At its meeting of December 6, 2007 the Commission approved the award of a contract to Daimler in the amount of \$89,992,616.94 for the supply of 130 Forty-Foot clean diesel-electric Hybrid low floor city buses for delivery in 2009. At the time, camera system design details and specifications were not available for incorporation as part of the original contract requirements.

Contract C32PY08704 details are as follows:

- Original Contract Amount - \$89,992,616.94
- Approved Contract Changes to Date (includes system rough-in) - \$218,136.22
- Amount of Amendment (80 Buses – Pending Approval) - \$56,251,827.54
- Amount of Amendment (40 Buses pending City approval)- \$28,125,913.77
- Net Amount of this Contract Amendment - \$ 1,280,945.13
- Total Revised Amount - \$175,869,439.60

Work on this contract amendment is 0% complete.

### **Discussion**

Subsequent to contract award, staff have commenced an in-house retrofit process for the implementation of the camera system within the existing bus fleet.

In addition to purchasing the material, the TTC retrofit work entails the removal of interior bus panelling, the layout of system cabling throughout the bus, installation of camera assemblies and monitoring hardware and final system commissioning.

In order to avoid the necessity of TTC retrofit work on the 130 new buses scheduled for delivery in 2009 and to realize TTC labour cost savings, a contract amendment was recently issued to the contractor in the amount of \$47,936.41 to provide camera system pre-wiring rough-in during the production stage prior to the installation of the interior panelling.

In addition to the aforementioned pre-wiring rough-in work previously approved, the contractor has also offered during production of the bus order to complete the balance of work required for the installation of a complete security camera system as per TTC's specifications on 129 production buses for the net additional amount of \$1,280,945.13. Due to production schedule lead time requirements, the contractor is unable to accommodate the installation of the complete system on the lead pilot bus of this order. However, this lead bus will be delivered with the camera system rough-in previously mentioned to facilitate final system installation by TTC staff.

Staff have reviewed the contractor's offer and consider the pricing as fair, reasonable and commensurate with associated costs to be incurred by the TTC if completed in-house. Also, there are inherent overall contractual advantages to the TTC in having the contractor being totally responsible for the camera projects material procurement, co-ordination, administration, consistency, quality and system commissioning as well as any associated system warranty work that may be required. The contractor's undertaking of this work will result in TTC in-house cost savings as well as freeing up the TTC workforce to expedite other outstanding work on the fleet. In view of the foregoing, staff recommend the Commission's approval for the issuance of a contract amendment to enable the contractor to proceed with the provision of the complete security camera system on the 129 city bus order scheduled for delivery in 2009. Although the total order is for 130 buses, only 129 will be fitted with camera systems by Daimler as the first pre-production bus engineering will be complete before receipt of the amendment related to this report. The production prototype not done by Daimler will be completed by TTC forces before release for service.

The provision of the accepted security camera system will be a standard specification on all future bus

procurements.

It is urgent that this recommendation be accepted at this time to accommodate the contractor's lead time requirements for the 129 bus production order.

**Justification**

Approval of this contract amendment will allow the contractor to incorporate the design requirements necessary to include this work into their production order and also enable TTC workforce to expedite other outstanding work on the TTC bus fleet.

August 27, 2008

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