

**MEETING DATE:** January 12, 2005

**SUBJECT:** Summary Of Authorized Expenditures For The Period October 31, 2004 To November 27, 2004

**RECOMMENDATION**

It is recommended that the Commission receive this report for information. It lists expenditures (\$100,000 up to \$200,000) for the period October 31, 2004 to November 27, 2004, which were approved by Senior Management.

**BACKGROUND**

The Corporate Policy on Authorization for Expenditures requires a monthly report of expenditures over \$100,000 approved by Senior Management, which did not require specific Commission authorization.

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

**DISCUSSION**

The attached summary was prepared for the Commission listing those expenditures of \$100,000 to \$200,000 without specific Commission authorization for the period October 31, 2004 to November 27, 2004. In addition, it includes 2 sole source tenders with values over \$100,000 and 2 public tender/proposals cancellations with estimated values of over \$200,000.

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December 15, 2004

9-118-117

Attachment – Summary of Authorized Expenditures

BRANCH Department	PURCHASE ORDER NO.	VENDOR/CONTRACTOR	DESCRIPTION	VALUE
<b>EXECUTIVE</b>				
<b>Pension Fund Society</b>	PC0043294	Mercer Human Resource Consulting Ltd.	<p data-bbox="1119 321 1770 354"><i>Actuarial services for 2005</i></p> <p data-bbox="1119 378 1770 849"><i>Sole Source: Mercer has been the consulting actuary for both the TTC and the Pension Fund Society since approximately 1950. Most of the actuarial work requires a complete and thorough knowledge of the history of the Fund, of the Fund Bylaws and financial status as well as knowledge of negotiated benefits wage policies, executive compensation package, etc. To seek competitive bids and hire a different actuarial firm for the services provided to the TTC may not be cost effective as any possible hourly rate savings would be more than offset by the extensive amount of time the new firm would require to become familiar with the complexities of the underlying Pension Plan.</i></p> <p data-bbox="1119 881 1770 946"><i>At the end of 2005 a competitive request for proposal will be issued for actuarial services.</i></p>	\$107,500.00 UPSET LIMIT
<b>OPERATIONS</b>				
<b>Track &amp; Structure</b>	PC0043306	Spec-Sec Inc.	<i>Supply of Prince Edward Viaduct (PEV) West Pit Inspection platform materials including structural steel grating and fasteners to Davisville Yard.</i>	\$147,512.30
<b>Bus Maintenance</b>	PC0043204	Davies Auto Electric Ltd.	<i>Supply of various jobber parts for non-revenue vehicles for a two year period from November 10, 2004 to November 9, 2006.</i>	\$190,000.00 UPSET LIMIT
<b>Signals/Electrical/Communications</b>	PC0043341	ABB Inc.	<i>Supply of DC circuit breaker retrofit kits for the Substation Rebuild Program.</i>	\$147,200.00

BRANCH Department	PURCHASE ORDER NO.	VENDOR/CONTRACTOR	DESCRIPTION	VALUE
<b>OPERATIONS</b>				
<b>Signals/Electrical/Communications</b>	PC0043237	The Braegen Group	<p data-bbox="1129 280 1774 479"><i>Supply of Industrial computers for the Communications and Information System (CIS). Sole Source: The existing CIS host computers which are responsible for performing the central processing of control and information for the system are 18 years old and are therefore prone to failure.</i></p> <p data-bbox="1129 511 1774 673"><i>In September there was an emergency key-push that was not received by the central system due to the failure of two host computers. At the same time there was also a 'fare dispute' key-push that was not processed due to the same failure.</i></p> <p data-bbox="1129 706 1774 1047"><i>Due to these emergencies, four computers were purchased on a Sole Source basis from the Braegen Group. The Braegen Group was the original vendor who assisted the TTC in designing, developing and implementing the CIS system (hardware and software) and thus has knowledge of and experience with CIS. Subsequent to this purchase a competitive Request for Proposals was issued for an additional eight computers which will be the subject of a report at the February 2005 Commission Meeting.</i></p>	\$144,455.59
<b>Plant Maintenance</b>	PC0043340	Alcast Technologies Ltd.	<p data-bbox="1129 1055 1774 1149"><i>Supply of escalator floor plates for the Montgomery Escalator Overhaul Project for a period of three years from November 24, 2004 to December 31, 2007.</i></p>	\$192,855.00 UPSET LIMIT
<b>Streetcar Maintenance</b>	PC0043240	Modern Track Machinery	<p data-bbox="1129 1190 1774 1385"><i>Rental of two Geismar Rail Threaders required for the Streetcar Track Rehabilitation Program. These Threaders increase the ability to manoeuvre rail strings within the construction pit, while assembling Retrac and placing track assemblies to grade elevations.</i></p>	\$124,579.50

<b>BRANCH Department</b>	<b>PURCHASE ORDER NO.</b>	<b>VENDOR/CONTRACTOR</b>	<b>DESCRIPTION</b>	<b>VALUE</b>
<b>OPERATIONS Rail Cars &amp; Shops</b>	C31PK04866	Arva Industries Inc.	<i>Supply of 55' Flatcar Workcar – Non-revenue vehicle required by Maintenance Engineering for the Subway Tunnel Liner Project.</i>	\$113,024.00
<b><i>IT SHOULD BE NOTED THAT BELOW IS A PROPOSAL &amp; A TENDER THAT WERE CANCELLED WITH ESTIMATED VALUES OF OVER \$200,000.00</i></b>				
<b>OPERATIONS Rail Cars &amp; Shops</b>	P32PJ04832		<i>Replacement of Workcar Locomotive RT-12 Reason for cancellation: All submissions were significantly over the budgeted amount. There are no plans to re-issue this proposal in 2004.</i>	Estimated Value \$2,000,000.00
<b>ENGINEERING &amp; CONSTRUCTION Construction</b>	T11PK04727		<i>S3-15 Bloor Station – Shaft Access and Fan Modifications Reason for cancellation: All submissions were significantly over the budgeted amount. There are no plans to re-issue this tender in 2004.</i>	Estimated Value \$450,000.00

