

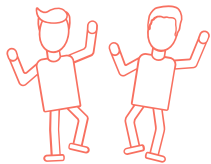
TRANSIT PROCUREMENT INITIATIVE

2021-2022 ANNUAL REPORT

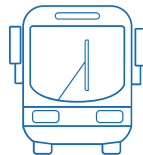
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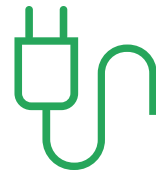
2021-22 Highlights



One new municipal partner (page 5)



2,000th bus delivered (page 14)



Battery electric bus consulting services contract award (page 14)



93.7% average client satisfaction rate (page 6)



\$38.6M overall program savings/cost avoidance (page 8)



9.8% growth in bus order intake (page 8)



Surpassed the \$1B mark in overall contract value (page 14)

A MESSAGE FROM OUR PRESIDENT & CEO

Metrolinx's Transit Procurement Initiative (TPI) has been delivering consistently efficient services to our municipal partners over the past year despite the challenges the public transportation sector has endured as a result of the pandemic. TPI has proved, once again, the durable value of influencing capital and operating purchases of transit-related goods and services through collaboration. In the past year, TPI surpassed the \$1 billion contract purchases mark and welcomed the City of Brantford into the program as the 54th partner. TPI's services allow partnering municipalities to resource more efficiently, maximize their investments, and emphasize focus on their transit users' needs.



Keep well,

Phil Verster



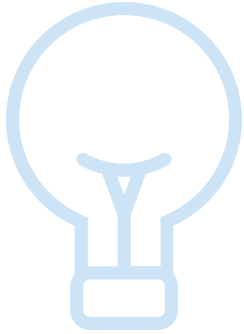
A MESSAGE FROM THE MANAGER OF TPI

The TPI team is thrilled to share key highlights and achievements delivered this past year. Our successes were made possible with the continued trust and collaboration of our transit partners recognizing the tangible value and benefits delivered by the TPI program. In spite of the challenges, together we delivered the 2,000th bus, increased our partnership footprint, executed on a future technologies roadmap and moved the needle on client satisfaction experiences. Our commitment to establishing mutual goals with our partners is essential in today's operating environment in delivering transit rider experience and savings to municipalities and taxpayers. Thank you for your participation and we look forward to building on our success in the coming year.

Best regards,

Yolanda da Silva

Governance Structure



Did you know? TPI is a 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)).

Strategic Advisory Committee



TPI has a Strategic Advisory Committee that typically meets at least once a year. Currently, TPI is assessing a new approach and is excited to welcome some new members!

The current Governance Agreement (GA) came into effect on April 1, 2019 and will be expiring March 31, 2024. It covers transit-related goods and services and there is no cost for a transit agency (TA) to join. It acts as an agreement between Metrolinx and the participating municipalities and outlines the principles of facilitating joint procurements. It only requires one council/board by-law resolution.

With 35 by-law resolutions approved by councils to date, the increasing participation is indicative of the value of this program. Each project establishes its own Terms of Reference and steering committee ensuring flexibility and collaboration between Metrolinx and the TA.

Governance Agreement Partnerships 2019-2024

- CITY OF BARRIE
- CITY OF BELLEVILLE
- CITY OF BRANTFORD
- CITY OF BURLINGTON
- MUNICIPALITY OF CHATHAM-KENT
- TOWN OF COBOURG
- TOWN OF COLLINGWOOD
- CITY OF CORNWALL
- REGIONAL MUNICIPALITY OF DURHAM
- COUNTY OF GREY
- TOWN OF HALTON HILLS
- CITY OF HAMILTON
- HANDI-TRANSIT WINDSOR
- CITY OF KINGSTON
- MUNICIPALITY OF LEAMINGTON
- TOWN OF MILTON
- CITY OF NIAGARA FALLS
- CITY OF NORTH BAY
- ONTARIO NORTHLAND TRANSPORTATION COMMISSION
- TOWN OF ORANGEVILLE
- CITY OF ORILLIA
- CITY OF OTTAWA
- CITY OF PETERBOROUGH
- CITY OF SARNIA
- CITY OF SAULT STE. MARIE
- COUNTY OF SIMCOE
- ST. CATHARINES TRANSIT COMMISSION
- CITY OF ST. THOMAS
- CITY OF STRATFORD
- CITY OF GREATER SUDBURY
- CITY OF TEMISKAMING SHORES
- CITY OF THUNDER BAY
- TORONTO TRANSIT COMMISSION
- CITY OF WELLAND
- TRANSIT WINDSOR



