

3

YORK REGION TRANSIT BUS PROCUREMENT AUTHORIZATION

The Transit Committee recommends the adoption of the recommendations contained in the following report, August 26, 2008, from the Commissioner of Transportation Services:

1. RECOMMENDATIONS

It is recommended that:

1. Pre-budget approval in the amount of \$2,494,000, plus GST, be authorized to proceed with the supply of seven 9.1 metre (30 foot) low-floor transit buses from City View Truck and Bus in accordance with Tender T-07-63 and as contained in the draft 2009 Business Plan and Budget.
2. The Regional Chair and Regional Clerk be authorized to sign the necessary contracts, subject to the approval of Legal Services as to form and content.

2. PURPOSE

This report seeks authorization from Regional Council for pre-budget approval to order replacement and a portion of expansion conventional buses in 2008 for delivery in 2009.

3. BACKGROUND

There are 307 York Region Transit (YRT) conventional transit buses and 90 Viva bus rapid transit vehicles currently in the Region's transit fleet. YRT buses are normally ordered every year for delivery in the following year and consist of both replacement and expansion buses. The replacement buses replace older ones that have reached or exceeded their design life. The expansion buses are needed for new services, which are reviewed and approved by Regional Council as part of the annual service planning and budgeting processes. It is planned that these buses be ordered with all the current YRT fleet technology including computer-aided dispatch, automatic vehicle location, security cameras, automatic stop announcements and fareboxes.

Typically, it is necessary to order conventional buses approximately one year in advance of the date required due to back orders and manufacturing time. As such, it is necessary to proceed with an order in 2008 for delivery in 2009.

4. ANALYSIS AND OPTIONS

The 2008 Business Plan and Budget contains a 10 year capital forecast and indicates funding for the purchase of 41 conventional transit buses in 2009. The number of buses actually needed in 2009 will be dependant on the approved service expansion plans as well as the number of buses that require replacement. Replacement buses are needed to replace vehicles which have met or exceeded their design life of 18 years. Of the 41 buses, 15 are required for replacement.

Pre-budget approval is required to have seven 9.1 metre buses delivered in a timely manner in 2009

The number of expansion buses needed in 2009 is subject to change as service improvements are under review as part of the upcoming Business Plan and Budget process. However, staff are proposing that the Region purchase four replacement buses now as well as three expansion buses for traffic congestion relief. This will allow for timely delivery in 2009. Additional buses can be ordered for expansion purposes once service expansion plans have been approved as part of the 2009 Business Plan and Budget.

There are provisions in Tender T-07-63 to order seven additional 9.1 metre buses

Following a competitive bid process, Tender T-07-63 was awarded to City View Bus and Truck in August 2007 for the supply and delivery of up to 39 9.1 metre buses over two years. To date, 32 buses have been ordered and there is an option to order up to seven more buses in 2008 for delivery in 2009. Staff are seeking pre-budget approval to order seven buses under this contract. Proceeding with this order will ensure the seven buses are available for service in September of 2009. If additional services are approved by Regional Council, the replacement buses would be used to supplement the fleet until the expansion buses arrive at a later date.

Pre-budget approval for 12.2 metre buses under the joint procurement program to be considered in the fall of 2008

Regional Council at its June 2008 meeting authorized staff to participate in a joint bus procurement process based on the success of the initial program in 2006. The program is co-ordinated by Metrolinx and the Ministry of Transportation (MTO) for the supply and delivery of 12.2 metre (40 foot) diesel as well as diesel-electric hybrid transit buses. There are also plans for the future joint procurement of 9.1 metre (30 foot) buses. There are 16 participating transit agencies in Ontario.

This joint procurement program includes the opportunity to purchase of five diesel-electric hybrid transit buses for YRT. These five buses will be used for a pilot project and are already approved in the 2008 Business Plan and Budget.

The joint bus procurement document is scheduled to be released this summer with award likely in October 2008. Staff will report back to Transit Committee and Regional Council at that time.

Relationship to Vision 2026

Vision 2026 includes a goal statement relating to the development of Infrastructure for a Growing Region, which states that:

“In 2026, York Region will have effective, efficient and environmentally sensitive transportation, waste management and water systems.”

To support this goal, the Region has identified specific action areas that have been consider for this report:

- Continuing to improve service and infrastructure for successfully integrated transit services.
- Promoting transit usage as a practical and wise alternative to private vehicle use.

Tendering for new YRT buses, including participation in a joint procurement program, supports Vision 2026 by improving the Region's transit services in an economical and transit supportive environment.

5. FINANCIAL IMPLICATIONS

Staff are seeking pre-budget approval to order four replacement buses needed to replace buses which are at or exceed the 18-year design life. Pre-budget approval is also being requested for three expansion buses that will be needed to deal with schedule compliance concerns due to traffic congestion.

The existing contract with City View Truck and Bus for 9.1 metre (30 feet) buses has an option to order additional buses for delivery in 2009. The unit cost is approximately \$356,263, plus GST. Pre-budget approval is being requested for seven buses with a total value of approximately \$2,494,000, plus GST.

The Province of Ontario has a subsidy program to financially assist municipal transit systems to replace buses that have reached the end of their design life. Under the Ontario Bus Replacement Program (OBRP), municipalities are eligible to receive subsidy of up to one third of the bus cost. Although details of the 2009 program have not been released, the Province announced that eligible subsidy funding for each bus would be spread

annually over the 12 year design life of the bus. There are a total of four 9.1 metre buses that are proposed to be ordered as identified in this report for retirement in 2009. With this subsidy, the Region would be eligible to receive up to \$475,000 in funding from the Province. There has been no new funding program announced for expansion buses, however, they are eligible to be funded through the existing provincial gas tax program.

6. LOCAL MUNICIPAL IMPACT

The local municipal residents who use public transit will benefit from improved transit and replacement of older buses with new low-floor buses equipped with air conditioning, improved accessibility features and engines that meet stringent 2007 emission standards.

7. CONCLUSION

Pre-budget approval is being recommended in the amount of approximately \$2.5 million in order to place an order for a portion of the buses identified in the draft 2009 Business Plan and Budget. This will allow for timely delivery in 2009.

For more information on this report, please contact Rick Takagi, Manager, Operations, at Ext. 5624, in the Transit Branch of the Transportation Services Department.

The Senior Management Group has reviewed this report.