



City of North Bay Report to Council

Report No: CORP-2023-157

Date: December 1, 2023

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

John Ouellette
Manager, Fleet

Business Unit:
Corporate Services

Department:
Financial Services Department

Subject: CO-OP 2023-109 Hybrid Transit Buses (3)

Closed Session: yes no

Recommendation

That City Council approves the award of a contract to Nova Bus Inc. in the amount of \$3,561,735.00 (plus HST) for the provision of three 12-meter hybrid transit buses.

Background

Passenger Transit buses are a crucial component of our public transit system, serving a diverse range of customers throughout the city. Our buses have benefited from an extended lifecycle of up to 13 years, thanks to our improved maintenance practices and the exceptional product quality and support provided by the manufacturer over recent years. Three buses identified by Fleet Lifecycle Management and asset condition reports are approaching the end of their lifecycle in years 2023, 2024 and 2025. Current factory lead times are delayed, and these buses would not be expected until early 2025 and at this point all the identified buses would have reached the end of their useful life. Replacement of these buses will reduce maintenance costs, reduce downtime, provide improved safety and operational features for drivers and the public while maintaining established Fleet lifecycles.

The adoption of newer hybrid technology promises efficient service, reduced maintenance costs, and up to a 30% reduction in fuel consumption which provides clear environmental benefits. Many prominent municipalities have already embraced hybrid buses, realizing the benefits of a more sustainable

and cost-effective greener fleet.

Financial/Legal Implications

The City continues to participate in the Metrolinx joint procurement of all transit and specialized/accessible buses initiative which, through a public process, establishes standing offers to purchase transit vehicles. The initiative 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 RFP-2019-PROC-158 for the provision of 12 meter diesel, CNG and Hybrid 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 8024FL has been created to track 2024 fleet purchases under the new fleet governance model. Administration will also optimize the allocation of the third party funding programs.

Corporate Strategic Plan

- | | |
|--|--|
| <input checked="" 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 type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

Protect, promote and enhance the environment in all aspects of the city's operations and plans.

Maintain infrastructure across the city in a good state of repair.

Options Analysis

Option 1: That City Council approves the award of a contract to Nova Bus Inc. in the amount of \$3,561,735.00 (plus HST) for the provision of three 12-meter hybrid transit buses.

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. Furthermore, failing to acquire the new hybrid buses will result in the loss of significant ICIP funding

opportunities, which would dramatically reduce the cost of hybrid buses, leading to substantial fuel savings and a more cost-effective overall ownership experience for the City.

Recommended Option

Option 1: That City Council approves the award of a contract to Nova Bus Inc. in the amount of \$3,561,735.00 (plus HST) for the provision of three 12-meter hybrid transit buses.

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: David Jackowski, P.Eng.
Title: Manager, Special Projects

Name: Alan Korell, P.Eng.
Title: Interim City Engineer

Name: Shannon Saucier, CPA, CA
Title: Director, Financial Services / Deputy Treasurer

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

Name: John Severino, P.Eng, MBA
Title: Chief Administrative Officer

Personnel designated for continuance:

Name: John Ouellette
Title: Manager, Fleet