

Transit Procurement Initiative

Transit Procurement Made Easy

Annual Report

Fiscal Year
2024-25

Table Of Contents

- 1) The Team
- 2) Program Overview
- 3) Key Performance Indicators
- 4) Program Statistics
- 5) Active Contracts
- 6) Closed & Upcoming Contracts
- 7) Looking Ahead

The Team



Metrolinx recently welcomed Michael Lindsay as the interim President and CEO.

A Message From Metrolinx's Interim President and CEO

"This year has been an outstanding success for the TPI program. The team managed contracts covering 15 different types of buses, goods and services, achieving over \$11 million in savings and cost avoidance for Ontario taxpayers. The program also welcomed five new transit agencies – a significant milestone in its continued growth. Additionally, the TPI team achieved an all-time high satisfaction rate of 96.5% from transit partners. Looking ahead, the program will explore ways to promote domestic production, supporting local businesses and strengthening Canada's and Ontario's supply chain."



Sarah Armstrong
Vice President (A),
Procurement Services



Gabe Aivazian
Director,
Procurement Services

A Message From TPI's Senior Manager



Kristy Mlakar
Sr. Manager,
TPI

"The TPI program achieved exceptional milestones this year, reflecting a period of significant growth and impact. The team managed nine active contracts and facilitated the largest total value of goods and services ever purchased through our contracts in a single year – \$267 million. Notably, the first electric buses and chargers were delivered under our program, marking a significant step toward a zero-emission transit future. While we celebrate these achievements, the year was not without its challenges due to evolving market conditions. We are deeply grateful to our transit and vendor partners for their close collaboration and support as we navigated these challenges together. I look forward to continuing this important work in the year ahead and delivering even greater value to our transit partners."



Paul Buck
Sr. Project Lead,
TPI



Paul Ludin
Sr. Project Officer,
TPI



Lawrence Au Yeung
Sr. Project Officer,
TPI



Andrea Carlisle
Program Advisor,
TPI

Program Overview

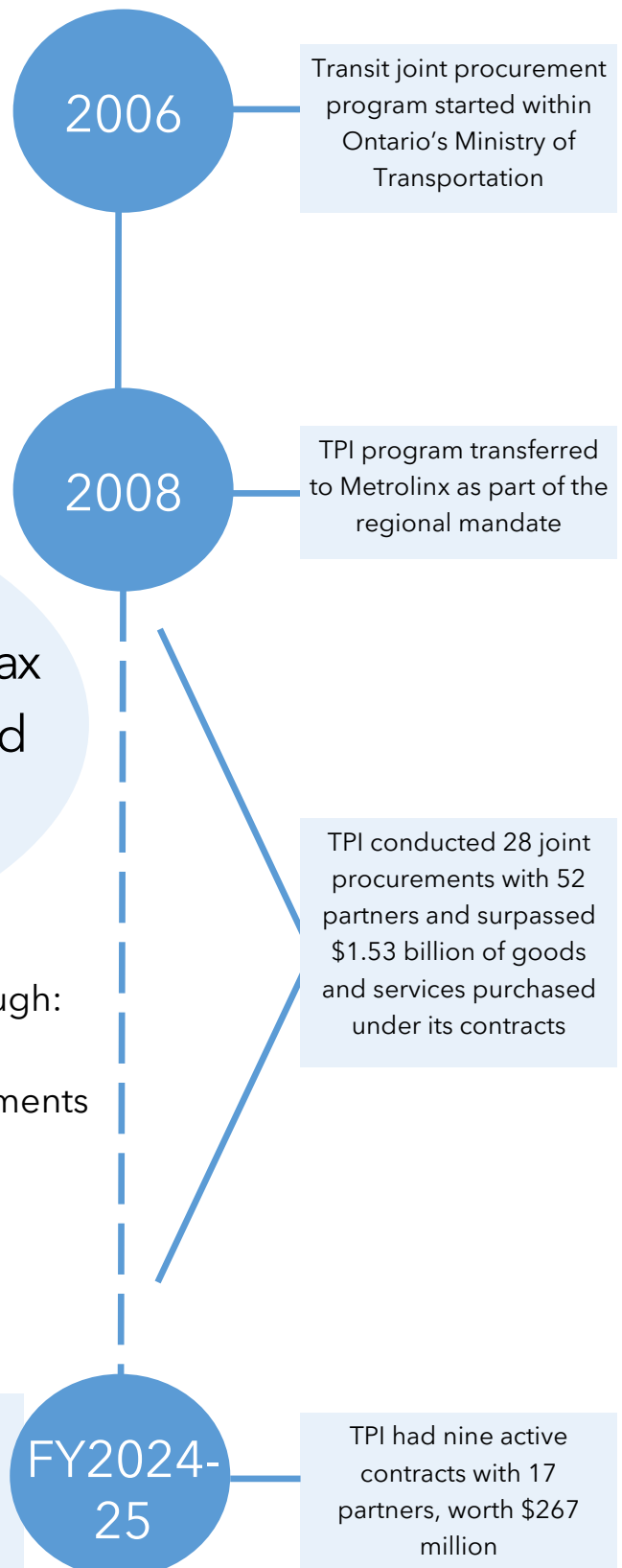
Metrolinx's Transit Procurement Initiative (TPI) is a leading model for joint transit procurements in North America. TPI helps transit agencies of all sizes achieve substantial cost savings by leveraging the expertise of a specialized team of procurement and industry experts. These professionals conduct comprehensive market research, develop performance-based technical specifications, manage the procurement process and provide end-to-end contract management.

