




CITY OF HAMILTON
PUBLIC WORKS DEPARTMENT
Transit Division

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	January 31, 2022
SUBJECT/REPORT NO:	2021 Conventional Bus Replacement (PW22005) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Jeff Poljanski (905) 546-2424 Ext. 7702
SUBMITTED BY:	Maureen Cosyn Heath Director, Transit Public Works Department
SIGNATURE:	

RECOMMENDATION

- (a) That pursuant to Procurement Policy #11 – Non-competitive Procurements, Council approve the single source procurement for the purchase of up to twenty (20) sixty-foot (18m) Compressed Natural Gas-powered articulated buses;
- (b) That the Acting General Manager, Public Works Department be authorized to negotiate, enter into and execute a Contract and any ancillary documents required to give effect thereto with New Flyer Industries, in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY

In 2020, the City of Hamilton (City) participated in a joint procurement of forty-foot and sixty-foot (12m and 18m) transit buses with Metrolinx and other Ontario municipalities, noting Council had previously approved Hamilton's participation in this joint procurement. The most recent tender for the years 2021 to 2024 was issued by Metrolinx and awarded to the successful bidder, Nova Bus Inc, for forty-foot buses, noting they do not manufacture sixty-foot (18m) Compressed Natural Gas (CNG) articulated buses and therefore did not submit a bid price for that particular vehicle type.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

While New Flyer Industries does manufacture such a vehicle, there was no award for a sixty-foot CNG vehicle arising from the Metrolinx tender.

As such, the purpose of this report is to recommend that Council approve of up to 20 replacement, sixty-foot (18m) Natural Gas (NG) powered articulated buses from the only North American supplier of that propulsion configuration, New Flyer Industries, in accordance with Procurement Policy #11 - Non-competitive Procurements.

Alternatives for Consideration – Not applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: There are sufficient funds to allow for the purchase in the Capital Budget, 2021 HSR Bus Replacement (5302183100). The account contains funds provided by the Federal, Provincial and Municipality to cover the cost of replacing the articulated buses. The current balance is estimated at \$24 million.

Staffing/Legal: N/A

HISTORICAL BACKGROUND

The City entered into a joint procurement agreement with Metrolinx in 2008 under Council's approval for acquisition of the 2008 Transit replacement Fleet and has continued to procure transit buses under subsequent Metrolinx-led tenders. The procurement initiative, facilitated by Metrolinx, involves sixteen transit systems including: Hamilton, Burlington, Durham Region, Belleville, North Bay, Milton, Sarnia, St. Catharines, Thunder Bay, Cornwall, Kingston, Niagara Falls, Ottawa, Welland, Windsor and Orillia.

The Transit Division currently has forty-nine (49) sixty-foot (18m) articulated buses in active service, twenty-nine (29) of which are fuelled by NG and twenty (20) fuelled by diesel. These twenty replacement articulated buses serve to keep the fleet in a state of good repair, maintain the capacity of the system, and continue to mitigate customer pass-bys. Additionally, they support the Council mandate to stop the purchase of diesel buses. Most importantly, once these vehicles are in service, all articulated buses in the fleet will be powered by natural gas.

The replacement vehicles are new low emission NG powered buses equipped with Cummins new Near Zero emissions engines that already meet the EPA 2023 emission standard and ensure the lowest tailpipe emissions in accordance with the Public Works Strategic Plan commitment to be a leader in the greening of the City. Further, it

continues to position HSR as one of the greenest fleet's in Canada. Once these replacement buses are delivered, Transit will have a fully NG articulated bus fleet.

Based on the replacement schedule for articulated buses, the next series of articulated buses will be replaced in 2026. Staff are optimistic that with the advancement in propulsion technology there may be additional vendors within the marketplace offering this fuel configuration in an articulated bus model in the future.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

This report is in accordance with By-law 21-215 Procurement Policy #4.11, Policy #11 Non-competitive Procurements.

RELEVANT CONSULTATION

The following groups have been consulted:

- Finance, Corporate Services Department
- Procurement, Corporate Services Department has only provided guidance as to adherence to the Procurement Policy.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The Metrolinx tender documents included NG powered buses for the forty-foot vehicles and the sixty-foot vehicles fuelled by NG, but the tender did not have a successful bidder in the sixty-foot category. Noting Transit wants to purchase sixty-foot buses powered by NG and that there is only one manufacturer of such vehicles, Transit is requesting to single source the purchase.

This purchasing recommendation also aligns with the following:

- Meets Council direction to no longer purchase diesel-fuelled transit vehicles;
- Meets planned replacement of asset life-cycle, which helps keep the fleet in a state of good repair and aligns with the City's commitment to capital asset management;
- Ability to meet the increasing capacity needs of Transit for service excellence

ALTERNATIVES FOR CONSIDERATION

Not applicable

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

The purchase of additional NG buses support many of the key initiatives set out by Council in the Strategic Plan, including:

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Clean and Green

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

Built Environment and Infrastructure

Hamilton is supported by state-of-the-art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

APPENDICES AND SCHEDULES ATTACHED

N/A