

Non-Competitive Contract Award - On-Demand and Fixed Transportation Services

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Recommended by:	General Manager of Planning and Growth

Report Summary

This report provides a recommendation to approve a non-competitive contract award with Student Transportation of Canada Inc. o/a Leuschen Transportation and to implement a three-year service integration pilot that combines GOVA Zone and GOVA Plus operations.

Resolution

THAT the City of Greater Sudbury approve a non-competitive (single source) contract with Student Transportation of Canada Inc. o/a Leuschen Transportation for provision of on-demand and fixed transit services, as outlined in the report entitled "Non-Competitive Contract Award - On-Demand and Fixed Transportation Services" from the General Manager of Planning and Growth presented at the City Council meeting on April 28, 2026.

Relationship to the Strategic Plan, Health Impact Assessment and Climate Action Plans

This report describes work recommended to implement the Transit Action Plan and continue efforts to expand ridership through innovative and responsive system improvements, which is an initiative identified in Council's Strategic Plan as one of the actions to support the Asset Management and Service Excellence objective and specifically goal 1.5 "Demonstrate Innovation and Cost Effective Service Delivery".

Within the Compact, Complete Communities Strategy Sector of the Community Energy & Emissions Plan, this report aligns with Goal 1, to achieve energy efficiency and emissions reductions. Further, within the Low-Carbon Transportation Strategy Sector, this report aligns with Goal 7, to enhance transit services to enhance transit mode share to 25% by 2050.

Financial Implications

There are no financial implications associated with the recommendation of this report.

The provision of contracted on-demand and fixed transportation services of GOVA Zone, and specialized transit of GOVA Plus is part of the Transit Services annual budget. The combined budgeted amount for 2026 for both services is \$5,105,895 (GOVA Zone- \$860,520, GOVA Plus- \$4,245,375).

Background

The Transit Action Plan (TAP) approved in 2019 directed staff to modernize the transit network and supporting services, including rebranding TransCab as GOVA Zone within the broader GOVA Transit family of services.

GOVA Zone has been delivered through contracted service providers for over two decades. Since 2021, all zones have been consolidated under a single contract (Contract CDD2149) with Student Transportation of Canada Inc. o/a Leuschen Transportation. This five year contract is set to expire on June 30, 2026.

Across nine zones and two fixed routes, GOVA Zone provides on-demand, last-mile connections linking lower-density and rural areas to the fixed-route network. In 2025, the service provided 24,966 passenger boardings, a 9.5% year-over-year increase, across 15,131 trips and 139,124 kilometres. The current rate is \$3.83 per kilometre, adjusted annually by CPI (Transportation), with a 2026 operating budget of \$860,520.

Figure 1. GOVA Zone Key Performance Indicators

GOVA Zone KPI - 2025				
GOVA Zone	Ridership	Trips	KMs	% of GOVA Zone
Zone A – Naughton	633	545	2079	6%
Zone B – Chelmsford/Levack	5478	2823	43253	28%
Zone C – Chelmsford/Valley	294	284	1094	1%
Zone D – Garson	3817	2505	15067	10%
Zone D – Hanmer	491	427	1828	1%
Zone E – Wahnapiatae	1999	1300	6718	4%
Zone F – Hwy 69 / Richard Lake	5368	3541	18305	13%
Zone G – Long Lake	1865	1589	2688	6%
Zone H – Southview	0	0	0	0%
Zone B – Fixed	4501	1113	44640	31%
Zone D – Fixed	520	1004	3453	2%
Total – On-Demand	19945	13014	91032	66%
Total – Fixed	5021	2117	48093	34%
Total - GOVA Zone Service	24966	15131	139124	100%

GOVA Plus specialized transit services are delivered by the same contractor as GOVA Zone under Contract CDD24-2. GOVA Plus provides shared, door-to-door or curb-to-curb transit for individuals whose disabilities prevent the use of conventional GOVA Transit. The current five-year contract expires on June 30, 2029.

The service operates within the same geographic area as the conventional network and supports approximately 3,011 registered clients. As shown in Figure 2, annual ridership has remained stable in recent years, averaging 104,979 trips over roughly 45,384 service hours. Service is delivered using a fleet of 18 accessible buses equipped with ramps, complemented by supplemental taxis when required to maintain efficiency and service levels.

Contracted service costs include a fixed monthly capital charge, a fixed fee for central dispatch and

administrative services, and an hourly operating rate. The approved 2026 operating budget for GOVA Plus is \$4.24 million.

