



ADMINISTRATIVE REPORT

Report Date: June 17, 2013
Contact: Nick Kassam
Contact No.: 604.829.2097
RTS No.: 10184
VanRIMS No.: 08-2000-20
Meeting Date: July 10, 2013

TO: Standing Committee on City Finance and Services

FROM: General Manager of Engineering Services, Chief Constable of the Vancouver Police Department, and Chief Purchasing Official

SUBJECT: Contract Award for Supply and Delivery of VPD Patrol Cars

RECOMMENDATION

- A. THAT Council authorize City staff to negotiate to the satisfaction of the City's General Manager of Engineering Services, the Chief Constable of the Vancouver Police Department, the City's Director of Legal Services, and the City's Chief Purchasing Official, and enter into a contract with Chrysler Canada for the supply and delivery of Dodge Charger Enforcers, for a term of three years (extendible upon the agreement of the parties), with an estimated maximum contract value of \$5,900,000, plus the Provincial Sales Tax, the Goods and Services Tax (less any Municipal rebate received) and the Provincial Environmental Levy, over the three-year term, to be funded by the Truck and Equipment Plant Account.
- B. FURTHER THAT the Director of Legal Services be authorized to execute on behalf of the City the contract contemplated by Recommendation A;
- C. AND FURTHER THAT no legal rights or obligations will be created by Council's adoption of Recommendations A and B above unless and until such contract is executed by the Director of Legal Services.

REPORT SUMMARY

The City issued a Request for Expression of Interest ("RFEI") PS20110187 in March 2012 for the prequalification of law enforcement and patrol vehicles and, subsequently, in March 2013, issued a Request for Quotation ("RFQ") PS20130328, for the supply and delivery of Dodge Charger Enforcers to Chrysler Canada. The City received Chrysler Canada's submission in response to the RFQ and City staff on the RFQ evaluation committee and, subsequently, the Bid Committee considered the submission received and, on that basis, this report recommends that the City award the contract to Chrysler Canada subject to ongoing negotiations being finalized and all contract terms being settled.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The City's Procurement Policy requires that contracts with values over \$2 million must be approved by Council following review and recommendation by the Bid Committee. Bid Committee has considered and approved Chrysler Canada as the successful proponent.

REPORT

Background/Context

The one-hundred and seventy-six vehicles that make up VPD's patrol fleet are managed through the City's fleet management system and, currently, sixty-one units are due for replacement as part of the 2011-2013 replacement program. The remaining units will reach the end of their lives by 2017 and will require replacement. A number of the aforementioned sixty-one units that were scheduled for replacement in 2011-2013 were kept in service in order to benefit from newer and more fuel efficient vehicle options that are now available on the market. The current fleet of patrol vehicles is comprised of Ford Crown Victorias, which have been discontinued. VPD requires a new standard vehicle for the next generation of patrol vehicles, which extends through to 2017.

The recommendation to negotiate and enter into a contract with Chrysler Canada for the supply and delivery of Dodge Charger Enforcers was based on the primary and secondary evaluations of RFEOI PS20110187 - Prequalification of Law Enforcement and Patrol Vehicles and the RFQ PS20130328 for Supply and Delivery of Dodge Charger Enforcers.

The entire procurement project involved three main stages:

1. RFEOI PS20110187 - Primary Evaluation - A Request for an Expression of Interest PS20120187 - Prequalification of Law Enforcement and Patrol Vehicles was released on March 3, 2012 and closed on April 17, 2012. A primary evaluation of the RFEOI was conducted. Twelve submissions were received and two submissions/vehicles were short-listed for field trials.
2. RFEOI PS20110187 - Secondary Evaluation - A secondary evaluation based on the two short-listed vehicles for field trials was conducted. The evaluation determined that the Chrysler Dodge Charger Pursuit was the preferred vehicle for patrol (Chrysler Canada has since renamed its product the "Dodge Charger Enforcer").
3. RFQ PS20130328 - On March 26, 2013 the City issued a RFQ for the supply and delivery of Dodge Charger Enforcers to Chrysler Canada. The resulting submission was deemed to provide best value to the City by the evaluation team.

