

# TORONTO TRANSIT COMMISSION REPORT NO.

**MEETING DATE:** JANUARY 23, 2008

**SUBJECT:** PROCUREMENT AUTHORIZATION - SUPPLY OF SUPERLUBE  
RAIL GREASE

---

## **RECOMMENDATION**

It is recommended that the Commission authorize the award of a one-year inventory blanket order for the supply of rail grease for the period March 2008 to March 2009 to Magmar/Colony Distribution for \$517,709.50 including applicable taxes.

## **FUNDING**

Sufficient funds to cover this item have been included in the 2008 TTC Operating Budget and will be included in future budgets as required. This inventory material will be charged to the appropriate budget at the time of issuance from Stores.

## **BACKGROUND**

The subject grease is used to maintain the TTC's surface rail system. It provides a way to reduce noise and vibration that occurs whenever the Commission streetcars are making tight turns.

It is estimated that approximately 850 pails of Superlube rail grease will be required over a twelve month period in order to support rail noise maintenance needs.

## **DISCUSSION**

Magmar/Colony Distribution was invited to submit a proposal on November 15, 2007 on the basis of single source as they are the only approved supplier of the subject lubricant.

The proposal called for 1 pre-approved part type which is being recommended for award. Superlube Grease is the only approved product for this application and Magmar/Colony Distribution is the only authorized distributor for this particular grease. The recommended product has been reviewed and approved by the TTC's Safety Department, that selects the least hazardous products that provides the best balance between performance, health and safety characteristics, environmental impact and cost.

The original total proposed cost (including applicable taxes) was \$528,275. Staff contacted Magmar/Colony Distribution to negotiate better pricing and were successful in attaining a price reduction of 2% or \$10,565.50 (including applicable taxes).

The pricing for this new one-year inventory blanket order supply contract is 2% lower than the current pricing.

**JUSTIFICATION**

This rail grease is required in order to reduce rail noise and vibration.

-----

December 27, 2007  
9-122-55