

# Transit Procurement Initiative

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2022-23  
Annual Report



*Transit Procurement Made Easy*



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## TPI is part of the Metrolinx Act

*...“act as the central procurement agency for the procurement of local transit system vehicles, equipment, technologies and facilities and related supplies and services on behalf of Ontario municipalities”.*  
(Metrolinx Act, 2006, s.5 (1)(b)).



## A message from Metrolinx's President & CEO

# Phil Verster

The Metrolinx Transit Procurement Initiative (TPI) continues to innovate and grow to meet the needs of a transit industry as it transitions to electric fleets. The team successfully awarded its first contract for a battery electric bus fleet electrification study. Over the past fiscal year, TPI managed \$235.7M worth of contracts on behalf of 30 municipal transit purchasers and saved \$7.85M for Ontario taxpayers. TPI's network of partners has created a more interconnected Ontario, and I'm excited to see their progress moving forward.



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## A message from the Manager of TPI

# Kristy Mlakar

The TPI team went through a personnel transition this year and has worked hard to continue delivering the value that our transit partners have come to expect. We are looking forward to building on the past success of the program while finding new ways to meet the needs and priorities of our partners. Despite ongoing industry-wide challenges with inflation and supply chain delays, our team was able to award three new contracts and achieve an estimated \$7.85 million in cost avoidance and savings for Ontario taxpayers. Thank you to our transit partners for your continued trust and support of the program.



# How We Work & Who We Work With

Public transit is the foundation of a liveable city. An efficient transit system is essential to facilitating faster commutes, more convenience, lower emissions and less congestion. With more and more Ontarians returning to work and school, it's important for municipalities to be prepared with the most effective technologies and competitively priced transit goods and services.

Metrolinx's TPI has become one of North America's most innovative transit procurement programs. Since the program began in 2006, the TPI has conducted 26 joint procurements for 54 transit agencies (TA). The TPI team helps small, medium and large transit systems across the province save tax-payer dollars. The team is comprised of industry experienced staff who develop performance-based technical specifications and tender documents, evaluate and award procurements and manage contracts for the entire project lifecycle.

The TPI program is entering the second leg of the current program Governance Agreement (GA), which runs from 2019-2024. The GA is an agreement between Metrolinx and the participating municipalities outlining the principles of facilitating joint procurements and each party's respective role and responsibilities. The GA outlines the program's overarching governance structure, while each project establishes its own steering committee and terms of reference to guide the development of a specific procurement. To execute a GA with Metrolinx, each TA requires a board or council by-law resolution. Signing onto the GA does not obligate a TA to participate in any contracts, it simply makes the process more streamlined if a TA decides to purchase off any one of the TPI's contracts in the future.

## Our Year in Review

The TPI team continuously aims to facilitate the most seamless and valuable procurement processes possible for its transit partners. This year, the TPI team has begun to place more emphasis on program communications, including conducting an end-of-year survey to collect detailed feedback and a ranking from the TA on the value of different services the TPI program provides. There was an increase in the number of newsletter updates throughout the year, periodic steering committee check-in meetings were scheduled and the website has been updated to act as a quick reference for TPI information. Looking forward, the TPI team is working to develop a secure partner webpage where project documents can be more easily shared and collaborated on with TPI stakeholders.

The team also kept busy this past year awarding three new joint procurement contracts, closing three existing contracts and preparing for new joint procurements in the upcoming year. The team has remained focused on delivering the Battery Electric Bus (BEB) Joint Procurement Roadmap (see page 6) and serving as a centre of expertise for transit electrification. Overall, the TPI team is thrilled with the progress the program has made over the past year and is excited to continue working with its TPI partners over the upcoming year.