Figure 2. GOVA Plus Key Performance Indicators

GOVA Plus KPI					
GOVA Plus	Ridership/Trips	KMs	Taxi Trips	Taxi KMs	Hours
2025	101959	1117733	3016	26500	46465
2024	111075	1157395	9887	57673	46005
2023	101905	1174210	4538	29245	43684
2022	72793	no tracking	195	no tracking	33466

The needs of GOVA Plus clients are diverse—encompassing physical and/or cognitive disabilities—and eligibility may change over time based on a permanent or temporary disability, or due to environmental or physical barriers that limit consistent use of conventional transit services. Eligibility is categorized into three types: (i) unconditional, (ii) temporary, and (iii) conditional eligibility. To ensure appropriate vehicle assignment based on individual mobility needs, clients are classified as either Ambulatory or Wheelchair/Scooter users. Referring to Figure 3, where an Ambulatory Client is a client who can walk, either independently, or with use of a light mobility aid (cane, crutch, walker), approximately 69% of clients fall into the Ambulatory category, while approximately 31% rely on a wheelchair or scooter.

Figure 3. GOVA Plus Client Distribution

Client Distribution				
GOVA Plus	Ambulatory	% of Clientele	Wheelchair	% of Clientele
2025	76109	75%	25850	25%
2024	75965	68%	35110	32%
2023	67727	66%	34178	34%
2022	47105	65%	25688	35%

In Ontario, the provision and operation of specialized transit services are governed by the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) and its Integrated Accessibility Standards Regulation (IASR, O. Reg. 191/11). The Transportation Standards, particularly Sections 63 through 74, establish legally binding requirements for specialized transit providers, including eligibility categories, application processes, service equivalency with conventional transit, and the duty to accommodate persons with disabilities. These standards ensure that municipalities maintain accessible, equitable, and clearly delineated service models for riders with disabilities.

Opportunities for Service Integration Pilot

The expiry of the GOVA Zone contract with Student Transportation of Canada Inc. o/a Leuschen Transportation on June 30, 2026, presents an opportunity to explore a service integration that can enhance mobility across both service streams. Remaining with the current GOVA Zone service provider for a three-year trial period, until the expiry of the GOVA Plus contract, while leveraging the existing RideCo on-demand technology, would allow the City opportunity to adjust service levels in a controlled environment, with ability to track and monitor successes or areas for improvement. This approach aligns with the overall strategy of the Transit Action Plan (TAP), with a focus on improving customer experience, increasing spontaneity of travel, and strengthening integration within the broader transit system.

The TAP identified an opportunity for Greater Sudbury Transit to evolve toward a more integrated, innovative, and demand-responsive model, particularly in outlying and lower-density areas, by coordinating service types of GOVA, GOVA Zone and GOVA Plus to improve efficiency, clarity, and customer experience.

The Plan specifically identified the need for system reorganization, a more unified approach to accessible and on-demand services, and innovative deployment of flexible service models to better match service levels to demand, reduce duplication, and relieve pressure on specialized transit resources.

Using the current on-demand rider technology, service modelling was completed for nine (9) GOVA Plus and GOVA Zone service days to assess the potential impact of an integrated service model. The modelling dates were selected to capture variations in seasonality, weather, and known peak-demand periods. RideCo's service simulation analyzed operational performance across these days and demonstrated that integrating GOVA Plus (specialized) and GOVA Zone (on-demand) would:

- Support ridership volume, with an average of 483 passengers across the nine simulation days, ranging from a high of 529 to a low of 415.
- Improve system reliability, with simulated Pickup OTP increasing from 85% to 95%, and Drop-off OTP improving from 77% to 100%.
- Enhance system efficiency, including:
 - a 6% reduction in simulated cost per rider (from \$27.83 to \$26.06),
 - a 9% reduction in simulated vehicle utilization (from 82% to 73%), and
 - a 6% reduction in simulated daily operating costs (from \$13,367 to \$12,574).
- Increase shared-ride rates and occupied kilometers, demonstrating more efficient use of available resources.
- Integrate and optimize the fleet, increasing to 28 vehicles with the purchase of 8 vehicles.
- Enable unified technology integration for booking, trip-tracking, and payment functions.

Within service integration over the next three years, the current service provider commits to oversee implementation costs associated with fleet expansion, software expansion, and associated requirements, also covering dispatch/admin costs. With overview of integration options provided below, the City of Greater Sudbury intends to phase implementation to support service level improvements and efficiencies.

Alignment with Transit Industry Best Practice

In 2022, the Canadian Urban Transit Association (CUTA) released “On demand Transit Toolkit – A resource guide for service implementation” to support agencies with implementation strategies for on demand systems. Within a family of services model, the toolkit promotes opportunities for on-demand and specialized (paratransit) service integration where there's shared booking platforms, common dispatch systems, and coordinated fleet deployment. With systems in place and integration possible, this approach can reduce duplication, improve equity, and enhance service reliability for riders with diverse mobility needs. In addition, the toolkit highlighted opportunities for technology where on-demand platforms (such as RideCo.) can provide reliable service level data that enables municipalities to monitor service performance, optimize fleet use, and make informed adjustments that improve cost-effectiveness and customer experience.