Our Valued Partners

A total of 54 transit agencies (TA) have joined TPI since 2006. The program leverages purchasing requirements, provides precise product specifications, and achieves process efficiencies with the purpose of establishing savings for TA, their transit-users and Ontario taxpayers. TPI enables a level of flexibility that allows municipalities of all sizes to participate in a joint procurement.



"St. Catharines Transit has been purchasing buses through TPI since 2007. The time savings on the procurement process is significant and the support received from Metrolinx staff has been terrific. By attending TPI meetings we are also able to learn from other transit systems' experience. A true collaboration."

- Graham Morrison, General Manager, St. Catharines Transit Commission

Key Performance Indicators

TPI annually monitors five key performance indicators (KPI) in order to measure value, validate success and evaluate areas for improvement. The KPI allow TPI to set goals, guarantee consistency and provide an easy overview of how the program has grown over the years.



Partners: A new partner has joined TPI this year!



Surveys: The overall average client satisfaction rate is 93.7%.



Savings: Over FY2021-22, TPI has saved over \$2.8M through program savings and cost avoidance.



Buses Ordered: The overall number of buses ordered is 2416.



Market Share: TPI continues to maintain over half of the 12m bus market share.

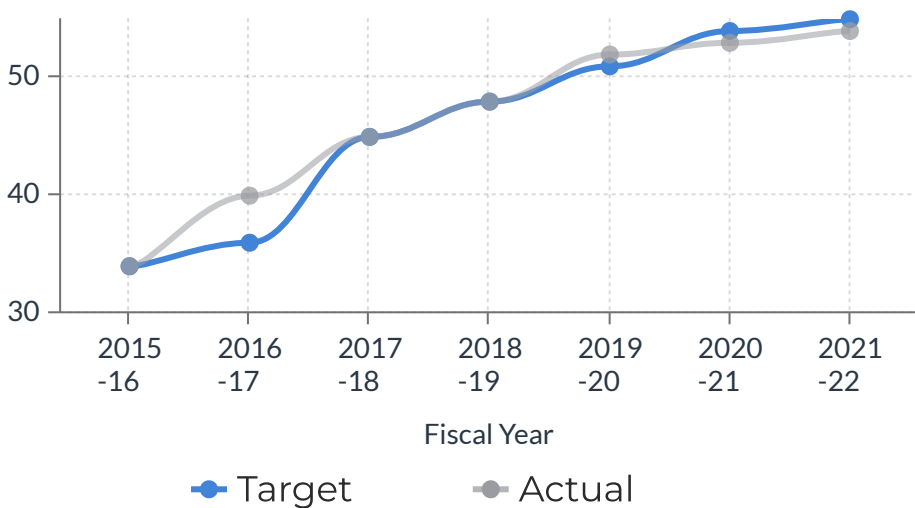




Tracking the Number of Partners

TPI is pleased to welcome The City of Brantford as newest member to the program! TPI is thrilled to see the program's reputation continuing to garner growth in participation. TPI now has a total of 54 transit partners. The TPI team continues to provide value to its partners, ensuring they receive a high level of value, confidence and first-rate customer service.

**Cumulative Number of Partners
2015-2022**



"The staff at Metrolinx made the process easy. Their procurement knowledge and technical experience was beneficial in saving Brantford Transit staff time and resources."