Since 2006, TPI has saved Ontario tax payers **\$75.3 million** and facilitated the purchasing of **3,141 buses**.

Transit agencies participating in TPI contracts benefit from savings and cost avoidance through:

- Economies of scale
- Comprehensive quality assurance requirements
- Price protection in multi-year contracts
- Enhanced vendor support
- Extended warranty agreements
- Contract management services
- Reduced labor costs

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))



Key Performance Indicators

TPI's partners purchased

**\$267.07
million**

worth of goods and services

TPI's partners saved

**\$11.13
million**

through the use of TPI's contracts

17

Transit Agency
Purchasers

5

New Transit Agency
Partners

9

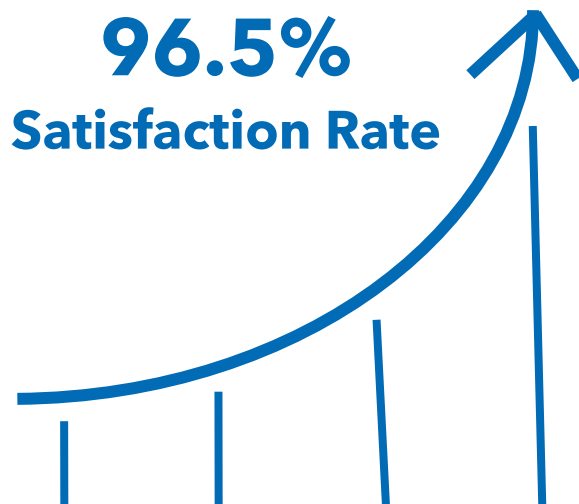
Active Contracts

269

Buses Purchased

Anonymous Transit Agency Feedback

The TPI team released two partner satisfaction surveys this year and the partner satisfaction rate increased over last year. Thank you to everyone who participated!



"I can't say enough positive things about the TPI staff, they're a great team to work with and be a part of."

"Being new to transit, it was good to have TPI's knowledge and support."

"TPI undertaking the procurement duties has made things much easier for our agency. The technical expertise of the TPI staff is very valuable and informative"

Program Statistics

The TPI team was delighted to welcome five new transit agencies to the program. The team is looking forward to collaborating with them and extending the benefits of the TPI program.

BWG Transit

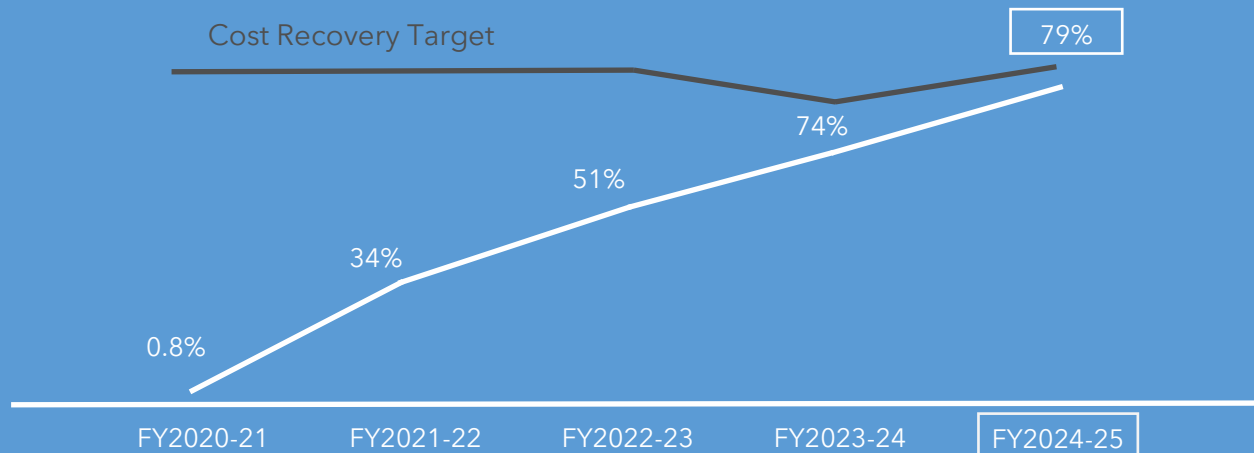


Kingston Access Bus



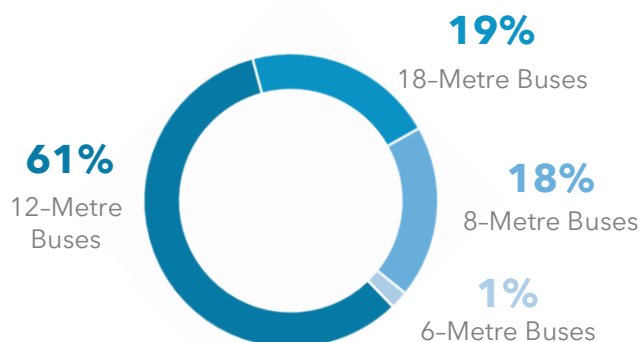
Program Cost Recovery (PCR)

