RECOMMENDATION:

That in accordance with Purchasing Policy - Single Source, Section 4:11 (e), staff be authorized and directed to negotiate for the purchase of up to five accessible low floor transit buses from Creative Carriage Inc. (Arboc Mobility Bus) with the understanding that this purchase will be fully funded through the reallocation of previously approved 2010 Capital budget for Transit fleet replacement as follows: $1,250,000 project ID: 5300983100.

EXECUTIVE SUMMARY

The Transit Fleet consists of 217 buses. Replacement of conventional transit fleet in 2010 is budgeted at $8,237,000. The purchase of these five buses will not increase the fleet size. The 2010 Conventional Transit bus procurement was reduced from 17 buses to 15 buses in anticipation of funding this purchase subject to a successful pilot demonstration. There is an existing contract with Creative Carriage (C11-75-09), the successful respondent to an RFP for the supply of specialized transit vehicles for DARTS replacement vehicles. That contract is open for further additional purchases until December 31, 2010, while maintaining the previously awarded price.

Alternatives for Consideration - See Page 3
FINANCIAL / STAFFING / LEGAL IMPLICATIONS

Financial: There are no additional financial implications. Adequate budget has been provided in the approved 2010 Capital budget for Transit fleet replacement.

Staffing: There are no staffing implications.

Legal: None

HISTORICAL BACKGROUND

In March 2010, the HSR ran a pilot project putting a slightly modified DARTS “Mobility Bus” into fixed route service in Dundas and Waterdown. This pilot will conclude in May 2010 subsequent to deploying the bus on the Keith neighbourhood route. All indications received thus far indicate that a smaller bus, used on low ridership routes, has provided quality service to customers and has the potential to reduce operating costs over the life cycle of the vehicle versus a Conventional transit 40-foot bus.

Staff is recommending a single source purchase of the “Mobility Bus” sold by Creative Carriage Inc.

Single sourcing of the “Mobility Bus” is being recommended for purchase by Staff due to the unique features of this vehicle in that; it is built on a standard GM chassis, is rear wheel drive, and employs a simplistic drive train/chassis. These design features will ensure lower ongoing operating costs. When staff last went to the market for this type of bus in the fourth quarter of 2009, there was only one compliant low floor bid, which was Creative Carriage.

POLICY IMPLICATIONS

The City of Hamilton Purchasing Policy, Section 4.11, Policy for Negotiations allows for the use of negotiations when a single source for the supply of a particular Good and/or Service is being recommended because it is more cost effective or beneficial for the City.

Single source requests which are $250,000 or greater must have Council approval prior to initiating the negotiation process.

This recommendation aligns with the Public Works Innovate Now Business Plan by ensuring that equipment is maintained and completes its expected lifecycle, and costs are kept to a minimum.

RELEVANT CONSULTATION

The pilot project conducted by the HSR has received positive feedback from it’s Operations Section with respect to using the “Mobility Bus” on key routes.

Consultation has been undertaken with the Executive Director of DARTS and the Purchasing Section and the Finance & Administration Division of Finance & Corporate Services.
ANALYSIS / RATIONALE FOR RECOMMENDATION

Staff is recommending the “Mobility Bus” as it is viewed by Staff to have the highest potential for safe and reliable lifetime performance while maximizing user acceptance.

Small bus applications have been tried on a few occasions in the past in conventional transit operations with limited success and were ultimately abandoned as the life-cycle cost did not warrant their continued use. The vehicle being recommended is a “purpose-built low floor accessible transit bus” with very little modification to the original vehicle. While we have not had the benefit of a full life-cycle with this fleet, there are presently 30 vehicles in service with DARTS, comprising roughly 50% of their fleet and DARTS is continuing to report very positive maintenance, user and driver experience.

ALTERNATIVES FOR CONSIDERATION:

Transit be directed to purchase the two additional Conventional Transit 40’ buses on the existing contract with New Flyer Industries to complete the previously approved 2010 conventional transit fleet replacement capital project.

This alternative is not being recommended as small bus applications are more efficient and effective than full sized conventional buses in areas of the City where service demand can be accommodated with smaller, less expensive fleet.

CORPORATE STRATEGIC PLAN


Financial Sustainability
• Financially Sustainable City by 2020
• Delivery of municipal services and management capital assets/liabilities in a sustainable, innovative and cost effective manner
• Full life-cycle costing for capital

Intergovernmental Relationships
• Influence federal and provincial policy development to benefit Hamilton
• Maintain effective relationships with other public agencies

Growing Our Economy
• Competitive business environment

APPENDICES / SCHEDULES

None