- Shane Pepper, Fleet Manager, City of Brantford

Fun Fact

The City of Brantford purchased four different bus types using TPI's joint procurement supply contracts in their first year!



CLIENT SURVEYS



89%

Battery Contract Management

Satisfaction Rate

August 2021

100%

Minibus Post Award

Satisfaction Rate

October 2021

99.6%

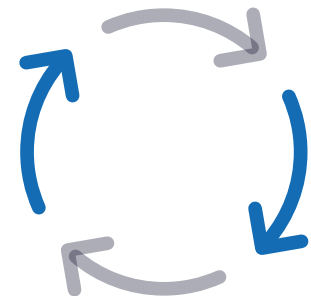
Battery Electric Bus Consulting Services Post Award

Satisfaction Rate

March 2022

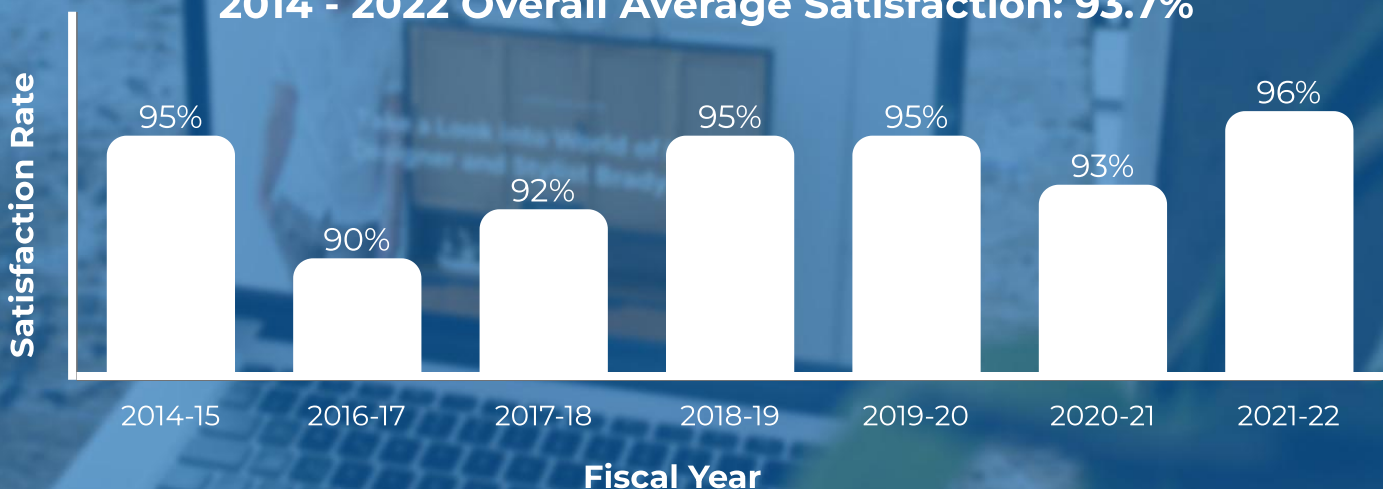
FEEDBACK

- TPI continues to add value to TA purchases through technical expertise and collaboration
- TA expectations were met or exceeded
- TA are looking forward to continuing their partnerships with TPI



CLIENT SATISFACTION RESULTS

2014 - 2022 Overall Average Satisfaction: 93.7%



ANONYMOUS CLIENT SURVEY FEEDBACK

”



City of Chatham-Kent 9m Bus

"The procurement and evaluation was handled extremely well. It was my first time as an evaluator so I had the ability to see firsthand the diligence that went into the RFP document and evaluation."

"There was improved service through the GNBS partnership as well as significant cost savings in comparison to the previous supplier we were using."

"This was a very positive experience all around."

"The overall experience was fantastic, great work by the Metrolinx team in pulling this joint procurement together. We're looking forward to a continued partnership."

"We have never had an issue with a TPI contract. I do not have any recommendations."

"I really enjoyed being a part of the Evaluation Committee, to be able to see details and hear other perspectives, and have others catch details I may have missed is invaluable."

