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Decision: Purchase Authorization Amendment – Purchase 285 Forty Foot Low Floor Clean Diesel City Buses

The Board approved the recommendations in the staff report, as follows:

“It is recommended that the Board:

Authorize the amendment to Contract C32PM13774 (Supply of Forty Foot Low Floor Clean Diesel City Buses) with Nova in the amount of \$185,602,800.97, as follows:

1. \$170,505,800.97 inclusive of all applicable taxes for the purchase of 285 additional 40 foot buses for delivery in 2017 and 2018, which includes options, alternatives, and changes already incorporated into the previous bus deliveries.
2. \$12,241,000.00 inclusive of all applicable taxes as an upset limit change allowance for potential contract amendments, escalation costs, special tools and maintenance spare parts pertaining to all buses to be delivered in 2017 including the 97 buses previously ordered and the 245 additional buses for delivery in 2017 of which:
  - i. \$8,200,000 has been included in the above upset limit amount as an allowance for escalation costs applicable for the 2017 bus deliveries. The escalation adjustment will be calculated in accordance with the formula set out in the Contract which is based on the percent change in the Bus and Truck Body Producer Price Index 1413 (as established by the United States Department of Labour).
3. \$2,676,000.00 inclusive of all applicable taxes as an upset limit change allowance for potential contract amendments, escalation costs, special tools and maintenance spare parts pertaining to the 40 additional buses for delivery in 2018 of which:
  - i. \$1,860,000.00 has been included in the above upset limit amount as an allowance for escalation costs applicable for the 2018 bus deliveries. The escalation adjustment will be calculated in accordance with the formula set out in the Contract which is based on the percent change in the Bus and Truck Body Producer Price Index 1413 (as established by the United States Department of Labour).
4. The procurement authorization amendment for the purchase of 285 forty foot low floor clean diesel city buses is subject to City Council approval”.