

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: November 23, 2011

SUBJECT: SUMMARY OF AUTHORIZED EXPENDITURES BETWEEN
\$1,000,000 TO \$5,000,000 FOR THE PERIOD MAY 1, 2011 TO
SEPTEMBER 30, 2011

INFORMATION ITEM

RECOMMENDATION

It is recommended that the Commission receive this report for information.

BACKGROUND

TTC Corporate Policy requires Management to submit a monthly report to the Commission that lists expenditures over \$1,000,000 up to \$5,000,000 that were approved by Management and did not require specific Commission authorization. In addition, the report lists any sole source contract awards or amendments that were approved by the Chief General Manager (CGM).

All of these purchases were made in accordance with the TTC's Procurement Policy.

DISCUSSION

The attached summary report covers the subject period and lists the relevant expenditures that were approved by Management and also lists, if applicable, sole source contract awards or amendments that have been approved by the CGM.

November 3, 2011
9-93-93

Attachments - Summary of Authorized Expenditures

SUMMARY OF AUTHORIZED EXPENDITURES
 BETWEEN \$1,000,000 TO \$5,000,000
 FOR THE PERIOD MAY 1, 2011 TO SEPTEMBER 30, 2011

DEFINITIONS:

* **Single Source:** When only one known bidder for the goods and/or services exists or is approved for the requirement.

** **Sole Source:** When more than one potential bidder for the goods and/or services exists, but in those circumstances where sufficient justification exists, it is considered in the best interest of the Commission to deal with one bidder.

BRANCH Department	VENDOR/ CONTRACTOR	DESCRIPTION	VALUE
CHIEF GENERAL MANAGER'S OFFICE			
Human Resources	Dr. Bruce Menchions	<i>Psychiatric Consulting services for the period from July 1, 2008 to June 30, 2011. (Sole Source).</i> <i>A six month contract extension (from June 30, 2011 to December 31, 2011) will allow for the uninterrupted provision of service and sufficient time to develop the Terms of Reference in order to issue a competitive Request for Proposal (RFP).</i>	Current P.O. Value : \$650,580.00
Human Resources	Delta Toronto East Hotel	<i>Provision of necessary facilities to hold contract negotiations for the period from January 1, 2011 to April 30, 2011. (Sole Source).</i> <i>The amendment of \$70,000.00 was required to extend the contract to July 15, 2011 with the Hotel as the use of the facilities for Union-Management negotiations was required longer than originally anticipated.</i>	Current P.O. Value: \$380,000.00
EXECUTIVE			
Materials & Procurement	Ultraclear Engine Fluids	<i>Supply of Ethylene Glycol (Antifreeze) & Methyl Alcohol (Windshield Washer Fluid) for a five-year term to be delivered to various TTC locations as required for the period June 1, 2011 to May 31, 2016.</i>	\$1,690,000.00 UPSET LIMIT Competitive: 7 Bids

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Legal & Claims	Marberg Staffing	<i>Provision of Legal Services – Administrative staff services on an as required basis to December 31, 2011. (Sole Source). A contract extension to March 25, 2011 due to delays in the hiring of permanent staff.</i>	Current P.O. Value: \$476,000.00
	Laishley Reed LLP	<i>Provide specialized legal services in relation to a former employee for the period June 9, 2011 to December 31, 2011. (Sole Source). Justification: This firm was retained by the TTC's General Counsel on an expedited/emergency basis as the TTC urgently required the services of a legal firm that specialized in the freezing of corporate/personal assets. The TTC's General Counsel determined that it was in the TTC's best interest to contract with this firm regarding this legal matter due to his personal knowledge of the legal industry; Laishley/Reed LLP is considered in the industry to be an expert/specialist in their field and that expertise is required to address the TTC's requirements in this case.</i>	\$150,000.00 Upset Limit
Finance	Aon Reed Stenhouse Inc.	<i>Aon Reed Stenhouse Inc. (AON) was awarded a contract that began in March 2008 for a total upset limit amount of \$430,000.00 for the provision of comprehensive insurance brokerage services for a five year period which ends on February 28, 2013, with an option for an additional two years at the end of the five-year term. AON was selected (out of five bidders) on the basis of lowest priced qualified proposal following a public Request For Proposal. Each year the TTC pays the required premium for various insurance coverage. Below are the premiums for the period from June 1, 2011 to May 31, 2012 for the noted insurance coverage. Premium to renew the TTC's property insurance for the period from June 1, 2011 to May 31, 2012. Insurance is required to protect the TTC's assets against loss caused by fire, flood, earthquake, etc.</i>	Competitive: 5 Bids \$2,151,119.00 Upset Limit

