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Item No. 14.1.5
Halifax Regional Council
June 19, 2018

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY: _____
Jane Fraser, A/Chief Administrative Officer

DATE: 26/03/2018

SUBJECT: Award – RFP Number 17-378, Supply of up to Forty (40) Para-Transit Buses

ORIGIN

This report originates from Halifax Transit's annual vehicle expansion and replacement plan as established in Regional Council's approved capital budgets. On January 24, 2018, Halifax Regional Council pre-approved funding from the 2018-2019 project to purchase six (6) expansion Para-Transit buses, subject to Halifax Transit's 2018-2019 Annual Service Plan and Budget.

LEGISLATIVE AUTHORITY

Under the HRM Charter, Section 79 Halifax Regional Council may expend money for municipal purposes.

The recommended contract award complies with all of the pre-requisites for awarding contracts as set out in section 34 of Administrative Order 2016-005-ADM, the *Procurement Administrative Order*.

Section 36 of the *Procurement Administrative Order*, provides that Halifax Regional Council may approve contract awards of any amount.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Award RFP no. P17-378 "Supply of up to 40 Para-Transit Buses" to the highest scoring proponent, Crestline Coach for a total value of \$3,913,209 (net HST included) over a three-year period.
2. Authorize the purchase of six (6) Para-Transit expansion vehicles for fiscal year 2018/2019, for a total price of \$581,459 (net HST included) with funding from CM180002 (Access-A-Bus Expansion) as outlined in the Financial Implications section of this report.
3. Authorize the purchase of three (3) Para-Transit replacement vehicles for fiscal year 2018/2019, for a total price of \$290,730 (net HST included) with funding from CVD00430 (Access-A-Bus Replacement) as outlined in the Financial Implications section of this report.

BACKGROUND

The current Access-A-Bus fleet total is 41 vehicles, with 32 required for daily service. The remaining 9 vehicles are used as spares, to allow for on-going preventative maintenance and to ensure service reliability in the event of in-service failures.

The fleet replacement plan allows for the replacement of these medium-duty vehicles every five years. Beyond this established service window, this style of bus will not perform reliably. In order to maintain consistency in the style and components of the buses, proposals are issued over the span of three years. A 3-year procurement strategy promotes efficiency in the stocking of vehicle parts, standardization of mechanical training, and consistency in passenger experience. In addition, this procurement strategy provides operators with a familiar vehicle in terms of handling and control.

Halifax Transit has traditionally used a 6.6L Duramax diesel powered para-transit bus, however the diesel option has been discontinued by the manufacturer. A jurisdictional scan of para-transit providers across Canada was completed in 2017, and found that the majority of jurisdictions surveyed were transitioning their fleet to gasoline powered vehicles. As a result, Halifax Transit specified a gasoline-powered bus for the latest tender. Instead of a completely re-designed diesel bus with potentially major operational and maintenance impacts to the service, Transit will receive a cutaway chassis with identical passenger capacity and very similar maintenance requirements. Plans are in place to complete the fueling of the gasoline vehicles at existing facilities (Turner Dr) as the fleet transition is under way.

Demand for the Access-A-Bus service has experienced consistent growth year over year. The approved 2018/2019 budget recommends replacing three vehicles and purchasing an additional six vehicles to meet the predicted need of the Access-A-Bus service. At present, staff expects the use of the buses will be generally as shown in the following table:

Planned Use of Para-Transit Buses			
Fiscal Year	Replacement	Expansion	Total
2018-2019	3	6	9
2019-2020	6	2	8
2020-2021	12	2	14

DISCUSSION

Request for proposals No. 17-378 was called and posted to the Province of Nova Scotia's Procurement website on November 24, 2017 and closed on January 26, 2018. It called for the supply of up to forty Para-Transit Buses over a three year period.

Submissions were received from the following three proponents. Multiple proposals were received from companies who produce more than one model of vehicle which would meet the requirements of the RFP:

1. Girardin Inc.
2. Crestline Coach (2 proposals provided)
3. Overland Custom Coach (2 Proposals provided)

The proposal submissions were evaluated using a two-envelope process. Envelope one was the technical component of the RFP. Envelope two consisted of the lump sum project cost for this project. Only those proponents that received 75% or better on the technical submission (52.5 points out of a maximum score of 70 points) from envelope one had their cost envelopes opened and evaluated.