"Very well done by all involved."

"I have no suggested improvements for any aspect of the joint procurement."

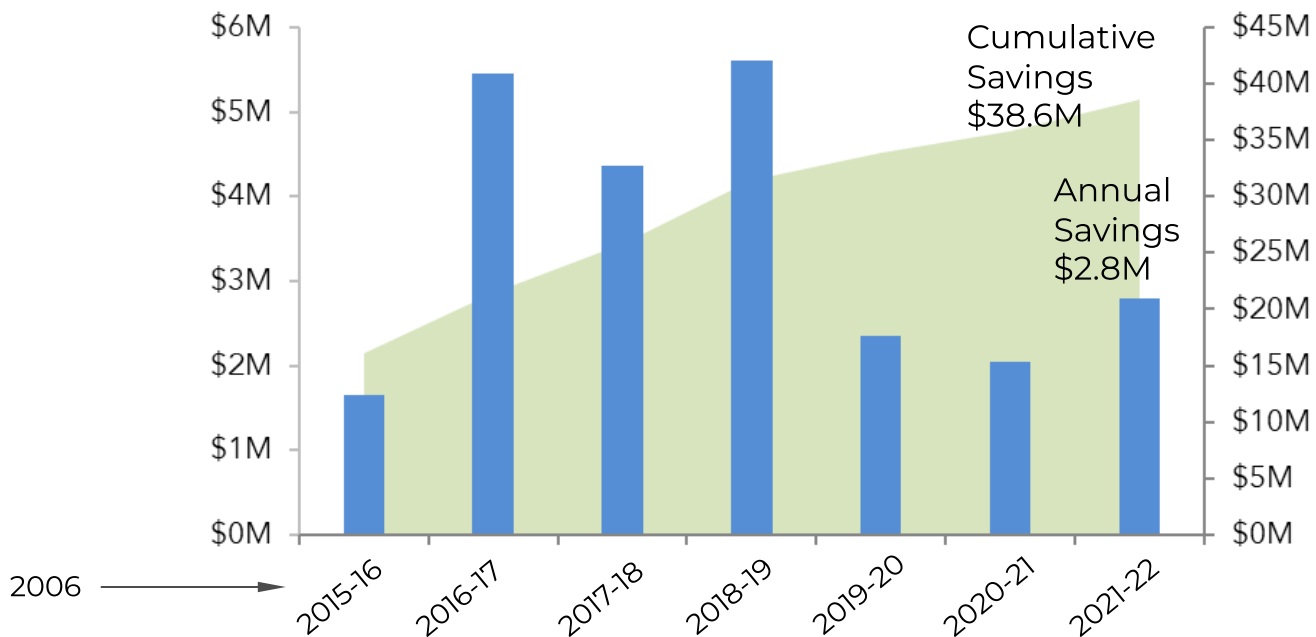
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City of Niagara Falls 7m HF

