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ENQUIRY OF THE MAYOR

RE: Sole Source Contract to Bombardier for New Subway Cars

FROM: Councillor Michael Walker

I am alarmed that a sole source contract is to be awarded for the acquisition of new subway cars for the Toronto Transit Commission (TTC). With the City's past, present and future budget problems, I feel the City should be inviting any company to bid on such a large contract (nearly \$1 Billion) to ensure the best product for the most reasonable cost – sole sourcing does not provide this assurance; City Council must exercise proper fiduciary responsibility.

As we all know, Bombardier is not the only company that builds subway cars. For example, Siemens also produces subway cars that are competitive with Bombardier. Siemens has produced a quote that estimates that they can fulfill the same contract for \$100 - \$150 million **less** than Bombardier.

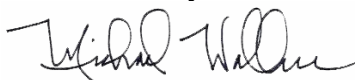
As the TTC is owned by the City of Toronto, I urgently request the answers to the following questions:

1. Why is this purchase justified as sole sourced?
2. What is the supporting documentation for the sole sourcing of this contract?
3. Who brokered this sole source contract with Bombardier?
4. What is the current process for tendering a contract such as this?
5. What was the process followed for the City's previous purchase of new subway cars?
6. When was the City's previous purchase of new subways cars and for how many was it?

I request a detailed report to be provided for the next City Council meeting in July 2006 answering the above questions.

Our residents are paying more taxes every year and receiving less service. I feel it is irresponsible for City Council to ignore any savings that can be found by 'shopping around' for the purchases we make on their behalf. City Council should insist on a competitive tender for this purchase.

Yours sincerely,



Michael Walker
Councillor – St. Paul's, Ward 22