



Special Track Work - Purchase Order Amendment

Date: May 8, 2018
To: TTC Board
From: Chief Service Officer

Summary

This report recommends the TTC Board approve a procurement authorization amendment to extend the contract for the supply of surface special track work for a period of one year and to increase the upset limit by \$7 million for a total amended contract value of \$30.5 million.

The supply of surface special track work includes specialized components that are required for the TTC's Surface Track State of Good Repair program (SOGR). TTC's Surface Track SOGR program is an ongoing program to ensure effective repair and replacement of streetcar track for the provision of safe and reliable streetcar service.

Recommendations

It is recommended that:

The Board authorize a contract amendment to exercise the existing option with Voestalpine Nortrak Ltd. for Contract PU115982 – supply of surface special track work, increasing the contract upset limit amount by \$7 million bringing the total upset limit amount to \$30.5 million, and extending the contract expiry date to December 31, 2019.

Financial Summary

Sufficient funds are included in the 2018-2027, 1.2 Surface Track SOGR program budget for this requirement, as approved by Council on February 12, 2018.

The Chief Financial Officer has reviewed this report and agrees with the financial summary information.

Equity/Accessibility Matters

There are no accessibility or equity issues resulting from this report.

DECISION HISTORY

On February 12, 2018, the TTC Board approved the 2018-2027 TTC Capital Budget and Plan allowing for the continued purchase of surface special track work to support Streetcar's Surface Track SOGR program.

<http://cs.int.ttc.ca/dc/finance/departement/financialm/bbl/Blue%20Page%20Summaries.pdf>

Sufficient funds are included in the approved estimated final cost (EFC) to allow for the one year contract extension and the increase to the upset limit of TTC's contract with Voestalpine Nortrak Ltd.

ISSUE BACKGROUND

Surface special track work includes switches, mates, and "frogs" to divert streetcars onto connecting tracks, and when tracks intersect and cross one another. The TTC's Surface Track SOGR program ensures effective repair and replacement of streetcar track for the provision of safe and reliable streetcar service, and is continually updated based on the annual condition survey of the system.

In 2013, a competitive bid process was used to identify a supplier of special track work components. The TTC's Request for Proposal was issued for the design, manufacture and assembly of surface special track work, and to include various types of patterns, castings, and joint bars.

On February 25, 2013 the Board approved the award of a five year contract to Voestalpine Nortrak Ltd. for the supply of surface special track work components. Within the contract terms the TTC reserved the right, at its sole discretion, to extend the contract up to two additional years, and in the event the contract is extended, the pricing for the extension period would be negotiated between the TTC and the company. The Contract is currently scheduled to expire on December 31, 2018.

TTC is exercising the extension option and the \$7 million is the cost of special track work components required for the 2019 Surface Track SOGR program projects.

Comments

The detailed breakdown of contract amendments to implement the cost details of the approved reset budget are summarised in the table below.

Contract	Supplier	Award Value	Previous Amendments	This Amendment	Revised Contract Value
PU115982	Voestapline Nortrak Ltd.	\$23,500,000	\$0	\$7,000,000	\$30,500,000

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Signature

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