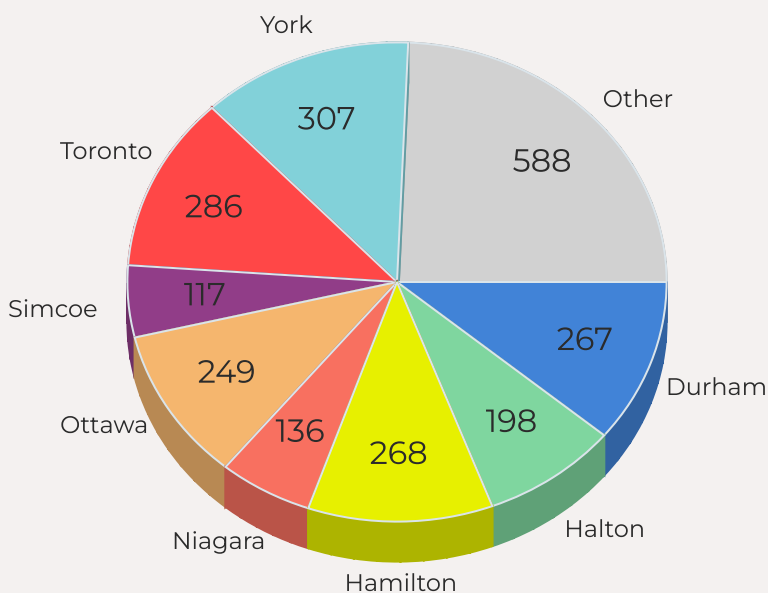
Program Savings and Cost Avoidance

The approximate administrative cost avoidance, capital and operating savings from the TPI program in **FY2021-22 is \$2.8 million**. This brings the cumulative savings **from 2006 up to over \$38.6 million**.

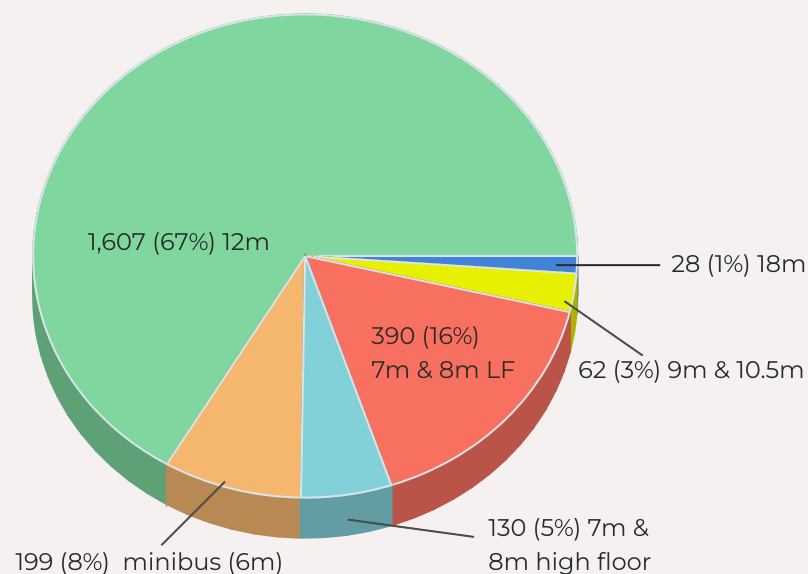


Overall Number of Buses Ordered

As of March 31, 2022, the cumulative **total number of buses ordered through TPI is 2416**, a **9.8% increase** over the previous fiscal year. TPI's bus joint procurement reaches across 30 regions in Ontario.



Buses Ordered by Region



Buses Ordered by Type

12-METRE MARKET SHARE LANDSCAPE

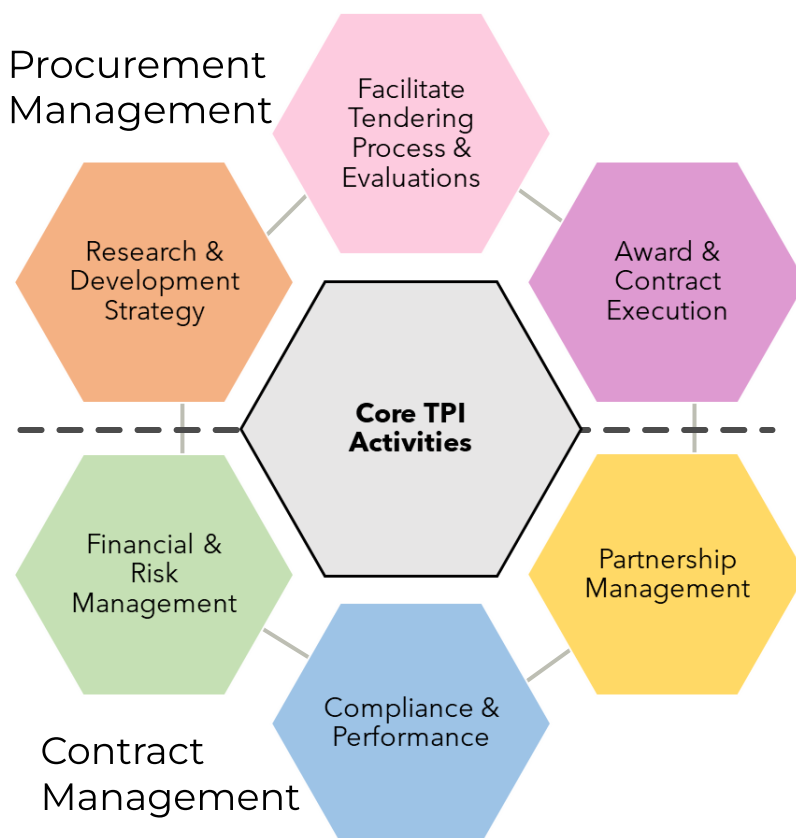
After reviewing the latest Canadian Urban Transit Association (CUTA) fact book operating data, the TPI program continues to maintain the majority of the 12m bus market share purchases. The data is based on service populations of less than two million (excludes TTC). Bus quantities are based on CUTA's fact book operating data, assuming non-TPI members and TPI members bus purchases with a 15-year replacement life.



