



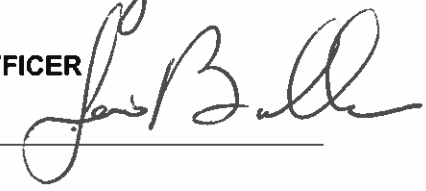
TO: GENERAL COMMITTEE

SUBJECT: SINGLE SOURCE BUS PURCHASE THROUGH METROLINX FOR
JOINT PROCUREMENT OF A SPECIALIZED TRANSIT BUS

PREPARED BY AND KEY CONTACT: G. Kaveckas, Manager of Transit , ext. 4464

SUBMITTED BY: B. Roth, Director of Leisure, Transit & Facilities 

GENERAL MANAGER APPROVAL: J. W. Sales, General Manager of Community Operations 

CHIEF ADMINISTRATIVE OFFICER APPROVAL: JON M. BABULIC, CHIEF ADMINISTRATIVE OFFICER 

RECOMMENDED MOTION

1. That staff be authorized to negotiate a single source agreement for the purchase of an eight (8) metre low floor specialized transit bus with Creative Carriage through the joint procurement agreement with Metrolinx in an amount not to exceed \$225,000.
2. That the Mayor and Clerk be authorized to execute any agreements necessary to support this recommendation.

PURPOSE & BACKGROUND

3. Council approved the purchase of a shuttle bus (low floor specialized transit bus) to provide service to the new GO train station in Allandale as part of the 2011 Business Plan.
4. With Council approval, in 2006, 2008 and 2011, the City participated in the cooperative purchase of conventional transit buses with other municipalities in Ontario. The project was initially coordinated through the Ministry of Transportation (MTO) and is now coordinated through Metrolinx. Metrolinx is a provincial agency with a mandate to improve the coordination and integration of all modes of transportation in the Greater Toronto and Hamilton area (GTAH).
5. Metrolinx coordinated the purchase of eight (8) metre low floor specialized transit buses in 2010 with the award to Creative Carriage (Ontario distributor). The City did not directly participate in this specialized bus procurement process as such a vehicle was not required by the City in 2010.
6. Some of the benefits associated with the common bus purchasing program include:
 - a) Economies of scale from larger purchase volume resulting in lower unit price
 - b) Increased influence over bus manufacturers to provide a higher quality of product and process
 - c) Improved warranty periods, delivery standards and liquidated costs
 - d) Improved and guaranteed bus delivery dates
 - e) Development of a detailed common performance specification

- f) Entire procurement process built on using existing collective expertise
- g) Team evaluation of proposal using highly qualified transit fleet managers including services of a project engineer. A provincial fairness monitor is appointed to ensure the procurement process is sound.
- h) On site bus manufacturing inspection services by a qualified third party is included during the manufacturing process at no cost to the City.
- i) Provision of specialized tools and better staff training - improved coverage by sharing the training sessions enabling more sessions to be held

ANALYSIS

- 7. The procurement process conducted by Metrolinx for the low floor specialized transit vehicle is the type of shuttle bus required to provide transit service to the GO train station.
- 8. As the City did not participate in the procurement process facilitated by the province and Metrolinx for this specialized vehicle type, the City has not met its' obligation for an open, competitive bid process, therefore Council approval is required prior to proceeding with this single source purchase.
- 9. The Metrolinx common bus purchasing is a successful program that utilizes open and transparent procurement practices that are similar to those required by the City's Procurement By-law. The resulting contract includes a provision that would allow the City to "piggyback" on the contract at the negotiated prices even though the City's requirements were not included in the procurement document.
- 10. Piggybacking is a common practice in the municipal sector as it is an effective mechanism for obtaining quality goods and services at competitive prices by taking advantage of contracts negotiated by other public sector entities.
- 11. The base price of the specialized vehicle under the Metrolinx agreement is \$185,000 to which a few options are to be added to meet Barrie's needs. The total price will be within the approved budget.
- 12. With a lead time of six (6) months required from placing an order to anticipated delivery, this method of procurement will enable the City to place an order immediately thereby advancing delivery to meet the operational timeline of December 2011.

ENVIRONMENTAL MATTERS

- 13. There are no environmental matters related to the recommendation.

ALTERNATIVES

- 14. There is only one alternative available for consideration by General Committee:

Alternative #1

General Committee could choose not to participate in the joint bus procurement initiative and issue a Request For Proposal for an eight (8) metre low floor specialized bus.

This alternative is not recommended as it would be unlikely that an independent procurement process conducted by the City would result in an outcome that was of better value than that obtained by Metrolinx due to the combined purchasing power and benefits associated with the cooperative approach.

FINANCIAL

15. The approved 2011 Business Plan includes \$225,000 for the purchase of this bus.

LINKAGE TO COUNCIL STRATEGIC PRIORITIES

16. The recommendation included in this Staff Report support the following goals identified in the 2010-2014 City Council Strategic Plan:
- ☒ Manage Growth and Protect the Environment
 - ☒ Strengthen Barrie's Financial Condition
17. The expansion of the GO Transit service to include a second station to accommodate growth in demand for this service requires a transit bus shuttle to be activated to provide a convenient transit linkage system.
18. The common purchasing arrangement with Metrolinx to procure the necessary specialized vehicle to deliver the shuttle service provides the City with the proper equipment and added value as it relates to the use of the City's financial and staff resources.