

# City of Mississauga Corporate Report



<p>Date: October 10, 2024</p> <p>To: Chair and Members of General Committee</p>	<p>Originator's files:</p>
<p>From: Sam Rogers, MBA, Acting Commissioner of Transportation and Works</p>	<p>Meeting date: November 6, 2024</p>

## Subject

**Vendor of Record Designation for the Supply and Delivery of Replacement Parts and Repair Services for Fleet Services**

## Recommendation

1. That the Suppliers included in the attached Appendix 1 be designated as Vendors of Record for the supply and delivery of replacement parts and manufacturer approved repair services for corporate fleet vehicles and equipment managed by Fleet Services, as outlined in the report from the Commissioner of Transportation and Works, dated October 10, 2024 and entitled "Vendor of Record Designation for the Supply and Delivery of Replacement Parts and Repair Services for Fleet Services".
2. That the Chief Procurement Officer, or designate, be authorized to execute annual contracts with each of the designated Vendors of Record, in the estimated amounts shown in Appendix 1, for the supply and delivery of replacement parts and repair services; and
3. That the Vendor of Record designation for those Suppliers listed in Appendix 1 remain valid until such time that:
  - a. the parts/services that they provide are no longer required;
  - b. a particular Supplier fails to perform or ceases to provide the parts or services required;
  - c. or an update to the Vendor of Record designation is necessary.

## Executive Summary

- Fleet Services relies on Original Equipment Manufacturer (OEM) parts and manufacturer approved services to preserve warranty, ensure proper fitment and maintain reliable

operation of the City of Mississauga's corporate fleet vehicles and equipment.

- Many of the OEM parts and manufacturer approved service providers are considered single source suppliers under Procurement By-Law #0013-2022.
- A Vendor of Record was previously established for Fleet Services through GC Resolution 0142-2020. This report seeks to reconfirm the Suppliers previously designated and to add additional Suppliers that meet the definition of single source suppliers as per Procurement By-Law #0013-2022, as amended.
- An Advanced Contract Award Notice (ACAN) was issued to the market to confirm that the Suppliers listed in Appendix 1 are the only Suppliers able to provide the required parts and service.

## Background

The Fleet Services section in the Works Operations and Maintenance Division manages the life cycle of the City of Mississauga's corporate fleet, which includes approximately 1,100 vehicles and equipment assets. Efficient maintenance and repair of the fleet requires the timely availability of quality replacement parts and manufacturer approved servicing. The corporate fleet consists of various types of specialized equipment where Original Equipment Manufacturer (OEM) parts are required to preserve warranty, ensure proper fitment and maintain reliable operation in the best possible manner. Where possible and proven, aftermarket parts are purchased and utilized based on cost benefit analysis. Specialized repairs are often sublet to OEM Suppliers when it is more cost effective to do so or when specialized equipment and/or dealer resources are required. In these circumstances it is important that the Suppliers are a manufacturer approved OEM service provider. These services are required as long as the equipment remains active in the corporate fleet.

OEM parts and manufacturer approved repair services are often only available from the manufacturer, or from the manufacturer's authorized dealer for a specified region. The OEM Suppliers listed in Appendix 1 are Single Sources as defined in the Procurement By-Law #0013-2022, which states under Schedule A, Section 1, (c) the goods and/or services are unique to one particular Supplier and no reasonable alternative or substitute exists due to exclusive rights such as a patent, copyright or license.

Through GC Resolution 0142-2020, a Vendor of Record was established for Fleet Services in 2020. This report seeks to reconfirm the Suppliers previously designated and to add additional Suppliers that meet the definition of single source suppliers as per Procurement By-Law #0013-2022.

## Comments

The City requires the supply and delivery of OEM replacement parts and manufacturer approved repair services to maintain the corporate fleet in a state of good repair. Timely parts and service availability are key requirements to maintaining the City's Fleet. Staff have identified OEM parts and service Suppliers that are either the manufacturer of the vehicle/equipment or are authorized by the manufacturers to provide the required parts and services for a geographic area that includes the City of Mississauga; the Suppliers are identified in the attached Appendix 1. These Suppliers are located in close proximity to Mississauga, to allow for efficient and timely service. In completing due diligence, staff have reviewed the market to ensure that the listed Suppliers are indeed Single Source Suppliers for the required services within the region that includes Mississauga.

For the requirement of OEM parts and service for International Trucks, an Advanced Notice of Award (ACAN) was conducted in order to provide Suppliers the opportunity to advise the City if they met the requirements for the supply of OEM parts and manufacturer approved service and were willing to provide the services to the City; in this case, the only response was from the Suppliers noted in Appendix 1.

## Financial Impact

There are no additional financial impacts resulting from the recommendations in this report. The annual estimated cost for OEM parts and manufacturer approved services from the Suppliers noted in Appendix 1 is \$1,225,000 excluding taxes. Funds for this purpose are available in the existing operating budget within Fleet Services (Account 715801 and 715924 in cost center 23672), subject to annual approval.

## Conclusion

Efficient maintenance and repair of the corporate fleet requires the timely availability of quality replacement parts and manufacturer approved service, when required. Maintaining the corporate fleet in a state of good repair often requires the purchase and delivery of OEM parts and repair services in order to achieve this goal. As the required OEM services are often provided by Single Source providers for specified regions, the establishment of a Vendor of Record list for this purpose is important for the efficient management of the corporate fleet. The provided Vendor of Record in Appendix 1 reconfirms existing Suppliers previously approved and proposes new Suppliers for inclusion in the Fleet Services Vendor of Record.

## Attachments

Appendix 1: Vendor of Record for Fleet Services



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Sam Rogers, MBA, Acting Commissioner of Transportation and Works

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