



**City Council
ADDENDUM TO
AGENDA**

***REVISED**

*FOR THE **REGULAR MEETING OF CITY COUNCIL**
TO BE HELD ON **TUESDAY, FEBRUARY 4, 2020**
AT **6:00 P.M. IN COUNCIL CHAMBER,**
TOM DAVIES SQUARE*

ADDENDUM (RESOLUTION PREPARED)

(Two-Thirds Majority Required to Deal with the Addendum)

DECLARATIONS OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF

MANAGERS' REPORTS

ADD-1 Report dated January 27, 2020 from the General Manager of Community Development regarding Multi-Year Governance Agreement for Transit Joint Procurement through Metrolinx 2019-2024. 2-5
(RESOLUTION PREPARED)

(This report provides a recommendation regarding participation in the Multi-Year Governance Agreement with Metrolinx Transit Procurement Initiative.)

Type of Decision									
Meeting Date	February 4, 2020			Report Date	January 27, 2020				
Decision Requested	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	Priority	<input type="checkbox"/>	High	<input type="checkbox"/>	Low
	Direction Only				Type of Meeting	<input checked="" type="checkbox"/>	Open	<input type="checkbox"/>	Closed

Report Title
Multi-Year Governance Agreement for Transit Joint Procurement through Metrolinx 2019-2024

Resolution	Relationship to the Strategic Plan/Health Impact Assessment
<p>THAT the City of Greater Sudbury authorize participation in the Multi-Year Governance Agreement (GA) in conjunction with the Metrolinx Transit Procurement Initiative (TPI) program, expiring March 31, 2024 with an option to extend until 2029.</p> <p>AND THAT the General Manager of Community Development, be authorized to sign the Multi-Year Governance Agreement, 2019-2024, as required under the TPI program.</p> <p>AND THAT the Director of Transit Services be designated as the GOVA Transit representative as required under the TPI program.</p> <p>AND THAT the authorization to make purchases under the Governance Agreement is subject to Greater Sudbury City Council budget approvals during the program period.</p> <p>AND THAT the TPI policies and procedures governed through the GA be allowed to replace the City's Purchasing By-Law for the term of the agreement.</p>	<p>This report supports the Strategic Plan adopted by the City of Greater Sudbury, as it aligns with Quality of Life and Place priorities, by removing barriers to transit use by improving transit related infrastructure through improved competitive pricing and procurement opportunities.</p> <p>This relationship will have a positive impact on the Social Determinants of Health in the areas of Human Health/Well-Being and Civic Engagement/Social Capital, as the potential for improved value for money procurement opportunities through the Metrolinx Transit Procurement Initiative would help achieve a positive impact on transit ridership and an overall improved customer experience.</p>

Report Summary

This report seeks Council approval for GOVA Transit to participate in the Multi-Year Governance Agreement (GA) with Metrolinx Transit Procurement Initiative (TPI). The GA allows for the participation of established contracts and future procurements of transit related vehicles, equipment, technologies, facilities and related supplies and services under the TPI.

After consideration of the details and history of the program, particularly from research on the TPI program, Transit services believes the City's participation will overall be beneficial.

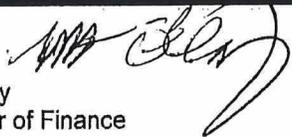
Financial Implications

The City of Greater Sudbury's Purchasing By-Law 2014-1, section 23 permits the City's participation in cooperative purchasing where it is in the City's best interests and where the purpose, goals and objectives of the By-law are substantially complied with. In this case, the policies of the TPI acting as a cooperative Bid Solicitation are to be the accepted policy.

To ensure compliance to applicable trade agreement requirements, the City has published a notice of participation in the Metrolinx Transit Procurement Initiative (TPI) program on our Website: <https://www.greatersudbury.ca/do-business/bidding-opportunities/tenders/>

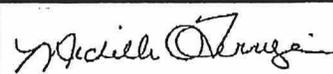
Lastly, any purchases made under the TPI program, as well as any participation fees will be included in draft capital and operating budgets for Greater Sudbury City Council approval.

Report Prepared By



Brent Fleury
Coordinator of Finance

Division Review



Michelle Ferrigan
Director, Transit Services

Recommended by the Department



Steve Jacques
General Manager of Community Development

Financial Implications



Apryl Lukezic
Co-ordinator of Budgets

Recommended by the C.A.O.



Ed Archer
Chief Administrative Officer

Background

In 2006, the Ontario Ministry of Transportation created the Transit Procurement Initiative (TPI). The TPI started with a number of municipalities that developed common vehicle specifications for 30 and 40 foot low floor urban diesel buses in Southern Ontario. The completion of these first two common bus specifications and subsequent joint procurement programs was transferred to Metrolinx in 2008. Metrolinx is a transportation agency operating under the *Metrolinx Act, 2006* to create and improve coordination and integration of all modes of transportation in the Greater Toronto and Hamilton Area. The TPI operated by Metrolinx has expanded its reach significantly since inception to provide participating municipalities with facilitation and value for money joint procurement expertise for a wide variety of goods and services. Through the TPI, a governance agreement (GA) is executed between Metrolinx and the participating municipality to facilitate joint procurements and establish roles and responsibilities for both parties. Each procurement group of goods and services has its own steering committee with representatives from the participating transit agencies. This structure establishes a link between TPI's project team and the steering committee on commercial tender strategies, technical specifications and evaluations criteria to deliver value for procured goods and services.

Metrolinx currently offers a five (5) year Governance Agreement (GA) which is set to expire March 31st, 2024.

Some important program statistics to highlight since TPI began in 2006 include;

- 22 joint procurements awarded (conventional and specialized bus models, bus parts, video and intelligent bus technologies)
- 48 participating transit properties
- Over \$708M purchased including 1,765 vehicles, 356 video systems, 180 ITS/AVL systems and \$15.6M of Bus Parts
- 93% client satisfaction (12 surveys since 2014, based on TPI's procurement method and contract management services)
- Over \$29M in savings (procurement and administration efficiencies, maximization of transit funding, saves Ontario's taxpayers dollars)

**Data provided by Metrolinx, current as of March 2019*

Changes to the Current TPI Program

The current TPI term is in effect from April 1st 2019 to March 31st 2024. The most significant change to the current GA is that it has expanded its former program to include not only bus fleet but other joint procurements such as transit system equipment, technology, facilities, and related supplies and services.

Other highlights of the new GA include:

- Requirement for one by-law resolution per term
- Proposal of a five year term versus a two year term
- Easier opt out for participants at any time during the term

Benefits of the TPI Program

The main benefit of procurement programs facilitated and managed through the TPI is the reduction of unit costs by consolidating orders to achieve the volumes required to obtain economies of scale. The TPI serves as a credible and knowledgeable link between participating municipalities and competing suppliers to ensure value for money not only with respect to lower pricing but the significant reduction of City staff time to complete the procurement process as contracts and specifications are already researched and reviewed. Additional benefits of the TPI program that may not be otherwise realized include:

- Improved and guaranteed delivery dates for bus orders (important for deadlines associated with grant subsidies from senior levels of government)
- Improved warranty periods and delivery standards
- Governance model that fosters collective expertise from the transit industry, particularly with the evaluation of proposals
- Quality bus inspections, frame testing and corrosion standards as part of the performance-based specification
- Pooling of parts procurement and continued technical knowledge exchange

Next Steps

In order to execute the GA under the TPI program between Greater Sudbury and Metrolinx, approval from City Council through a by-law resolution is required.