

Region of Waterloo

Corporate Services

Treasury Services (Procurement)

To: Regional Council

Meeting Date: November 22, 2023

Report Title: P2016-24 Transportation Feeder Service (bus*PLUS*)

1. Recommendation:

That the Regional Municipality of Waterloo extend the contract with 947465 Ontario Ltd. o/a Voyageur Transportation Services for P2016-24 Transportation Feeder Service (bus*PLUS*) for a two (2) year period effective April 1, 2024 in the estimated amount of \$2,605,000.00 plus all applicable taxes as set out in report COR-TRY-23-034 dated November 22, 2023.

2. Purpose / Issue:

Purchasing by-law 22-034 Section 12 item 1a requires Council to approve the disbursement of additional funds in excess of the greater of \$250,000 or ten percent (10%) of the original contract price.

3. Strategic Plan:

Award of this contract meets the 2023-2027 Corporate Strategic Plan priorities to Foster car-alternative options through complete streets and extended alternative transportation networks: By expanding equitable public and active transportation networks across the region, we will make it easier for people to get around and make climate-friendly choices under Strategic Priority 2, Climate-aligned growth.

4. Report Highlights:

- 947465 Ontario Ltd. o/a Voyageur Transportation Services is delivering the original contract under P2016-24 Transportation Feeder Service (bus*PLUS*) for a five (5) year period plus two (2) one year renewal options as set out in report COR-TRY-16-99 dated September 21, 2016.
- The current contract expires on March 31, 2024

- An extension of two (2) years is required to facilitate a new Request for Proposal (RFP) and vehicle procurement timeline to the awarded to vendor.

5. Background:

BusPlus is a conventional transit service that GRT contracts out and operates on routes with relatively low ridership demands or in places where it is difficult to service with typical-sized buses. As ridership is developed using this service, routes are typically converted to operation by buses operated by Regional staff. Current routes include service to an industrial area (Route 72 Flex Bowood), a residential area (Route 76 Doon Mills), a township (Route 77 Wilmot) and a new on-demand service (Route 79 Breslau).

Voyago has been successfully delivering GRT BusPLUS services since early 2016 with the current contract beginning in 2017. As the work was satisfactorily delivered, the Region exercised the two one-year extensions.

The current contract expires on March 31, 2024 and staff are currently working on issuing a new RFP for future BusPlus service. Procurement of new vehicles for all operators is currently longer than usual. New buses may take 18+ months to be ordered and delivered.

Without extending Voyago's existing contract, a new operator without existing vehicles would be unlikely to meet the Region's needs if the contract was to begin in April 2024. There will be a risk that the Region would not be able to deliver the BusPlus service that is expected by residents of the Region.

By extending the current contract, it will be possible to properly transition to a new contract. The additional time will also allow staff to plan for any adjustments to the level or location of the BusPlus service and launch the new contract with a new Business Plan in place.

6. Area Municipality Communication and Public/Stakeholder Engagement:

Nil

7. Financial Implications:

P2016-21 (Contract Extension)	\$2,605,000
Plus: Applicable Net HST of 1.76%	<u>45,800</u>
Total	<u>\$2,650,800</u>

Note: All figures are rounded to the nearest \$100.

The Region's Preliminary 2024 Grand River Transit Operating Budget includes a provision of \$1,270,900 for the BusPlus service. The 2024 portion of this contract (\$994,000 for nine months) can be accommodated in the 2024 Preliminary Operating Budget.

8. Conclusion / Next Steps:

Subject to Council approval, the work of this contract will continue on April 1, 2024 with completion expected by March 31, 2026. A new contract would be awarded in 2024 with time available for any transition to a new contract and acquisition of new vehicles.

9. Attachments:

Nil

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