

REPORT FROM THE ACTING DIRECTOR OF PUBLIC WORKS

Re: Extension to RFP 2016-01 for Conventional Transit Services

RECOMMENDATION

THAT Council approve a 5% (1) year contract extension to RFP 2016-01 for conventional transit services until August 31st, 2024 with AJ Bus Lines Ltd.

AND THAT Council pass the appropriate By-Law to enter into a contract with AJ Bus Lines Ltd. to provide conventional transit services for the period from September 1st, 2023 to August 31st, 2024

BACKGROUND

It is recommended that we offer a one year contract extension for conventional transit delivery. This allows staff realize the recently approved and awarded transit study project that seeks to do a complete in-depth review of the entire transit system. Staff can then review the recommendations of the study to inform the scope of work defined in a forthcoming request for proposals to provide to the next multi-year contract for the operation of conventional transit services. The City of Elliot Lake was approved for over \$900,000 in funding through the ICIP transit fund, which can be used for a review of the entire transit system as well as the purchase of new shelters, busses and potentially the implementation of a smart card system.

FINANCIAL IMPACT

The city has negotiated a 1-year extension offer, with a 5% annual increase to AJ Bus Line's contract to provide specialized transit services to the City as per RFP 2016-01. This would result in an hourly rate of \$78.00, and an approximate anticipated annual cost of **\$336,000.00** plus applicable taxes to provide conventional transit services for the period starting September 1st of 2023 and ending August 31st of 2024. This expense would be accounted for in the preparation of the upcoming 2024 operations budget.

A copy of a proposal letter from AJ Bus Lines Ltd. is attached to this report for Council's review.

SUMMARY

It is recommended that council approve the 5% annual increase for conventional transit services (AJ Bus Lines) starting September 1st 2023 and ending August 31st 2024. This will allow the city time to complete a full transit review on these services, before posting an RFP in the spring of 2024 for a 5-year multi-year service contract.