



Council Report

Report Number: PUR2022-026
Meeting Date: June 21, 2022
Title: **2022-75-SS Supply and Delivery of One Transit Bus**
Author and Title: Launa Macey, Supervisor of Procurement
Co-Author and Title: Rod Porter, Manager of Transit

Recommendation(s):

That Report PUR2022-026, **2022-75-SS Supply and Delivery of One Transit Bus**, be received;

That Dynamic Specialty Vehicles be awarded the single source purchase for 2022-075-SS Supply and Delivery of One Transit Bus for the total quoted price of \$165,945 plus applicable HST;

That subject to receipt of the required documents, the Mayor and Clerk be authorized to execute the agreement; and

That the Procurement Division be authorized to issue a purchase order.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

Fleet Services has been attempting to procure new Transit Buses by typical means (Tender or Quote) to upgrade the current bus fleet to align with the City's Non-Emergency Fleet Policy. A competitive process was done in 2021. With pandemic and post pandemic supply chain challenges, new bus delivery dates are scheduling into 2024. As a result of the delayed production, inadequate parts availability and long delivery dates on the new bus builds, alternatives were investigated. All bus and vehicle manufacturing no matter the configuration are experiencing long lead times/delays (18-20 months from date of order). Therefore; the purchase of any new bus will not satisfy the City's immediate need for bus fleet. The proposed unit is to replace E19 and was included in the 2022 Capital budget.

Unit Details

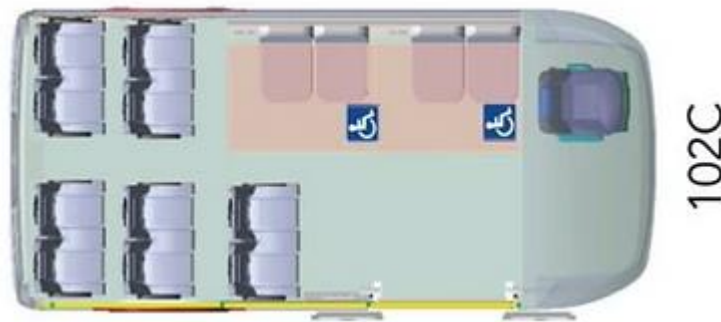
2021 Ram ProMaster New England Wheels Frontrunner



Specifications

- | | |
|---------------------------------------|------------------------------|
| • Chassis: Ram ProMster | • Color: White |
| • Fuel Type: Gasoline | • Engine: 3.6L V6 |
| • Transmission: Automatic | • Color: White |
| • Year: 2021 | • Mileage: New (5200km) |
| • Capacity:12 | • Warranty: New Bus Warranty |
| • Configuration:10 Passengers + 2 W/C | |

Bus Floor Plan



Rationale:

With the current market delays on purchasing new, it is in the best interest of the City to replace with used/on lot buses as required to keep the fleet current and operational. A new 2022 unit (no longer available/not manufacturing anymore 2022 units) was priced through a local Ontario distributor/vendor and they provided a cost estimate of \$220,000 for the same unit and configuration. The 2023 bus production order board is in the process of opening for units to be delivered late 2023 early 2024. With the volatility of the market the same local bus distributor would not provide a firm price on a 2023 unit but stated we should expect the exact same unit to cost approximately \$300,000 in 2023. By purchasing this used/on the lot unit, we would enjoy a Cost savings/avoidance of \$54,055 to \$134,055.

Other Alternatives Considered:

No other alternative is being recommended as there are no new buses available until 2024.

Alignment to Strategic Priorities

The purchase of a used/on lot transit bus aligns with the four (4) goals listed below as part of the City's Strategic Priority

- Good Government
 - as it allows the department to keep track of assets to ensure they are well maintained and well managed.
 - It will also help to ensure we are meeting/adhering to expected levels of service.

- A Vibrant and Growing Economy.
 - Transit continues to increase ridership and supports many businesses and residents within the Town of Lindsay
- An Exceptional Quality of Life.
 - Transit assists residents in aging at home enhancing a quality of life for persons with disabilities.
 - Improve the health and well-being of residents
 - Increase access to transportation options
- A Healthy Environment.
 - Transit ridership reduces people in cars, reduces congestion on roads and reduces greenhouse gases.

Financial/Operation Impacts:

Funds for a new transit bus were approved at the 2022 Capital Budget.

Project Number	Project Budget	Other Committed Funds *see below	Project Balance	Purchase Amount (excl. HST)	HST Payable	Total Amount	Project Balance
994220201	\$800,000	\$601,440	198,561	\$165,945	\$2,921	\$168,866	\$29,695

*Other Committed Funds includes the purchase of three transit buses. The budget is for four transit buses therefore this single source is for the purchase of the final bus.

Any surplus or deficit will be dealt with by the Treasury Department according to the Capital Close policy.

Consultations:

Supervisor, Cost Accounting

Department Head email: brobinson@kawarthalakes.ca

Department Head: Bryan Robinson, Director of Public Works

Department File: 2022-75-SS