## This Year's Achievements Fiscal Year 2022-2023

## Overall Program Achievements 2006-2023

8

Active Contracts

Joint Procurements

26

\$7.85M

Program Savings & Cost Avoidance

\$46.5M

\$71.9M

Contract Value

\$1.07B

30

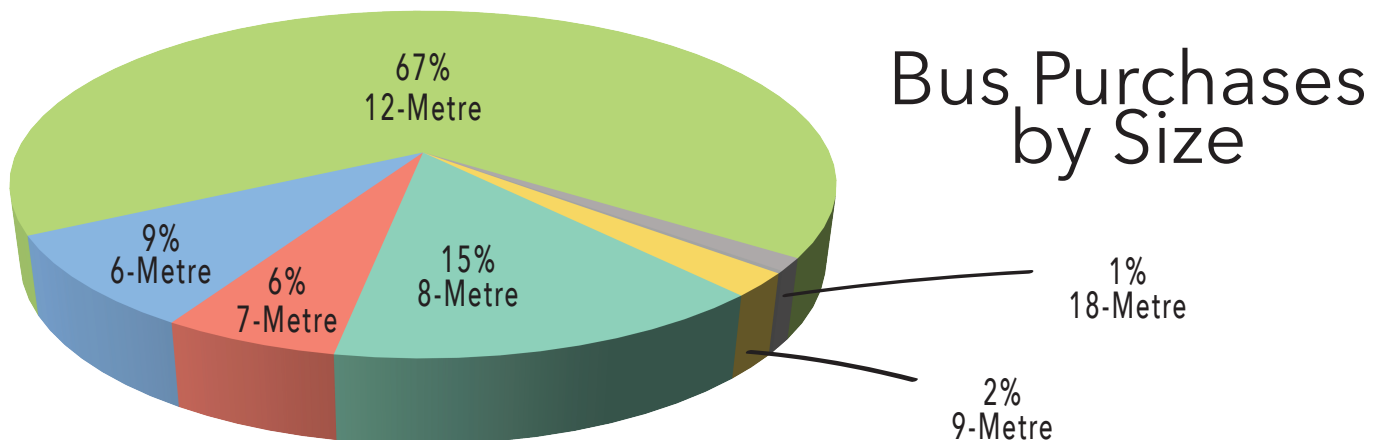
Number of Purchasing TA

54

114

Buses Purchased

2,530



Note: 10.5-Metre buses have made up less than 1% of purchases.

# 2022-2023 Active Bus Contracts



## 6-Metre Minibus

Supplier: Creative Carriage

- Contract term: Jul. 2021-Jul. 2024
- 23 buses orders in FY 2022-23
- Six participating TA



## 7- & 8-Metre Low Floor Bus

Supplier: Creative Carriage

- Contract term: Oct. 2022-Oct. 2024
- 46 estimated bus orders
- Eight participating TA
- ✓ Awarded this year



## 12- & 18-Metre Diesel Bus

Supplier: Nova Bus

- Contract term: Jan. 2021-Jan. 2024
- Hybrid & CNG\* options available
- 89 buses orders in FY 2022-23
- 19 participating TA



## 12- & 18-Metre BEB

Supplier: TBA

- Contract term: Q3 2023-Q3 2025
- 38 estimated bus orders
- Nine participating TA
- Award pending

\*Compressed natural gas

# 2022-2023 Active Contracts

## Battery Electric Bus Feasibility Study

Supplier: HDR

- Contract term: Apr. 2022-Apr. 2024
- 14 participating TA
- ✓ Awarded this year

## ITS/AVL\*

Supplier: Consat Canada

- Contract term: Apr. 2016-Apr. 2023
- 17 participating TA

## Batteries

Supplier: Canadian Energy & Power Corp.

- Contract term: Mar. 2023-Mar. 2025
- Six participating TA
- ✓ Awarded this year

## Closed Contracts

### 7- & 8-Metre Low Floor

Supplier: Creative Carriage

- Contract term: Nov. 2018-Mar. 2022
- 17 participating TA
- 252 buses ordered

### 7- & 8-Metre High Floor

Supplier: Overland Custom Coach

- Contract term: Oct. 2018-Oct. 2021
- Eight participating TA
- 25 buses ordered

## Batteries

Supplier: Great Northern Battery Systems

- Contract term: Jan. 2020-Feb. 2023
- Five participating TA
- 2,600 batteries ordered

