

# TORONTO TRANSIT COMMISSION REPORT NO.

**MEETING DATE:** April 30, 2014

**SUBJECT:** PROCUREMENT AUTHORIZATION  
ARROW ROAD GARAGE BUS HOIST REPLACEMENT  
CONTRACT V60-6

## **ACTION ITEM**

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### **RECOMMENDATION**

It is recommended that the Board authorize the award of Contract V60-6, Arrow Road Garage Bus Hoist Replacement to Buttcon Limited (Buttcon) in the amount of \$5,812,720.00 inclusive of all taxes on the basis of lowest Total Bid Price.

### **FUNDING**

Sufficient funds for this expenditure are included in 3.2 Bus Hoists under the State of Good Repair / Safety Category as referenced in the TTC's 2014-2023 Capital Budget noted on pages 429-434, as approved by City of Toronto Council on January 29/30, 2014.

### **BACKGROUND**

There are currently 146 bus hoists located in bus garages throughout the Commission. These hoists are in varying degrees of age and condition. A condition survey was completed in 2009 for 103 bus hoists at five locations – Arrow Road, Lakeshore, Malvern and Wilson Bus Garages along with Duncan Shop. The survey identified the need to replace hoists at all five locations and recommended the order of replacement priority.

At Arrow Road Bus Garage (Arrow Road), there are currently fifteen hoists - twelve standard and three articulated bus hoists. Recent supplementary hoist condition surveys conducted in February and March of 2014 concluded that nine of the fifteen hoists were not fit to operate safely and as a result have been taken out of service. The remaining six hoists showed signs of deterioration similar to the others in the facility and could be taken out of service at any time if a problem is detected. Consequently, Arrow Road is the highest priority for bus hoists replacement.

In the interim, five of the off-line hoists are being reviewed to determine if remedial repairs can be performed to put them back in limited service for several months until new replacement hoists can be replaced as part of Contract V60-6. In parallel, nine sets of portable electric hoists are now in use at Arrow Road Garage to augment bus maintenance. These portable hoists lift the buses by the wheels, which limits the type of maintenance they can facilitate. Maintenance work involving tires, wheels, axles, suspensions, brakes, etc. must be diverted to the few remaining permanent hoists. This is negatively affecting productivity at the facility. Both interim measures are allowing

the garage to meet basic service needs for the time being, but are not sustainable for a prolonged period of time. New permanent hoists are urgently needed to restore maintenance operations to an acceptable level.

**DISCUSSION**

Specifications and drawings were prepared for Contract V60-6 and a Request for Bids (RFB) was posted on the TTC's website and on MERX as of March 7, 2014. Seventeen companies downloaded copies of the bid documents out of which five submitted a bid by the closing date of April 9, 2014 and are summarized on the attached Appendix "A".

Buttcon submitted the lowest priced bid and did not state any exceptions or qualifications. Buttcon has satisfactorily completed work of a similar or larger size for TTC in the past. Their bid is considered acceptable and is recommended for award.

The State Group Inc. submitted the second lowest priced bid and also did not state any exceptions or qualifications and their bid is considered acceptable.

Matheson Constructors Limited submitted the third lowest priced bid and also did not state any exceptions or qualifications and their bid is considered acceptable.

The Agreement to Bond submitted by Buttcon covers both a Labour and Material Payment Bond and a Performance Bond and was submitted by Aviva Insurance Company of Canada, who has been verified as a Surety Company licensed to transact business under the Insurance Act of Ontario. As such they are considered financially capable of performing the work.

Buttcon will be required to execute a Performance Bond and Labour and Material Payment Bond, each in the amount of 50% of the contract value.

**JUSTIFICATION**

This work is required to replace the fifteen bus hoists that have reached, or will soon reach, the end of their service life. Without the replacement of these hoists, the buses cannot be maintained to an acceptable level in order to provide a safe and reliable bus service. The bid submitted by Buttcon Limited is the lowest priced acceptable bid.

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# APPENDIX A

PROCUREMENT AUTHORIZATION  
ARROW ROAD GARAGE BUS HOIST REPLACEMENT  
CONTRACT V60-6

## SUMMARY OF BIDS

<u>Company</u>	<u>Bid Price</u>
Buttcon Limited*	\$5,812,720.00
The State Group Inc.	\$6,322,350.00
Matheson Constructors Limited	\$6,644,400.00
Novaquip Lifting Systems Inc.	\$7,135,355.62
Martinway Contracting Ltd.	\$9,017,400.00

Recommended Company\*