



Supply of Various Safety Products

Date: June 12, 2018
To: Toronto Transit Commission Board
From: Chief Financial Officer

Summary

The purpose of this report is to obtain procurement authorization to exercise the option to extend the current contract for the supply of various safety products for direct delivery to various TTC locations on an as required basis, for a one-year period from July 11, 2018 to July 10, 2019.

Recommendations

It is recommended that the Board authorize:

1. A one-year period extension from July 11, 2018 to July 10, 2019 for the supply of various safety products.
2. Additional funds in the amount of \$4,290,000 to carry the contract to the proposed contract expiry date of July 10, 2019.

Financial Summary

It is recommended that the TTC's current contract for the supply of various safety products be extended by a one-year period with authority provided for expenditures up to \$4,290,000 during the extended period, inclusive of all taxes.

Sufficient funding is included in the 2018 Operating Budget as approved by City Council on February 12, 2018. The 2019 funding requirements will be incorporated in the TTC's 2019 base operating budget.

Equity/Accessibility Matters

There are no accessibility or equity impacts associated with this report.

Decision History

In May 2017, a Request for Bids was issued for the supply of various safety products to be delivered directly to TTC locations on an as-required basis. Twelve companies were notified of this requirement, in addition to the public advertisement on the TTC and Merx websites. A total of eight companies submitted a bid.

Tenaquip Ltd. was awarded the contract on the basis of the lowest evaluated bid pricing received with a total upset limit amount of \$3,800,000 for a one year term with the option to extend the contract for up to two additional one-year periods at the TTC's sole discretion, subject to the company's satisfactory performance and acceptable price negotiations.

Issue Background

The TTC has a continuing need for safety products covering a broad range of products such as respiratory products, safety vests, eyewear, coveralls, hardhats, gloves, and first aid supplies.

Comments

The current contract commenced July 11, 2017 and is scheduled to expire on July 10, 2018. As a result of various work assignments, new hires and additional safety products being added to the contract, the monthly expenditures are higher than originally anticipated during this term. The personal protective equipment requirements and safety regulations for various positions within TTC have changed since the inception of the contract and usage has increased. With the implementation of the new low floor streetcars, all streetcar operators are now required to have safety vests and gloves. Also, subway operators are required to wear safety vests and other PPE purchased through the safety current contract. Price increase on an average during this extension is approximately 3%.

It is anticipated that additional funds totaling \$4,290,000 would be sufficient to carry the contract until the proposed contract expiry date of July 10, 2019.

Contact

Ted Zlotnik, Head – Materials & Procurement
Phone: 416-393-3113
Email: Ted.Zlotnik@ttc.ca

Signature

Dan Wright
Chief Financial Officer