

Request for Decision

Fleet - External Services Agreement

Presented To: Finance and
Administration
Committee

Presented: Tuesday, Apr 17, 2018

Report Date Wednesday, Apr 04,
2018

Type: Managers' Reports

Resolution

THAT the City of Greater Sudbury authorizes the General Manager of Corporate Services to enter into an agreement with Manitoulin-Sudbury District Services Board (MSDSB) for the provision of Paramedic fleet services as outlined in the report entitled "Fleet – External Services Agreement" from the General Manager of Corporate Services, presented at the Finance and Administration Committee meeting on April 17, 2018;

AND THAT the City of Greater Sudbury authorize that a business case be prepared for the 2019 budget in order to convert part-time employee hours to a Permanent Full Time employee to be funded by MSDSB for the purposes of servicing MSDSB vehicles.

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to operational matters.

Report Summary

This report highlights the recommendations and benefits of entering into an agreement to provide fleet services to the Manitoulin-Sudbury District Services Board.

Financial Implications

Funding for the costs of this initiative would be provided for by the Manitoulin-Sudbury District Services Board.

Signed By

Report Prepared By

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Director of Assets and Fleet Services
Digitally Signed Apr 4, 2018

Division Review

Ed Stankiewicz
Executive Director of Finance, Assets
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Financial Implications

Jim Lister
Manager of Financial Planning and
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Recommended by the Department

Kevin Fowke
General Manager of Corporate
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Recommended by the C.A.O.

Ed Archer
Chief Administrative Officer
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Background

Fleet Services provide vehicle/equipment acquisition, maintenance, and disposal services to City departments. The types of vehicles/equipment serviced include Heavy Trucks and Equipment (Plows, Graders, Loaders etc.), light and medium duty fleet (cars, vans, trucks), specialty equipment (Zamboni, Sweepers, etc.), and Emergency Vehicles (Fire and Paramedic Services).

Fleet Services currently maintain a fleet of 24 ambulances and 13 Primary Response Units (P.R.U) that are operated by C.G.S. These units are highly specialized and include sophisticated machinery specific to the service. As a result, some Fleet Services technicians have studied to attain Emergency Vehicle Technician Certifications (E.V.T). The servicing of emergency vehicles such as ambulances by certified technicians provides more reliable equipment, thus enhancing the safety of the public and emergency personnel. Additionally, having knowledgeable technicians who are trained to work on emergency vehicles will influence the organization's reputation and provide customer assurance that quality work will be performed.

In the fall of 2017, Assets and Fleet staff were approached by the MSDSB Chief of Paramedic Services in order to ascertain the possibility of Fleet Services entering into an agreement to service some MSDSB Ambulances and Primary Response Units (P.R.U.). Currently, MSDSB Ambulances are serviced by a variety of businesses throughout their coverage area and they would like to consolidate them into a smaller list of providers.

MSDSB provides paramedic services to a geographic area that includes Foleyet to the north, Hagar & Noelville to the east, Massey to the west and Manitoulin Island to the South. The map below provides an overview of the service area.



The Agreement

Fleet Services does not currently have the capacity to provide service to MSDSB. Although the Lorne Street garage has the physical space to expand, Fleet does not have the appropriate amount of infrastructure (ex. Hoists, diagnostics), and human resources to perform this additional service. This was articulated to MSDSB, and they have responded by offering to bear the cost of increased capacity at the Lorne Street garage.

Discussions with MSDSB have yielded the following general conditions:

- The proposed agreement would require Fleet services to provide repair and maintenance services to 15 ambulances and 4 P.R.U. Services would include all scheduled maintenance as dictated by regulation and repairs as required.

Services excluded would consist of body work, GPS/Satellite equipment and other services that are not provided by Fleet Services for C.G.S. operated ambulances.

- MSDSB would be responsible for paying for the increase in capacity that would be required to service their needs. In particular, MSDSB would pay a fixed monthly fee that would cover the cost of one Full Time Equivalent (FTE) and any associated expenses. Additionally, a one-time cost of purchasing and installing an additional hoist and/or other requirements would also be provided by MSDSB.
- MSDSB would pay an hourly charge on service provided in consideration of shop supplies, building maintenance, utilities, administration, etc.
- Services such as parts and contracted services procurement would garner a 10% markup to cover associated handling costs.
- Delivery and pickup of vehicles are the responsibility of MSDSB.
- Future cost escalations will be determined by the applicable contract or index (ex. C.B.A. for labour, C.P.I. for general expenses).
- The term of the agreement will be for one (1) year, with options for renewal on an annual basis. If either party wishes to terminate, a six (6) month notice is required.

The above noted conditions would result in a tentative agreement that would be beneficial for both MSDSB and C.G.S.

Benefits for MSDSB would include:

- Access to skilled labour that is familiar with the vehicles and the specialized equipment included with the units.
- Consistency in workmanship.
- One point of contact for servicing a large number of their vehicles.

Benefits for C.G.S. would include:

- MSDSB would pay to cover some of the fixed costs of the Lorne garage, thereby increasing the capacity for other fleet activities.

- Potential to benefit from economies of scale on increased parts purchases for ambulances.
- Increased capacity would allow for some residual – approximately 25% of F.T.E.'s time - to be utilized on C.G.S. priorities.

Summary

A servicing agreement between Fleet Services and MSDSB would be mutually beneficial. Fleet Services would benefit financially and with increased capacity. MSDSB would benefit from consistent and quality workmanship with one point of contact.

It is recommended that the City of Greater Sudbury authorize that a business case be prepared for the 2019 budget to convert part time employee hours to a permanent full time employee to be funded by MSDSB for the purposes of servicing MSDSB vehicles

It is also recommended that the City of Greater Sudbury pass a resolution to authorize the General Manager of Corporate Services to enter into an agreement with Manitoulin-Sudbury District Services Board (MSDSB) for the provision of Paramedic fleet services.