

MEMORANDUM TO: Directors of Education

FROM: Karen Maxwell
Assistant Deputy Minister (A)

DATE: March 11, 2010

SUBJECT: Student Transportation Contracting Practices

Following Memorandum 2009 B:13, I am writing to provide an update on student transportation contracting practices, in particular on:

- Two-stage procurement pilots
- Supported transition sites
- Training support for remaining sites

Two-Stage Procurement Pilots

As indicated in Memorandum 2009 B:13, the Ministry has agreed to provide external procurement expertise to support the development of a two-stage competitive procurement approach for student transportation contracting practices and to provide a supporting resource guide with tools and templates. The Ministry has identified two sites that will participate in a Two-Stage Pilot Project to develop the two-stage process and to test the tools and templates to be developed in support of this approach:

1. North-East Triboard Student Transportation consortium and,
2. Northwestern Ontario region which is comprised of Rainy River Transportation Services, Northwestern Ontario Student Services Cooperative Student Transportation Services of Thunder Bay, and East of Thunder Bay Transportation Consortium.

PPI Consulting Limited (PPI) has been selected through a competitive procurement process to be the consulting firm who will lead this initiative. Throughout March and April 2010, the Ministry will be providing PPI with formal orientation and information sessions that will be supported by consultations with key stakeholder groups. This process will support PPI in the development of the resource package and refining the two-stage procurement approach. Upon completion PPI will provide assistance to the pilot consortia in implementing the two-stage tools and templates and facilitate the implementation of the two-stage procurement process.

The Ministry has selected, again through a competitive procurement process, the services of **Knowles Consultancy Services Inc. (Knowles)** to assume the role of the “Fairness Commissioner”. Their mandate will be to act as an impartial third party to observe, monitor and provide oversight on the the procurement processes in these pilots sites. The Fairness Commissioner is responsible for providing assurance on the appropriateness, integrity, and completeness of the procurement process and assessing and providing advice on the process. Knowles will also provide advice to PPI during the development of the tools and templates. It should be noted that the Fairness Commissioner does not direct the pilot sites in making their final decisions in the competitive procurement process. It is also not the Fairness Commissioner’s role to provide comment on the results of the pilot competitive procurement.

It is anticipated the pre-qualification stage in these pilot sites will be conducted in late summer/early fall of 2010, and that the second stage leading to the award of the 2011-12 school year contracts will take place in the winter of 2010-2011.

Supported Transition Sites

In consultation with the sector, the Ministry can confirm that the following six sites will participate in the next phase of transition to competitive procurement following the completion of the two-stage pilots:

- Consortium de transport de l’Est
- Durham Transportation Services
- Niagara Student Transportation Services
- Student Transportation of Peel Region
- Nipissing Parry-Sound Student Transportation Services
- Windsor-Essex Student Transportation Services

The transition sites may adopt either of the two supported competitive procurement approaches developed to suit their circumstances. Decisions about the preferred procurement approach for supported transition sites will be made at the local level following the sharing of process results from the two-stage pilot sites. Ministry will provide consulting support to facilitate the procurement processes of the transition sites leading to the award of contracts for the 2012-13 school year.

Training Support for Remaining Sites

After the progression of the transition sites, the Ministry will continue to support the sector through a phased transition to competitive procurement. Training sessions will be provided to the remaining consortia to ensure there is a clear understanding of the two procurement approaches and the use of the associated tool packages. To ensure that boards and consortia have the best opportunity to implement competitive procurement effectively in local communities across Ontario, we strongly encourage boards and consortia to take full advantage of the training and access to the refined tools and templates.

If you have any questions or comments regarding this two-stage procurement pilot project, please contact Sandy Chan in the Transportation and Cooperative Services Unit at (416)325-2464 or sandy.chan@ontario.ca .



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cc: Superintendents of Business and Finance
Transportation Managers
Ontario School Bus Association