

City of North Bay Report to Council

Report No: CORP-2022-080

Date: July 29, 2022

Originator: Mary-Ann Kotylak, CPPB, CPPO
Manager of Purchasing

John Ouellette
Manager, Fleet

Business Unit:
Corporate Services

Department:
Financial Services Department

Subject: CO-OP 2022-73 Nova Conventional Bus Purchase through Metrolinx

Closed Session: yes ☐ no ☒

Recommendation

That City Council:

1. approves the award of a contract to Nova Bus Inc. in the amount of \$661,690.59 (plus HST) for the provision of a 40 foot transit bus; and
2. authorizes the transfer of funds to the project as outlined in Report to Council CORP No. 2022-080.

Background

City Transit operates 40 foot conventional buses to provide public transit throughout the City. The transit fleet renewal program has a life-cycle replacement plan to replace each vehicle every thirteen years. For the past two years bus purchases have been on hold due to the pandemic but now one unit is reaching the end of its useful life and is budgeted for replacement as part of the Fleet Life Cycle Management.

Delivery times for manufacturing are extended in many industries and Nova Bus Inc. cannot guarantee delivery dates of a new bus. Accordingly, the City must order the bus this summer to receive the new unit by mid to late 2023.

Financial/Legal Implications

The City continues to participate in the Metrolinx joint procurement of transit buses, which through a public process, establishes standing offers to purchase transit vehicles. Participating in the joint procurement benefits the City through leveraged purchasing power and reduced administrative costs. Resolution No. 2020-80 authorized execution of the Metrolinx joint procurement governance agreement. Metrolinx led a public request for proposals for the provision of 40 foot transit buses with the outcome of an award to Nova Bus Inc. The contract with Nova Bus Inc. provides the best overall value to the City.

Sufficient funding for this contract, as well as for additional commissioning costs and a participation fee payable to Metrolinx, is available in the Fleet Life Cycle Reserve No. 99586R and will be transferred in accordance with Council Resolution 2018-92 as explained in Report to Council Corp 2018-22. Capital Project 8023FL has been created to track 2023 fleet purchases under the new fleet governance model.

The purchase of the new vehicle is an eligible expenditure under the Provincial Gas Tax Program. Administration will optimize the allocation of the Provincial Gas Tax dollars in 2023 depending upon the level of funding received and the City's total municipal spend on transit expenditures.

Corporate Strategic Plan

- | | |
|---|--|
| <input type="checkbox"/> Natural North and Near | <input type="checkbox"/> Economic Prosperity |
| <input checked="" type="checkbox"/> Affordable Balanced Growth | <input type="checkbox"/> Spirited Safe Community |
| <input checked="" type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

Provide smart, cost effective services and programs to residents and businesses.

Ensure the efficient and effective operations of the city, with particular consideration to the impact of decisions on the property tax rate.

Options Analysis

Option 1: That City Council approves the award of a contract to Nova Bus Inc. in the amount of \$661,690.59 (plus HST) for the provision of a 40 foot transit bus; and authorizes the transfer of funds to the project as outlined in Report to Council Corp 2022-080.

Option 2: Do not award a contract. This option is not recommended because an aging bus fleet will not be able to provide dependable service due to increased downtime. Costly repairs and overhauls will be

required on older buses to maintain service which will negatively impact operational budgets.

Recommended Option

That City Council:

1. approves the award of a contract to Nova Bus Inc. in the amount of \$661,690.59 (plus HST) for the provision of a 40 foot transit bus; and
2. authorizes the transfer of funds to the project as outlined in Report to Council CORP No. 2022-080

Respectfully submitted,

Name: Mary-Ann Kotylak, CPPB, CPPO
Title: Manager of Purchasing

Name: John Ouellette
Title: Manager, Fleet

We concur with this report and recommendation

Name: Andrew (Drew) Poeta, MA
Title: Manager, Transit

Name: Domenic Schiavone
Title: Director Public Works & Parks

Name: John Severino, P.Eng, MBA
Title: City Engineer – Infrastructure and Operations

Name: Margaret Karpenko, CPA, CMA
Title: Chief Financial Officer /Treasurer

Name: David Euler, P.Eng., PMP
Title: Chief Administrative Officer
Personnel designated for continuance:

Name: John Ouellette
Title: Manager, Fleet