



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance
Report: #2025-F-10
Date: June 10, 2025

Subject:

2025 Electric Bus Procurement and Budget

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

That the 2025 approved capital project budget for the purchase of 18 battery electric buses be increased by \$650,000, from \$29,410,575 to \$30,060,575 with the \$650,000 in additional financing to be provided at the discretion of the Commissioner of Finance.

Report:

1. Purpose

- 1.1 The purpose of this report is to seek Regional Council's approval to increase the approved 2025 capital project budget and associated financing for the purchase of 18 electric buses by \$650,000, for a total budget of \$30,060,575.
- 1.2 A similar report was provided to the Transit Executive Committee on June 4, 2025.

2. Background

- 2.1 The Metrolinx Transit Procurement Initiative (TPI) enables Durham Region Transit to purchase transit related equipment and supplies as part of a consortium with other Ontario transit agencies, leveraging collective buying power for cost efficiency and standardized specifications.
- 2.2 The 2025 Durham Region Transit budget was drafted in June 2024 and used the contract pricing in place at that time for 18 battery electric buses. The bus order was placed with the vendor following budget approval, and the vendor advised Durham Region Transit that contract pricing had increased in October 2024. There was a

contract price increase of approximately \$36,000 per battery electric bus. The draft budget for the buses had not been adjusted accordingly.

3. Financial Implications

- 3.1 Section 17.1 of the Region's Budget Management Policy requires that additional commitments for a capital project shall not be authorized if the value of the work will cause the project to be over expended by more than \$250,000 beyond project funding. Approval of the applicable Standing Committee and Regional Council is required to commit additional sources of financing.
- 3.2 The Council approved 2025 Durham Region Transit budget for 18 new battery electric buses was \$29,410,575 (\$19,607,050 for 12 growth buses and \$9,803,525 for 6 replacement buses). The cost of the buses is now estimated to be approximately \$30,060,575, an increase of approximately \$650,000, or 2.2 per cent higher than budgeted.
- 3.3 This report recommends increasing the approved budget by \$650,000 for the purchase of the 18 electric vehicles as per Durham Region Transit's Business Plan, with the additional financing to be determined at the discretion of the Commissioner of Finance.

4. Relationship to Strategic Plan

- 4.1 This report aligns with/addresses the following Strategic Directions and Pathways in Durham Region's 2025-2035 Strategic Plan:
- a. Connected and Vibrant Communities
 - C3. Improve public transit system connectivity, reliability, and competitiveness.
 - b. Strong Relationships
 - S5. Ensure accountable and transparent decision-making to serve community needs, while responsibly managing available resources.
- 4.2 This report aligns with/addresses the following Foundation in Durham Region's 2025-2035 Strategic Plan:
- a. Technology: Keeping pace with technological change to ensure efficient and effective service delivery.

5. Conclusion

- 5.1 Durham Region Transit and the Region remain committed to advancing electrification of the transit fleet and technologies that reduce greenhouse gas emissions. Demand for transit service continues to exceed capacity of Durham

Region Transit. Increasing the transit fleet and effectively managing fleet asset lifecycles is crucial for Durham Region Transit to advance transit network growth and reliability and achieve efficient maintenance services.

Respectfully submitted,

Original Signed By

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Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

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