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BRANCH Department	VENDOR/ CONTRACTOR	DESCRIPTION	VALUE
Finance		<i>Premium to renew TTC's excess liability insurance for the period from June 1, 2011 to May 31, 2012. Insurance is required to protect the TTC from legal liability for bodily injury, death and damage to or loss of the property of others arising out of the TTC's operations.</i>	\$1,095,120.00 Upset Limit
OPERATIONS			
Rail Cars & Shops	V. Silva Global Consulting Group S.A. de C.V.	<i>Resident Inspection Services – Light Rail Vehicle Project. The major structural sub-assemblies of the 'Legacy' low floor light rail vehicles are to be manufactured in Sahagun, Mexico, with final assembly of the vehicle being completed in Thunder Bay, Ontario by Bombardier Transportation Canada Inc. To support the production of the vehicles, the TTC is to provide on-site Quality Assurance (QA) / Quality Control (QC) representation in Sahagun to monitor and ensure the quality manufacture of the vehicles. The support is needed in Sahagun, Mexico to provide the on-site monitoring and reporting functions for the Rail Cars & Shops Department personnel located in Toronto. Contract term is April 14, 2011 to April 13, 2019.</i>	\$1,193,584.00 Competitive: 9 Bids

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Rail Cars & Shops	Bombardier Transportation Canada Inc.	<p><i>Note: At the June 8, 2011 Commission meeting, the Commission delegated their authority to the Chief General Manager for the approval of Contract Changes / Amendments for the expenditure of the remaining Commission approved contract contingency / allowance for the Low Floor Light Rail vehicle project. Staff is to report to the Commission all amendments with a contract value higher than \$2.5 million to ensure integrity of the process. This contract amendment is to revise the Contract's scope of work to include accessibility improvements to the interior arrangements (D and E streetcar modules). The original wheel chair accessible suspended module design met the specification requirements, which were based on input from Advisory Committee on Accessible Transportation (ACAT), Fare Media and Special Constable Services, as it relates to accessibility, fare collection and enforcement. As a result of suggestions made when the ACAT design committee members participated in the mock-up review, design changes to optimize space and fare media machines to both suspended modules resulted in more manoeuvrability room for wheel chairs, less crowding in ticket vending / validating machines and an overall improved passenger flow and dwell time configuration. The final Contract Amendment Amount of \$8,179,754.83 represents an increase of \$5,893,247.26 to the Change Directive value of \$2,286,507.57 which was given for interim authorization by the CGM.</i></p>	<p>Current P.O. Value: \$984,316,094.33 Competitive: 2 Bids</p> <p>This Amendment Value \$5,893,247.26</p> <p>Total Value : \$990,209,341.59</p>
	Bombardier Transportation Canada Inc.	<p><i>Supply of Monitoring Terminal Unit (MTU) replacement for T1 subway cars from July 8, 2011 to March 31, 2013. The MTU supplies information on various systems of the subway car to the operator. Bombardier is the only known source for the supply of this equipment. This is a non-stock item.</i></p>	<p>\$1,282,500.57 Upset Limit Single Source</p>

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Track & Structure	City Of Toronto- Technical Services	<i>Reconstruction of the TTC's track allowance and road restoration at King and Bathurst intersection under the City Of Toronto's (COT) contract No.11TSP-07RD. for the period from June 3, 2011 to December 31, 2011.</i>	\$1,453,984.00 Upset Limit Single Source
	Green's Haulage-Division Of Muskoka Truck & Equipment Sales Ltd.	<i>Supply of trap rock ballast on an as required basis for a three year period from October 3, 2011 to October 2, 2014 to be delivered to either Wilson or Greenwood Yard. This is a non-stock item.</i>	\$1,182,000.00 Upset Limit Competitive: 2 Bids
	Midome Construction	<i>Roncesvalles Yard – Streetcar Track Reconstruction The work of this Contract consists of supply all labour, material and equipment to complete the reconstruction of the TTC's track allowance within the Roncesvalles Yard. Work on Track #5 to Track #17 and Track #26 to Track #29 consists of the following: grinding and resurfacing of road pavement, installation of new drainage works, excavate and pour all concrete, do formwork for all concrete placements, provide all labour and material to remove and dispose of catch basins and track drains, install new track drains and cleanout sumps, do grading and paving and provide all labour and materials to install catch basins with sump and PVC conduit.</i>	\$3,125,000.00 Competitive: 6 Bids
Signals/Electrical/Communications	HNTB Corporation	<i>Consultant Design Services – For the Streetcar Overhead Contact System – Triennial Contract that will be used to power the new Light Rail Vehicle Lines. Services of Consultants are required to fulfill specific tasks and / or supplement existing resources for the design associated with the Overhead Contact System. The durations will be for three years from the date of notification of award and will be administered on a Work Assignment Release Process basis.</i>	\$1,500,000.00 Competitive: 5 Bids