In 2020, TPI was mandated to recoup the program's operating cost to Metrolinx. The TPI team works closely with project steering committees to ensure that PCR fees do not outweigh the benefits transit partners gain from procurement efficiencies, effective contract management and bulk purchasing savings. The PCR target is calculated annually based on the actual operating costs of the program over the fiscal year.

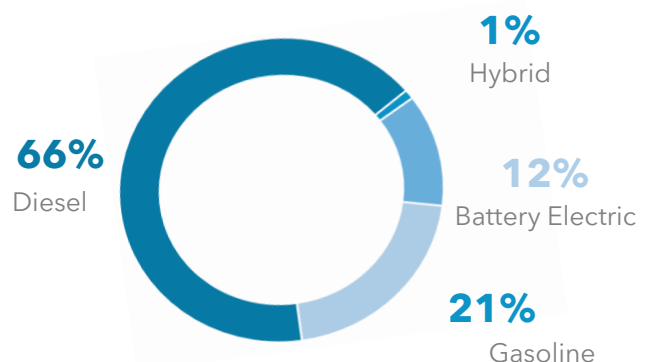


Bus Purchases by Length and Propulsion

The first battery electric buses were purchased under the TPI program this year. Overall, battery electric buses represented 13% of all buses purchased this year.



Purchases by Bus Length



Purchases by Bus Propulsion

Note: 7-metre gasoline buses made up 0.4% of this year's bus purchases.

Active Contracts

12- & 18-Metre Diesel, Hybrid & CNG Buses

January 2024–January 2027
11 participating transit agencies



12- & 18-Metre Battery Electric Buses

October 2023–October 2025
10 participating transit agencies



6-, 7- & 8-Metre Gasoline Buses

October 2024–October 2027
12 participating transit agencies



Intelligent Transportation Systems – Automatic Vehicle Locator

March 2025–March 2035
14 participating transit agencies



Electric Bus Charging Equipment

May 2024–May 2026
Seven participating transit agencies



12-Volt Batteries

March 2023–March 2025
Five participating transit agencies



Closed Contracts

6-Metre Gasoline Minibuses

July 2021–July 2024
10 participating transit agencies



7- & 8-Metre Gasoline Buses

October 2022–October 2024
9 participating transit agencies



Fleet Electrification Study

April 2022–April 2024
14 participating transit agencies



Upcoming Contracts: FY2025-26

While the team has taken a proactive approach in supporting transit agencies with fleet electrification, we also recognize the operational and financial challenges associated with the adoption of electric buses. In February 2025, a survey was conducted for all Ontario transit agencies to assess interest in and demand for joint procurements of various bus types and sizes, as well as other transit-related goods and services. Based on the results from the survey, the TPI team established procurement priorities for the upcoming year.

In FY2025-26, the TPI team plans to develop and/or award the following joint procurement contracts:

- Turnkey package for electric bus charging equipment
- On-board video surveillance systems
- Wheels
- Tires
- In-production inspection services
- 12-volt batteries
- 6- to 8-metre specialized buses (battery electric)
- 9-metre buses (diesel and electric)
- 12-metre buses (battery electric)

Looking Ahead

With several efficiency initiatives successfully completed, the TPI team is now focused on future planning and strategy

FY2024-25 was a pivotal year for the TPI program. After dedicating significant effort to identifying inefficiencies and streamlining processes, the team is now able to develop and manage a greater number of concurrent active contracts.

However, this year also brought significant challenges due to market conditions. Several major bus manufacturers faced bankruptcy, operational closures or other financial difficulties. While new manufacturers are entering the market, timelines for full production readiness and the completion of durability testing remain lengthy. Inflation and extended bus delivery times continue to impact both vendors and transit agencies. Amid these challenges, the TPI team is grateful for the strong working relationships with program stakeholders, which have been critical in navigating and responding to these conditions.

Looking ahead, the TPI team is committed to strengthening local supply chains and supporting Ontario and Canadian domestic economies. The team will explore opportunities to prioritize Canadian-made products in future procurements and sourcing more components from Ontario suppliers to enhance resiliency and contribute to economic growth. This shift aligns with Metrolinx's broader goals of sustainability, reliability and long-term value for Ontario communities.

The TPI team will continue incorporating vendor feedback and adapting to the evolving needs of our transit partners by refining commercial terms and procurement strategies to reflect current market realities. We look forward to expanding our contract portfolio and welcoming even more transit agencies to the TPI program.

Our Partners