Furthermore, a recent 2025 CUTA Issue Paper examining key performance indicators for on-demand transit also reviewed how Canadian transit agencies integrate on-demand services with specialized transit. Among the 19 agencies surveyed, approaches varied. Nearly half operate the two services separately using different software platforms, while others use the same booking system but maintain separate fleets. A smaller group fully commingles riders, allowing both specialized and on-demand customers to share vehicles. Only one agency reported not operating specialized transit at all, and one agency delivers its specialized transit entirely through an on-demand service model.

VIA's Commingling 101 report outlines that transit agencies can integrate paratransit and on-demand services through three proven operational models; i) Commingled Fleets, ii) Commingled Operator Shifts, or iii) Commingled Trips.

- **Commingled Fleets**, where the same accessible fleet is shared between specialized and on demand services, with vehicles assigned to each service based on daily demand;
- **Commingled Operator Shifts**, where drivers serve both specialized and on-demand riders within the same shift, optimizing unused capacity between pre-scheduled and on-demand trips; and
- **Commingled Trips**, the most integrated model, in which specialized, and on-demand riders may be transported in the same vehicle, at the same time, when routing compatibility allows.

A jurisdictional scan confirmed that multiple Canadian municipalities operate on-demand transit as part of their regular service delivery, particularly in systems serving both urban and rural communities. In this context, Durham Region Transit (DRT) was identified as a key comparator due to its similar mix of urban and rural service areas and considering their successful full amalgamation of Specialized Transit and On-Demand services into a single demand-responsive operating model. In 2021, DRT transitioned both services onto a unified technology platform and a shared, fully accessible fleet operated by uniformed drivers, allowing Specialized and On-Demand customers to travel on the same vehicles where appropriate. Consultation with DRT has confirmed ongoing successes for the integration, where customers are receiving an efficient, customer focused service that responds to the needs of all customers.

Where the City of Greater Sudbury and GOVA Transit provide all public transit services under regulatory obligations of the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) and its Integrated Accessibility Standards Regulation (IASR, O. Reg. 191/11), any specific integration of GOVA Plus and GOVA Zone will maintain strict compliance with the AODA. Specifically, GOVA Transit will continue to meet all specialized transit commitments, including service equivalency, priority for eligible riders, accessible vehicle standards, and ensuring appropriately trained staff.

Purchasing By-Law Implications

In accordance with the City's Purchasing By-law, an open-competitive procurement process is required for contracts at this value. However, single sourcing is permitted under specific conditions, including an applicable trade agreement exemption and Council approval.

Applicable Trade Agreement Exemption

TCAOQ Article 9.14/CFTA Article 513/CETA Article 19.12: 1. (c) for additional deliveries by the original supplier of goods or services that were not included in the initial procurement, if a change of supplier for such goods or services: (i) cannot be made for economical or technical reasons such as requirements of interchangeability or inoperability with existing equipment, software, services, or installations procured under the initial procurement.

Next steps

The proposed non-competitive procurement for GOVA Plus creates an opportunity to trial greater integration between GOVA Zone and GOVA Plus, consistent with the Transit Action Plan and industry best practices.

Given the opportunities and benefits of GOVA Zone and GOVA Plus service and technology integrations, it is recommended that Council approve a non-competitive, three-year contract to Student Transportation of Canada Inc. o/a Leuschen Transportation for the services under GOVA Zone by amended contract.

Pending Council approval for a non-competitive contract for GOVA Zone from July 1, 2026, to June 30, 2029, Transit staff will finalize an agreement focused on progressing toward a comingled fleet and operator workforce, with phased implementation of comingled trips where appropriate.

Transit will continue regular engagement with the Accessibility Advisory Committee to ensure service decisions reflect the needs and experiences of customers with disabilities. Annual service updates will be provided to the Operations Committee.

Resources Cited

Greater Sudbury Transit Action Plan- Better Routes. Better Schedules. Better Service - February 12, 2019
<https://pub-greatersudbury.escribemeetings.com/filestream.ashx?documentid=395>

Commingling 101: How to integrate microtransit with paratransit - February 2025
[Commingling_101- How to Integrate Microtransit with Paratransit.pdf](#)

Canadian Urban Transit Authority (CUTA): On-demand Transit Toolkit- A resource guide for service implementation - May 2022
[2022-May-CUTA-On-Demand-Transit-Toolkit.pdf](#)

Canadian Urban Transit Authority (CUTA): Issue Paper- On-Demand Transit Review- Key Performance Indicators - June 2025
[2025-June-Issue-Paper-57-On-Demand-Transit-Review.pdf](#)