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Wheel-Trans	Medisys Corporate Health LP, By Its General Partner Medisys Corporate Health GP Inc.	<i>Wheel-Trans Appeal Eligibility Interview Process. A Company is required to review initial interview documentation, written customer or physician documentation, in consultation with the Appeal Panel (members consisting of an Occupational Therapist / Physiotherapist with demonstrated related experience including a professional designation, and two (2) other people with knowledge of mobility issues as they relate to persons with disabilities and accessible transportation to conduct interviews). This is to be completed prior to performing in-person interviews including functional assessments, as required to determine eligibility or continued eligibility for the Wheel-Trans service. It is anticipated that there will be approximately sixty (60) appeals each week, three thousand (3,000) interviews annually or approximately sixteen thousand (16,000) over a period of five and a half years.</i>	\$3,900,000.00 Competitive: 3 Bids
	Comtech Group	<i>Wheel-Trans Eligibility Interview Process. A Company is required to conduct applicant-in-person interviews to determine eligibility for Toronto Transit Commission's Wheel-Trans Service (Wheel-Trans). The Work is limited to interviewing at pre-selected facilities designated by Wheel-Trans. Notifying Wheel-Trans applicants of the interview results and inputting of the interview information will be performed by Wheel-Trans staff. It is anticipated that there will be approximately eighteen thousand (18,000) interviews annually or approximately ninety thousand (90,000) over approximately a five and a half year contract duration. The contract is to be administered on a Work Assignment Release Process basis.</i>	\$2,100,000.00 Competitive: 5 Bids
Special Constable Services	The Employment Solution	<i>Recruitment services for up to six (6) video retrieval technicians on an as required basis for a three-year term from September 15, 2011 to September 14, 2014 . Optional year 4, 5 & 6 to be exercised at the sole discretion of the TTC.</i>	\$1,625,000.00 Upset Limit Competitive: 3 Bids

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Plant Maintenance	Vaughan Paving Ltd.	<p><i>Asphalt Repairs and Maintenance at various TTC properties for the period August 25, 2011 to February 21, 2012. (Sole Source).</i></p> <p><i>Justification:</i></p> <p><i>As a result of a competitive tendering process in April 2011, IPAC Paving Ltd. was recommended for award on the basis of lowest priced bidder scheduled to commence July 1, 2011.</i></p> <p><i>On June 15, 2011 the owner of IPAC Paving Ltd. and the former TTC employee responsible for the Asphalt Repairs and Maintenance contract were arrested for various alleged offences, including fraud. Based on the TTC investigation and subsequent criminal charges the TTC requires a short-term contract in order to allow the TTC to ensure that its processes and requirements are properly established and to retender this requirement competitively.</i></p> <p><i>As a result, approval was obtained from the CGM to cancel the previous proposal and staff was authorized to negotiate and award an interim contract on a sole source basis to Vaughan Paving, as they were the second lowest priced compliant bidder.</i></p>	\$360,000.00
ENGINEERING & CONSTRUCTION Construction	IBI Group	<p><i>Design Services - Retrofit Keele Yard and CN Tail Track at Greenwood Yard</i></p> <p><i>The objective of this contract is to retain the services of one Design Consultant to provide the design services required for retrofitting the existing tracks at Keele Yard (Keele) and the CN Tail Tracks at Greenwood Yard (Greenwood) in preparation for the transfer of thirty-nine T1 trains from Wilson Yard to the Bloor – Danforth line by the end of 2013. It is the intent that the Design Consultant will be required to perform an existing conditions assessment at each of the locations, using a multi-disciplined team and provide Phase 1 through Phase 4 services utilizing a Work Assignment Release Process.</i></p>	\$2,000,000.00 Competitive:8 Bids

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Construction	AECOM Canada Ltd.	<i>TTC utilizes a 600 VDC traction power pendent system within the interior of their carhouses and shop facilities to provide traction and auxiliary power to their revenue and non revenue subway vehicles. The existing 600 VDC pendent systems currently contain safety concerns related to the hand connection of the 600 VDC traction power to subway vehicles. These concerns center on a lack of isolating DC power to the units when not in use, the possibility of exposing employees to arc flash hazards when installing / removing the hand units and possible damage to the apparatus, if inappropriately utilized or stored. The Work of this contract will be to provide design services to retrofit the existing pendent systems at TTC's Davisville and Greenwood complexes. The contract is to be administered on a Work Assignment Release Process basis.</i>	\$2,400,000.00 Competitive: 4 Bids
	Dufferin Roofing Limited	<i>Davisville Subway Station Roof Rehabilitation. The work of this contract consists of, but is not limited to, the replacement of existing roofing membrane and existing pre-finished metal flashing at all roof levels, including installation of new guard rails at required locations at Davisville Subway Station.</i>	\$1,455,000.00 Competitive: 5 Bids
TYSSE	PowerStream	<i>Primary Circuit Relocation on the north side of Steeles Avenue to be relocated to underground conduit to provide clearance for construction activities requiring crane work at extraction Shaft/north end of station. PowerStream is the electrical utility provider for Vaughan.</i>	\$1,308,233.77 Single Source