

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 3540.



The Regional Municipality of Durham Report

To: Works Committee
From: Commissioner of Works
Report: #2025-W-11
Date: April 2, 2025

Subject:

Approval for Unbudgeted Capital Work and Financing for the Refurbishment of Four Vehicle Hoists at Durham Region Transit East Bus Repair Garage in the City of Oshawa

Recommendations:

That the Works Committee recommends to Regional Council:

- A) That approval be granted for unbudgeted capital work in the amount not to exceed \$800,000 to refurbish four vehicle hoists at the Durham Region Transit East bus repair garage located in the City of Oshawa; and
- B) That financing in the amount of \$800,000 for the construction of the proposed refurbishment be provided from the following sources:

2025 Approved Transit Capital Budget

Tire-Bay Hoist Replacement (Project ID: H2515)

General Tax	\$450,000
-------------	-----------

Previously Approved Financing

2022 Transit Capital Budget

Hoist Replacement (Project ID: H2221)

Provincial Gas Tax	\$167,000
--------------------	-----------

2021 Transit Capital Budget

Bus Wash Replacement (Project ID H2102)

Provincial Gas Tax	\$30,000
--------------------	----------

2019 Transit Capital Budget

Facility Rehab Works (Project ID H1918)

General Tax	\$87,000
-------------	----------

Facility Rehab Main Shop (Project ID H1919)

General Tax	<u>\$66,000</u>
-------------	-----------------

Total Previously Approved Financing	\$350,000
-------------------------------------	-----------

Total Reallocated Financing	<u>\$800,000</u>
------------------------------------	-------------------------

Report:**1. Purpose**

- 1.1 The purpose of this report is to obtain approval for unbudgeted capital work and related financing for the refurbishment of four vehicle hoists at Durham Region Transit (DRT) East (DRTE) bus repair garage, in the City of Oshawa (Oshawa).

2. Background

- 2.1 The DRTE bus repair facility is equipped with eight in-ground vehicle hoists, installed between 2015 and 2016 to support transit maintenance operations.
- 2.2 In 2020, the Regional Municipality of Durham (Region) enhanced its vehicle hoist maintenance program to better align with the industry standards and manufacturer's recommended maintenance guidelines. As part of this initiative, the Region transitioned to Novaquip, the Eastern Canada service provider for the hoist manufacturer, which assumed responsibility for the hoist maintenance contract. During initial inspections, Novaquip identified significant corrosion in multiple hoist cassettes. To mitigate further deterioration, rust protection was applied as a cost-effective preventative measure; however, its effectiveness was limited. By the 2023 certification inspection, the corrosion had progressed further, reinforcing the need for cassette replacement to maintain operational reliability.

- 2.3 By early 2024, the corrosion in the hoist cassettes of Bays 3, 5, and 6 had advanced beyond repair. Given the critical role of these hoists in transit operations, an emergency refurbishment project was undertaken, and these hoists were successfully restored under an emergency declaration in 2024.
- 2.4 During the planning phase, potential refurbishment needs for hoists in Bays 2, 4, 7, and 8 were noted. However, these refurbishments were not included in the 2025 Capital Budget. In January 2025, inspections confirmed that these four hoists had also reached a point of failure due to advanced corrosion, rendering them inoperable.
- 2.5 The loss of these additional hoists has had a significant impact on DRTE repair facility operations, reducing the garage's in-ground hoist capacity by half. As a temporary solution, the affected bays are currently being utilized with mobile hoists. However, these alternative lifting systems offer limited functionality, imposing restrictions on the types of repairs that can be performed in these bays.
- 2.6 The hoist manufacturer, Stertil-Koni, has confirmed that the planned refurbishment of the remaining four hoists will extend their service life by an additional 10 years. This approach aligns with the previous refurbishments completed under the emergency declaration, ensuring standardized maintenance practices and long-term operational reliability.
- 2.7 In mid-September 2024, the hoist manufacturer informed the Region through Novaquip that the operating system controlling the hoists would be discontinued, necessitating an update to maintain functionality. To ensure continued operational reliability, these updates have been integrated into the current refurbishment plan, covering both the four hoists slated for refurbishment and the three hoists refurbished last year.
- 2.8 Given the essential role of vehicle hoists in supporting transit fleet maintenance, immediate action is required to secure funding for this unbudgeted capital project. The proposed reallocation of funds will enable the necessary refurbishments to proceed, thereby minimizing disruptions to DRTE's repair and maintenance operations.

3. Previous Reports and Decisions

- 3.1 There are no previous reports/decisions related to this report.

4. Financial Implications

- 4.1 Section 14.2.2 of the Region's Budget Management Policy requires approval of the Treasurer and CAO and applicable Standing Committee and Regional Council for unbudgeted capital expenditures in excess of \$50,000.
- 4.2 Financing for the construction of the proposed refurbishment of four vehicle hoists in the City of Oshawa be provided from the following sources:

2025 Transit Capital Budget

Tire-Bay Hoist Replacement (Project ID H2515)

General Tax	\$450,000
-------------	-----------

Previously Approved Financing

2022 Transit Capital Budget

Hoist Replacement (Project ID H2221)

Provincial Gas Tax	\$167,000
--------------------	-----------

2021 Transit Capital Budget

Bus Wash Replacement (Project ID H2102)

Provincial Gas Tax	\$30,000
--------------------	----------

2019 Transit Capital Budget

Facility Rehab Works (Project ID H1918)

General Tax	\$87,000
-------------	----------

Facility Rehab Main Shop (Project ID H1919)

General Tax	<u>\$66,000</u>
-------------	-----------------

Total previously approved financing	\$350,000
-------------------------------------	-----------

Total Reallocated Financing	<u>\$800,000</u>
------------------------------------	-------------------------

- 4.3 Funding is available for reallocation from the 2025 hoist replacement project and previously completed projects for bus wash replacement and facility rehabilitation. The cancelled hoist replacement project will be budgeted in future years.

5. Relationship to Strategic Plan

5.1 This report aligns with/addresses the following Strategic Direction(s) and Pathway(s) in Durham Region's 2025-2035 Strategic Plan:

a. Connected and Vibrant Communities

- C1. Align Regional infrastructure and asset management with projected growth, climate impacts, and community needs.
- C3. Improve public transit system connectivity, reliability, and competitiveness.

6. Conclusion

6.1 It is recommended that the reallocation of funding for the unbudgeted capital work to refurbish four vehicle hoists at Durham Region Transit East bus repair garage located in Oshawa be approved.

6.2 This report has been reviewed by the General Manager of DRT and the Finance Department, and the Commissioner of Finance concurs with the financial recommendations.

6.3 For additional information, contact: Christine Dunkley, Director, Corporate Infrastructure and Strategic Business Services, at 905-668-4113 extension 3475.

Respectfully submitted:

Original signed by:

Ramesh Jagannathan, MBA, M.Eng., P.Eng., PTOE
Commissioner of Works

Recommended for Presentation to Committee

Original signed by:

Elaine C. Baxter-Trahair
Chief Administrative Officer