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JOINT BUS PROCUREMENT LOW-FLOOR SPECIALIZED MOBILITY BUSES

The Transportation Services Committee recommends the adoption of the recommendations contained in the following report dated January 21, 2010, from the Commissioner of Transportation Services.

1. RECOMMENDATIONS

It is recommended that:

1. Regional Council authorize entering into a governance agreement with Metrolinx and other participating transit agencies for the joint procurement of low-floor specialized mobility buses.
2. The Manager, Capital Assets, be appointed a member of the Steering Committee under the agreement and the Fleet Supervisor be appointed the alternate member of this Steering Committee.
3. The Regional Solicitor prepare the necessary by-law to authorize execution of the agreement and appointment of the Steering Committee members.

2. PURPOSE

This report seeks authorization to participate in the joint procurement program with Metrolinx for the purchase of low-floor specialized Mobility vehicles and to execute a governance agreement which specifies the terms and conditions of the procurement process. This agreement is required for York Region to participate in this program. Award of the purchase will be subject to a future staff report.

3. BACKGROUND

York Region Transit (YRT) operates the Mobility Plus Service for registered customers with functional disabilities. There are 23 specialized Mobility Plus buses that are dedicated to provide door-to-door and community bus service. The vehicles are smaller than conventional buses and accommodate up to five wheelchair positions and seats for ambulatory customers. The 10-year Capital Budget identifies the short term need for purchasing of two expansion and five replacement buses in 2011 and one expansion and three replacement buses in 2012. The lead time to purchase specialized buses is approximately six to nine months. As such, delivery in 2011 may require an order to be placed in 2010.

Metrolinx and participating transit agencies are preparing a Request for Proposal (RFP) for joint procurement of specialized transit buses for persons with functional disabilities

The Ministry of Transportation, Ontario and subsequently, Metrolinx have coordinated the joint procurement of conventional transit buses since 2006. Transit agencies in Ontario have expressed a need to develop a joint procurement document for specialized transit buses. Metrolinx is coordinating this initiative with transit systems in Ontario including YRT.

4. ANALYSIS AND OPTIONS

The Region has participated in the joint bus procurement program for 12.2-metre (40-foot) and 9-metre (30-foot) buses and it proved to be successful

In September 2006 and June 2008, Council authorized York Region Transit (YRT) staff to participate in a joint procurement Request for Proposal (RFP) for 12.2-metre (40-foot) and 9-metre (30-foot) low-floor transit buses.

Participants of this joint procurement included YRT, Hamilton, Durham Region, London, Windsor, Barrie and Burlington. The following benefits were gained with the previous joint bus procurement exercise:

- Reduced unit cost of the bus of approximately \$15,000 which equates to a savings of approximately three percent on the total bus purchase price.
- Cost avoidance and technical support in the procurement process. Metrolinx provides staff resources at no cost to the participants for technical research, specification development and support, engineering assistance, clerical/administrative support, legal assistance, a fairness commissioner during the bid process, and vehicle inspections during bus assembly.

The new joint procurement process for specialized transit buses should follow the success of the past programs

Given the success of the initial joint procurement program, it is proposed that York Region participate in a new joint procurement program for specialized buses with Metrolinx and 19 other transit agencies including Peel Region, Durham Region, Waterloo Region, Oakville, Burlington and North Bay. The RFP will identify bus deliveries for 2010 and optional deliveries in 2011 and 2012.

The RFP is scheduled to be prepared, released and awarded by early spring 2010. As YRT does not require specialized buses in 2010, the Region can consider an order for seven buses in 2011 and four buses in 2012.

In order to maintain integrity of the process, municipalities participating in the joint procurement will be prohibited from issuing individual procurement documents for specialized mobility buses during the first year of the agreement. If the Region elects to participate in 2011 and 2012, the prohibition will continue. There is no obligation to purchase buses if the Region participates in the program. Any purchase of buses under the agreement will be subject of a future report to Council. If the Region does not participate in 2011 and 2012, the Region may issue its own procurement document but not award a contract to the provider selected under the joint procurement process.

YRT will participate in the Project Steering Committee and Technical Working Group subject to approval by Council

YRT staff will participate in the Steering Committee and Technical Committee to help guide the process and ensure the Region's interests are being protected.

A Steering Committee oversees the development and award of the specialized procurement document. Members of the Steering Committee include participating transit agencies, including the YRT Manager of Capital Assets and a Metrolinx staff member.

The Technical Working Group is made up of members from transit agencies and Metrolinx and is assigned the task of developing the common bus specification. They are assisted by a technical expert. Metrolinx also conducts an extensive consultation process with transit stakeholders and bus manufacturers.

The competitive procurement process will be monitored by a Fairness Commissioner

Metrolinx and participating municipalities support the use of an open and competitive procurement process. An RFP document will be released and bid submissions will be evaluated. An evaluation team comprised primarily of municipal technical representatives will review proposals and award the contract.

A Fairness Commissioner will be used to ensure the award is made fairly by monitoring the process, reviewing documentation and ensuring consistency and fairness in the weighting and application of the evaluation criteria. The individual transit systems will place their own respective orders with the bus supplier.

A Governance Agreement is required for York Region to participate in this program

In order for the Region to participate in the joint procurement program, a governance agreement is required between any participating transit agency and Metrolinx.

The agreement authorizes Metrolinx, through the direction of the Steering Committee, to provide contract administration on behalf of the purchasing transit agencies. Metrolinx

will not have authority to execute the bus supply contract without 60% approval from the Steering Committee members.

5. FINANCIAL IMPLICATIONS

There are no specialized buses identified in the 2010 Business Plan and Budget. The 10-year Capital Budget includes the purchase of seven buses in 2011 and four buses in 2012 at a unit cost of \$300,000. Award of the proposed RFP for the supply of specialized transit buses is recommended to be subject of a future staff report. Further financial information will be provided at that time.

6. LOCAL MUNICIPAL IMPACT

Local residents will benefit through an anticipated reduction in the bus purchase cost. There will also be replacement of older buses with new low-floor specialized buses equipped with improved features such as ride quality, accessibility, reliability and new 2010 engine emission standards.

7. CONCLUSION

YRT staff participated in the Joint Procurement Process in 2007 through 2010 for the purchase of conventional low-floor transit buses and found the process and the outcome to be beneficial.

Staff is seeking authorization to participate in the joint procurement process with Metrolinx for the procurement of low-floor specialized Mobility vehicles and to execute the governance agreement. Final award of the contract to the successful bidder would be subject to Regional Council approval.

For more information on this report, please contact Rick Takagi, Manager, Capital Assets, at extension 5624 or Dave Partington, Fleet Supervisor at extension 5373.

The Senior Management Group has reviewed this report.