56%

of 12m bus purchases were made through TPI

OTHER TANGIBLE TPI BENEFITS



Managing the entire process from procurement to contract execution, TPI's expertise provides further value and benefits to our stakeholders:

- Develops and manages procurement strategies, tender documents and in-market activities for all TPI members
- Completes marketplace competitive viability assessments prior to contract executions
- Completes the award and oversees contract adherence and deliverables
- Advocates for TA and helps resolve any contract disputes.

2021-2022 Active Contracts

NEW

6m Minibus

Supplier: Creative Carriage Ltd./Fiat Chrysler ProMaster



City of Orillia

Six buses ordered in FY2021-22

147 estimated bus purchases throughout contract

Seven participating TA

Estimated contract value is \$19.3 million

7m & 8m Low Floor Specialized Bus

Supplier: Creative Carriage Ltd./Arboc

65 buses ordered in FY2021-22

252 buses ordered throughout contract

17 participating TA

Approx. contract value is \$56 million

Completing deliveries by Q1 2023



City of Barrie

7m & 8m High Floor Specialized Bus

Supplier: Overland Custom Coach Inc./Glaval



City of Peterborough

Completing deliveries by Q1 2023

Five buses ordered in FY2021-22

25 buses ordered

Eight participating TA

Approx. contract value is \$3.5 million

2021-2022 Active Contracts

It's a wrap!



City of Temiskaming Shores

9m & 10.5m Conventional Bus

Supplier: Alexander
Dennis (Canada) Ltd.

Contract completed!

23 buses ordered
throughout contract

Six participating TA

Approx. contract value is
\$10.9 million

12m & 18m Conventional Bus

Supplier: Nova Bus
Corporation

141 buses ordered in FY2021-22

348 estimated bus purchases
throughout contract

21 participating TA

Estimated contract value is
\$230 million



City of Sudbury

NEW

Battery Contract

Supplier: Great Northern
Battery Systems



992 batteries ordered in
FY2021-22

1835 batteries ordered
throughout contract

Six participating TA

Current contract
purchases is \$643K

2021-2022 Active Contracts

Intelligent Transportation System; Automatic Vehicle Location (ITS/AVL)

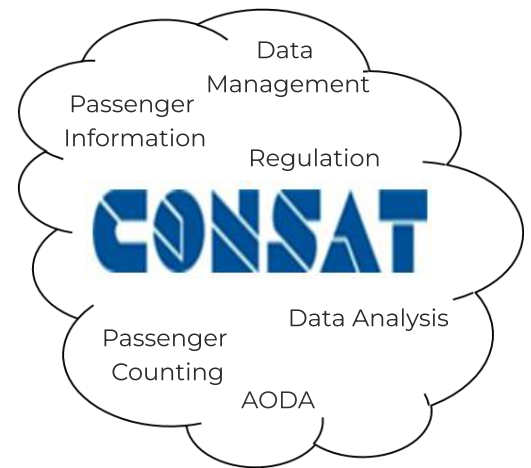
Supplier: Consat Canada Inc.

