



P.O. Box 1749
Halifax, Nova Scotia
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Item No. 15.1.7
Halifax Regional Council
March 1, 2022

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY:

Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: February 4, 2022

SUBJECT: Award – No. 21-415, Private On Demand Accessible Transportation Service

ORIGIN

February 23, 2021 Halifax Regional Council motion (Item 11.3.1):

MOVED by Councillor Mason, seconded by Councillor Mancini

THAT Halifax Regional Council direct the Chief Administrative Officer include the procurement of an on demand accessible transportation service as outlined in the January 7, 2021 staff report, for consideration as part of the Halifax Transit 2021/22 Budget and Business Plan.

MOTION PUT AND PASSED

The Halifax Transit 2021/22 Operating Budget was approved by Regional Council, May 4, 2021.

LEGISLATIVE AUTHORITY

The Municipality may spend money for municipal purposes in accordance with section 79A of the *Halifax Regional Municipality Charter*. The recommended contract award complies with all of the pre-requisites for awarding contracts as set out in section 26 of Administrative Order 2020-004-ADM, the *Procurement Policy*. Section 28 of the *Procurement Policy* provides that Halifax Regional Council may approve contract awards of any amount.

RECOMMENDATION ON PAGE 2

RECOMMENDATION

It is recommended that Halifax Regional Council

1. Award Tender No. 21-415, Private On Demand Accessible Transportation Service as a three-year contract to the sole bidder meeting specifications, SeniorsTransit Inc. for a maximum life-cycle cost of \$1,805,013 (net HST included) with funding from the Halifax Transit 2022/23 proposed operating budget Account R637, as outlined in the Financial Implications section of this report.
2. Direct the Chief Administrative Officer (CAO) to execute the contract with SeniorsTransit subject to terms and conditions acceptable to the CAO and approval to form and authority by Legal Services.

BACKGROUND

Halifax Regional Council approved the procurement of an On Demand Accessible Transportation Service, on February 23, 2021¹, with the goal of improving the financial viability of operating accessible taxi services for service providers. The contract between the municipality and the successful proponent would be such that the municipality pays a fixed unit price rate to ensure the availability of accessible transportation to the public and the successful proponent will charge members of the public the fares and rates outlined in Administrative Order 39, Respecting Taxi and Limousine Regulation.

DISCUSSION

Request for Proposals No. 21-415, Private On Demand Transportation, was publicly advertised on the Province of Nova Scotia's Procurement website on September 23, 2021 and closed on October 14, 2021. A single proposal was received from SeniorsTransit. The proposal was reviewed by staff from Halifax Transit and Planning and Development and facilitated by Procurement and was deemed to meet the requirements of the RFP.

The objective of this service is to provide an on-demand transportation service for passengers who are unable to utilize a conventional taxi that is comparable to the experience of passengers accessing conventional taxi services. This requires that vehicles are available, clients are able to book a trip on demand, vehicles are dispatched in a comparable timeframe as conventional taxis, and passengers are charged the same rates.

This is a unit price contract, and the value of the contract represents the maximum cost for continuous full services. Through this contract, Halifax will procure the availability of on demand accessible transportation to serve residents of the Municipality for a period of three (3) years with the option to renew annually for up to two (2) additional years. SeniorsTransit will dispatch and operate accessible vehicles for hire throughout the Municipality, meeting the requirements as outlined in the RFP, and will collect revenue from passengers as per Administrative Order 39, Respecting Taxi and Limousine Regulation.

SeniorsTransit is an existing organization that provides accessible transportation services in the region. They will be expanding their fleet and creating a newly marketed branch of their company, branded Extra Care Accessible Transit, to meet the obligations of the contract with the municipality. The contract will require them to have ten (10) vehicles available during the peak periods of the day. It is anticipated that SeniorsTransit will commence service within four to eight weeks following the tender award. They will begin operations with a fleet of five vehicles, with the intention to add the final five vehicles as soon as the remaining vehicles are acquired, and qualified staff are hired and trained. This reduced implementation is temporary and permits the service to be launched earlier than would otherwise be possible, allowing time

¹ See [Halifax Regional Council, February 23, 2021 - Item No. 11.3.1.](#)

for Seniors Transit to acquire the remaining specialized accessible vehicles, complete any require retrofitting and hire and train the staff for those remaining vehicles.

FINANCIAL IMPLICATIONS

The successful proponent will collect fares from passengers, consistent with HRM Administrative Order 39 Respecting Taxi and Limousine Regulation. In addition, they would invoice HRM monthly to be on stand-by. There are no capital expenses associated with this service contract.

The maximum payable costs are based on the availability of ten (10) vehicles at all times. Rates may be adjusted if there is a significant increase in CPI. Annually, the maximum costs inclusive of net HST are:

Year 1	\$583,984
Year 2	\$601,493
Year 3	\$619,536
Budget Summary:	<u>Operating Account No. R637 – Planning and Customer Engagement</u>
	Cumulative Proposed Budget (2022/2023) \$600,000
	Less: Tender No. 21-415 (Year 1 Estimate) \$583,984
	Balance \$16,016

Fiscal Year	2022/23	2023/24	2024/25	2025/26
Operating – R637	\$583,984	\$601,493	\$619,536	

The program was funded in the approved 2021/2022 operating Budget for \$220,000 based on an estimated mid-year start-up. Due to the timing of the tender award and contract negotiations at the end of the municipal fiscal year, it is anticipated that no expenses will be incurred in the fiscal 2021/2022. There is \$600,000 included in the proposed 2022/2023 operating Budget and future years of the contract will be included in subsequent operating budgets with inflationary adjustments.

The annual payment is intended to be paid over monthly instalments based on the unit price and the number of vehicles operating per day. The actual cost will be dependent upon the number of vehicles that are in operation each day, as verified and approved by the Halifax Transit Program Coordinator. The balance of funds will be used to offset other operating budget expenses.

Based on the maximum tendered price, not to exceed \$1,730,830 plus net HST of \$74,183 for a total maximum total price of \$1,805,013 over three (3) years, funding is available in the Proposed 2022/23 Halifax Transit Operating Budget from Operating Account No. R637 for year one. The budget availability has been confirmed by Finance. Funding for year two and three will be included in the Halifax Transit Budget Proposal for approval in subsequent years.

RISK CONSIDERATION

There are no significant risks associated with the recommendation in this report. The successful proponent has successfully responded to potential risk factors, and as such, the risks are rated low.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

Regional Council could choose not to approve the recommendation

ATTACHMENTS

No attachments.

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

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