After completion of the envelope one process, the submissions from all proponents met the required 75% on the technical submission, as per the terms and conditions of the RFP, and had their cost envelope opened.

Please refer to Appendix A which provides a scoring summary and overall pricing detail for the proposals, with the Crestline proposal one receiving the highest overall score. Crestline proposal number one received the highest score in the technical evaluation, and also had the lowest overall cost. Therefore, staff is recommending award of the agreement to Crestline Coach.

The final scores are as follows:

Proponent	Score (Max 100)
Crestline (Proposal 1)	96.33
Overland (Proposal 1)	91.81
Crestline (Proposal 2)	91.11
Overland (Proposal 2)	90.93
Girardin	86.41

FINANCIAL IMPLICATIONS

The first year unit price is \$92,927 plus net HST of \$3,983 for a total of \$96,910 including net HST. Total cost for the supply of 9 units in the first year of the agreement is \$872,189.

Funding is available from Project Accounts No: CVD00430 (Access-A-Bus Replacement) and CM180002 (Access-A-Bus Expansion)

The budget availability has been confirmed by the finance department.

Budget Summary:

<u>Project Account No. CVD00430 – Access-A-Bus Replacement</u>	
Cumulative Unspent Budget:	\$293,246
Less RFP No. 17-378(3 Access-A-Buses)	<u>\$290,730</u>
Balance	\$ 2,516

Budget Summary:

<u>Project Account No. CM180002 – Access-A-Bus Expansion</u>	
Cumulative Unspent Budget:	\$583,231
Less RFP No. 17-378(6 Access-A-Buses)	<u>\$581,459</u>
Balance	\$ 1,772

RISK CONSIDERATION

There are no significant risks associated with the recommendations in this Report. The risks considered rate Low. To reach this conclusion, consideration was given to the following:

- Crestline Bus is a well-established vendor of para-transit vehicles in Canada, and has a history of supplying Halifax Transit with vehicles.

- The vehicles specified have few substantial changes from buses in service, with the exception of powertrain components. All functional changes to the buses have been evaluated by maintenance and operations personnel during the tendering process.
- The new buses will be supplied with a gasoline powertrain due to the discontinuation of the existing GM 6.6L Duramax in the cutaway cab/van chassis. While this will be a small operational and technical change for Halifax Transit, procedures are in place to ensure a smooth and effective transition to the new buses.

ENVIRONMENTAL IMPLICATIONS

Replacing vehicles that have reached their earliest replacement point (ERP) reduces service impacting breakdowns that may result in cancelled trips; reducing operating cost and GHG production.

ALTERNATIVES

Regional Council could decide not to approve the RFP award and subsequent purchase of para-transit buses. This is not the recommended course of action, as it would decrease the reliability of the service by keeping buses in service past their recommended replacement age. As a result, maintenance and operations costs would increase to maintain the aging vehicles.

Deciding not to purchase the required expansion buses would negatively impact Halifax Transit's ability to deliver on service targets as described in the current strategic plan, will result in a decreased ability to service customer requests for para-transit.

ATTACHMENTS

Appendix A – Scoring Summary and Pricing Detail

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

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Evaluation for RFP 17-378

Minimum of 52.5 technical points are required to have cost envelope opened

	Summary (considerations may include but are not limited to the following)	Max Score	Vendor				
			Girardin	Overland 1	Overland 2	Crestline 1	Crestline 2
			Average	Average	Average	Average	Average
1. Technical	<ul style="list-style-type: none"> Compliance with performance evaluation, body/structure/interior/doors, power train, suspension, steering, communication information system, electrical, HVAC, etc 	30	21.33	28.67	27.33	28.67	25.33
2. Durability	<ul style="list-style-type: none"> Altoona and other product testing information 	15	13.33	12.00	12.00	15.00	15.00
3. Operating	<ul style="list-style-type: none"> Fuel Economy 	10	9.40	9.40	8.07	9.67	9.67
4. Bus Operation	<ul style="list-style-type: none"> Work station ergonomics, ease of operation, driveability and vehicle controls 	15	14.00	14.33	14.33	13.00	13.00
Subtotal (Technical Proposal)		70	58.07	64.40	61.73	66.33	63.00
Cost		30	\$ 4,129,621.31 28.34	\$ 4,250,938.26 27.41	\$ 4,017,530.55 29.20	\$ 3,913,209.09 30.00	\$ 4,159,458.58 28.11
		100	86.41	91.81	90.93	96.33	91.11