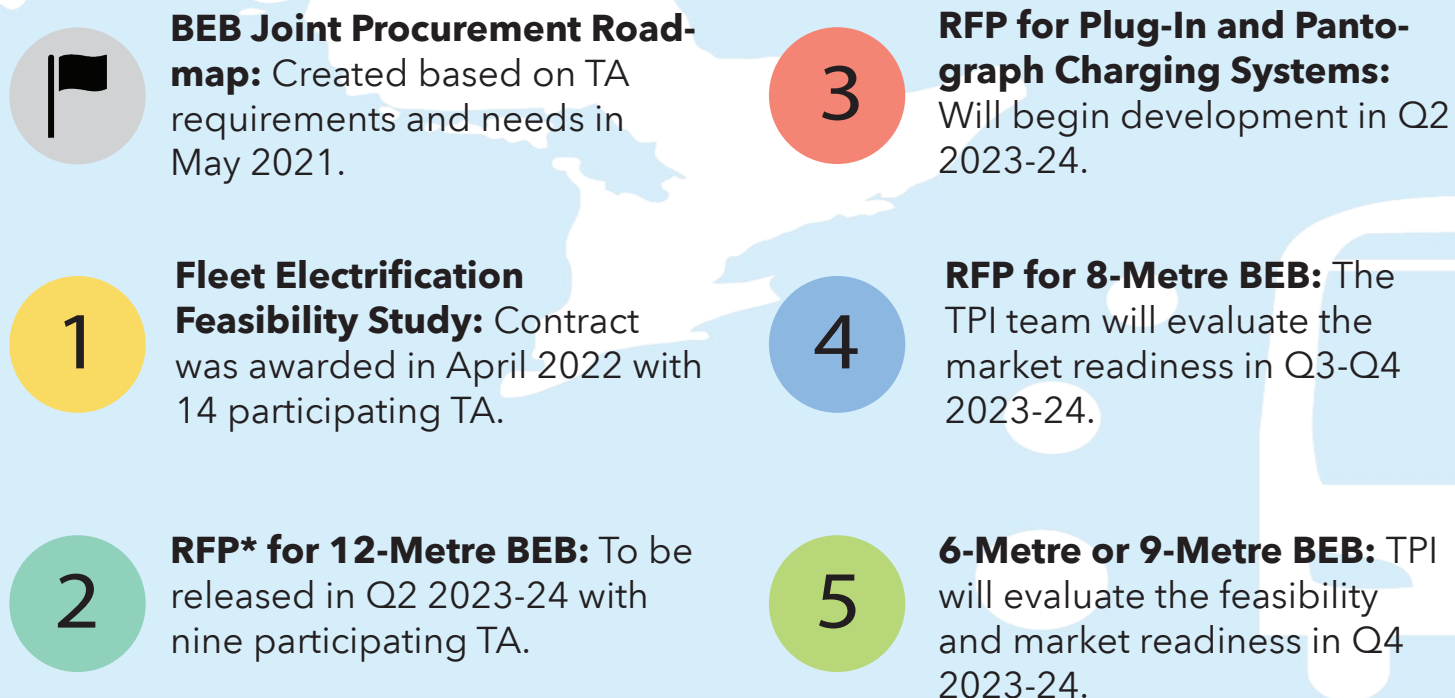
A **big thank you** to the vendors we worked with over the past year!





# Electrification Plan

The TPI team developed a BEB Joint Procurement Roadmap to layout the series of proposed procurements that the TPI program will execute to support our transit partners electrify their fleets.



## Program Cost Recovery

In 2019, Metrolinx completed a corporate financial review that resulted in a new requirement for the TPI to recuperate the program's operating budget from participating TA through a program cost recovery (PCR) mechanism. The first PCR fees were implemented in 2020 and are now included in all active contracts. TPI tracks all PCR data and works closely with the project steering committee to ensure that the fees associated with each contract do not outweigh the benefits TA partners receive through procurement efficiencies, contract management and bulk purchasing savings.

The PCR fee revenues have shown significant year-over-year growth. This past fiscal year, the TPI was able to recuperate 50.6 per cent of the program's operating costs. The TPI team is working hard to improve the operating efficiencies by streamlining and automating processes to manage more active contracts, while also strengthening program communications to increase the number of participating TA per contract.

Fiscal Year	Percentage of Operating Budget Recouped
2020-21	0.82%
2021-22	34.1%
2022-23	50.6%

# Transit Partner Feedback

TPI releases periodic, anonymous client surveys to measure how satisfied the TA partners are with the program. It's helpful to see how the program is succeeding and where it can improve. The TPI team is proud of the 2022-23 overall 94.3 per cent satisfaction rate and will continue to strive to reach 100 per cent.



*"The TPI program is an invaluable asset to smaller transit agencies and we are fortunate to work with such professionals. Keep up the great work!"*

*"In my opinion, the TPI team has done great work and has provided exceptional technical and administrative support throughout the procurement process."*

*"Excellent service."*

*"Collaboration and lessons learned from other TA is helpful in the development of procurements."*

*"Time and expertise on various procurements practices are very appreciated, especially for a smaller municipality."*

*"The TPI program has been of significant benefit to our transit agency, saving hours of labour and costs. The employees are committed to helping and educating our agency. I have had only positive experiences with the TPI program."*

*"TPI provides access to industry contacts which extends our knowledge base to pull from when issue troubleshooting."*

*"The people at TPI are a pleasure to deal with, and provide an unbiased source of information and advice when performing procurements."*

*"TPI keeps TA informed and provides support in getting clarification on our concerns."*

# A Big Thank You to Our Partners



## Meet the Team



Kristy Mlakar  
TPI Manager

Gabe Aivazian  
Director, Procurement



Paul Buck  
Sr. Project Lead

Andrea Carlisle  
Program Advisor