15 systems ordered in FY2021-22

303 systems ordered throughout contract

19 participating TA

Current contract purchases: \$6.8 million



On Board Video Surveillance System (OBVSS)

Supplier: Seon - Safe Fleet Brand

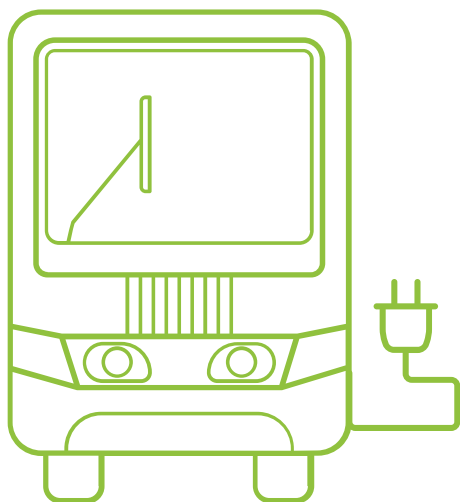


12 systems ordered in FY2021-22

633 systems ordered throughout contract

14 participating TA

Current contract purchases: \$2.5 million



Battery Electric Bus Feasibility Study

Consultant: HDR

13 participating TA

Consulting services contract awarded April 2022

Estimated contract value is \$1.8 million

NEW

Fact Sheet

| Type of Procurement | Buses Ordered |
|----------------------------|------------------|
| 18 Metre Bus | 28 |
| 12 Metre Bus | 1607 |
| 9 & 10.5 Metre Bus | 62 |
| 7 & 8 Metre High Floor Bus | 130 |
| 7 & 8 Metre Low Floor Bus | 390 |
| 6 Metre Minibus | 199 |
| | Contract Value |
| ITS/AVL | \$6.8M |
| OBVSS | \$2.5M |
| Bus Parts (TIMS) | \$15.6M |
| Battery | \$643K |
| BEB Consulting Services | Estimated \$1.8M |

Total Number of
Buses Ordered

2416

Total Number of
Joint Procurements

26



How many bus contracts?

The 12m has had a total of seven joint procurements, the specialized buses have had four, the 9 & 10.5m have had three, and the 6m has had two joint procurements.

Estimated Value of
All Contracts Issued:

\$1B

Estimated Savings and Cost
Avoidance Across All Projects:

\$38.6M

"As one of the founding members, Transit Windsor continues to support and financially benefit from the savings and staff resources realized through the joint procurement program offered by Metrolinx's Transit Procurement Initiative (TPI). TPI staff continually exceed member's expectations by providing industry experience through technical support and contract administration. TPI continues to evolve by staying connected with industry trends in their recent procurement of consulting services for fleet electrification. This will be a transformational shift for the transit industry and having TPI's knowledge and leadership to help guide the process will make the transition easier for its members. It has been a pleasure working with TPI's staff and we look forward to participating in future joint procurements."

- Tyson Cragg, Executive Director, Transit Windsor

2021-22 TPI ACHIEVEMENTS



2,000th Bus Delivered

TPI is pleased to announce the 2,000th bus has been delivered through the program! While the program started in 2006, the 1,000th bus wasn't delivered until 10 years later in 2016. Reaching the 2,000th bus milestone took half of that time, showing the incredible value and purchasing power the program provides. Thank you to St. Catharines Transit for helping mark this achievement!

Battery Electric Bus Roadmap

In late 2021, TPI held an information session for electric buses to understand TA interest level and readiness for this new propulsion system. Based on meeting outcomes, TPI built a Battery Electric Bus Joint Procurement Roadmap. The first stage of the roadmap is a consulting services joint procurement for a feasibility study and fleet electrification plan. TPI is excited to be on the forefront of electrifying fleets across Ontario.



