

To: David Creery, Chief Administrative Officer
From: Harold de Haan, City Engineer
Re: Purchase of a Replacement-Transit Bus

AIM

To obtain City Council approval for additional funds to purchase 1 NOVA bus.

BACKGROUND

On December 12, 2024 City Council approved the sole source purchase of one Nova diesel bus. The approved 2025 Capital Budget included \$750,000 for this bus replacement. The bus is slated to be purchased using Provincial Dedicated Gas Tax funds. Staff had originally requested a quote from Nova for a new 40' low-floor bus and received a verbal quote of \$639,952.00 excluding taxes. The remaining funds in the budget will be used for painting and installation of radios, fare boxes, GPS and other equipment.

Upon approval from Council to proceed with the purchase of a Nova bus, Staff requested a written quote from Nova so that Staff could proceed with the purchase. Staff received the written quote from Nova on January 23, 2025 for a 40' Nova bus in the amount of \$869,999. This amount exceeds the approved budget amount.

COMMENTS

Since the quoted price was significantly over past cost, the verbal quote and budget, Staff contacted another Canadian bus manufacturing company to obtain a comparable price. The verbal price quoted was similar to the recently received quote from Nova. One of the aspects that the City liked about Nova was that it was a Canadian firm. For this reason, Staff did not attempt to obtain quotes from non-Canadian bus manufacturers. Staff is also concerned how possible tariff increases may impact the purchase of a non-Canadian bus. Based on this, Staff is of the opinion that it will be doubtful if a bus can be purchased for a significantly cheaper price.

Staff have budget approval to begin working on a Transit Study this year and one of the objectives of the study will be to consider a plan for future bus replacements. Until then, Staff is of the opinion that since our Fleet consists of 100 percent Nova Buses it would be practical for maintenance and operational reasons to purchase a Nova Bus until a future course of action is determined for bus replacements.

Based on the above, Staff requests approval for an additional \$130,000 in order to proceed with the purchase of the quoted bus.

RECOMMENDATION

That Woodstock City Council confirms the waiver of the tendering requirements of Municipal Code Chapter 376 – Procurement of Goods and Services and authorize the purchase of one 2025 Nova transit bus in the amount of \$869,999 plus HST and further,

That an additional \$130,000 be funded using Provincial Dedicated Gas Tax.

Authored by: Harold de Haan, P.Eng., City Engineer

Approved by: David Creery, P.Eng., MBA, Chief Administrative Officer