Over \$1 Billion Contract Value

The TPI program surpassed a major milestone in FY2021-22, with the value of all purchases made through TPI passing the \$1B mark. It's exciting to see the value that the program is bringing to Ontario TA and their transit-users.



OTHER PROGRAM ACTIVITIES

Battery Electric Bus (BEB) Consulting

The first consulting services contract of the BEB Roadmap started with 13 participating TA and has already added a 14th TA in early FY2022-23. TPI is now working on the second stage of the roadmap, which focuses on electric buses and charging infrastructure. To prepare for the second stage, TPI conducted a market scan in Q1 2022 to map out available electric bus models in Canada. TPI will use the information about market availability and feedback from TA to scope the next RFP of this exciting and novel roadmap!

7m & 8m Specialized Transit Bus RFP

In FY2021-22, the 8m contract wrapped up. Although many TA are beginning to think about the transition to electric fleets, the technology still won't be able to be implemented for a few more years. Therefore, TPI will be bridging the gap with a 7m and 8m joint procurement.

Continuous Improvements

TPI is always striving to create efficiencies and streamline our processes. This year, the program will be updating the procurement RFP document and database in order to save time, ensure consistency and simplify data inputs and exports.

Program Cost Recovery Fee

Metrolinx completed a corporate review of revenues and costs, concluding that the TPI program would be required to implement a framework to recover the program's operating budget from the participating TA. It was very important for TPI to work closely with the existing steering committees to agree on a program cost recovery (PCR) fee structure that is fair to both parties. The PCR has taken a phased in approach with new joint procurements under the 2019-2024 GA.

| Program Cost Recovery | PCR Implemented |
|------------------------------------|------------------|
| Battery Contract | February 2019 |
| 12m & 18m Conventional Transit Bus | January 2021 |
| 6m Minibus | FY 2022-23 |
| BEB Consulting Services | FY 2022-23 |
| Overall PCR Collected | \$234,579 |

The PCR fee will never outweigh the benefits delivered by the program. Joint procurements increase purchasing power and efficiency by consolidating volume and technical requirements. It enhances contract deliverables while eliminating duplicate procurement activities. It brings together experts across the province, creating collaboration and relationships with TA.



"The Metrolinx TPI allows the City of Thunder Bay to enjoy the economies of scale through group purchasing of our transit buses. TPI also supplies expertise in the creation of procurement documents which also allows us to allocate our city resources to other areas".

-Doug Glena, Manager of Fleet Services, City of Thunder Bay

MEET OUR TEAM

Transit Procurement Made Easy



Yolanda da Silva
Manager

"I'm delighted to be part of an initiative that works collaboratively with our clients, who bring so much passion and energy to the table."



Kristy Mlakar
Sr. Project Lead

"Working with our amazing transit partners over the past eight months to develop a BEB Roadmap has been a rewarding challenge. I am looking forward to developing and releasing our next procurements for electric buses! "



Henry Bekker
Sr. Project Officer

"Being part of TPI has allowed me to help Ontario Transit Agencies to source vehicles and other equipment to allow them to serve their residents within the communities."



Andrea Carlisle
Program Advisor

"I joined the TPI team in February of 2022 and it has been a fantastic experience. It's been really rewarding working on a program that brings such multi-faceted value to Ontario and its residents."

Here's how the TPI team spends their free time

On the weekends Yolanda enjoys going on bike rides and hikes with her family.

Outside of work, you can find Kristy going on runs, cooking and enjoying a good podcast.

In his free time, Henry likes to spend time with his grandkids and enjoys going camping.

Andrea enjoys taking her dog on hikes and reading some good books.

Procurement Service Transformation

Over the past year, the Procurement Services department has undergone a transformation that now sees the TPI team reporting to Gabe Aivazian, Director of Procurement - Operations, Enterprise Asset Management and TPI. While continuing the great work the procurement team brings to the table, the new arrangement will be structured to support clients' specific business needs, while providing strategic procurement advice with a commercial focus.