Strategic Analysis

The RFEOI and the RFQ were issued in accordance with the City's Procurement Policy. The City received submissions from twelve vendors in response to the RFEOI. The RFEOI contemplated that the City could proceed to test vehicles and then make a selection. The submissions were evaluated under the stewardship of Supply Chain Management to ascertain which submissions offered the best overall value to the City. The evaluation involved a cross-functional evaluation team comprised of representatives from various departments throughout the City, including Engineering Services and the Vancouver Police Department. Two models of vehicle were selected

for extensive testing by the VPD. VPD members determined that the Dodge Charger was the vehicle that best met VPD requirements.

Once the make and model of the new patrol vehicle was determined, an RFQ was submitted to Chrysler Canada. The resulting quotation was reviewed by City staff, taking into account price, functional requirements, technical requirements and sustainability, among other factors.

Thus, after a comprehensive and detailed analysis of the above factors, the team concluded that the quotation submitted by Chrysler Canada provided the best overall value to the City.

Financial

Financial Services reviewed the financing for the work and concur that funding is available for sixty-one vehicles approved for replacement in 2013 from the Truck and Equipment Plant Account as well as the 2013 Vancouver Police Department (VPD) Operating Budget. The operating budget includes loan repayment, maintenance, fuel, and insurance. Funding for the remaining one hundred and nine units will be approved in future capital replacement programs as vehicles approach the end of their operational lives.

The change from the Ford Crown Victoria to the Chrysler Dodge Charger Enforcer will result in a reduction in estimated annual cost (which includes on-going costs such as financing, maintenance, fuel and insurance) per vehicle of approximately \$4,400. VPD's operating budget will be reduced accordingly.

Sustainable/Ethical/Environmental

All new and replacement equipment in the City fleet go through an environmental and rightsizing review process. This is to ensure that the equipment will meet the user's operational needs and that the selected equipment has the best combination of fuel efficiency and cost effectiveness.

The Dodge Charger Enforcer is a smaller vehicle than the existing Crown Victoria patrol vehicle. The Crown Victorias have a 4.6L V8 gasoline engine while the Dodge Charger is equipped with a 3.6L V6 gasoline engine. The change in engine and vehicle size will reduce emissions by approximately 660 tonnes per year across the patrol fleet which will represent a 32% reduction. As a result, the VPD fleet (patrol and non-patrol vehicles) emissions will be reduced by 23% overall once all the full-size Crown Victorias have been replaced with the smaller Dodge Charger Enforcer patrol vehicles in 2017 (note: the VPD fleet includes non-patrol vehicles other than Crown Victorias which are not included in this procurement).

Though the Dodge Charger Enforcers are smaller, they maintain the pursuit rating that was provided on the Crown Victoria. A pursuit rated vehicle is an industry term used to describe vehicles that have been tested by the Michigan State Police and/or Los Angeles County Sheriff's Department. The Michigan State Police vehicle evaluations are designed to test vehicle acceleration, top speed, braking, vehicle dynamics, ergonomics and ease of communication installation. The Los Angeles County Sheriff's testing is designed to address the law enforcement officer operational requirements in terms of vehicle performance, vehicle safety, and comfort. Some major components

of the Dodge Charger Enforcers that are unique to these police vehicles include a certified speedometer, severe duty brakes and suspension with load levelling shocks and a larger alternator.

In addition to the safety, performance and handling characteristics required for pursuit rated patrol vehicles, interior and cargo space is important in the patrol fleet. The majority of patrol vehicles carry two (2) uniformed officers equipped with duty belts, therefore, seats must be comfortable in size to accommodate the extra personal equipment that is on the officers. In addition, patrol vehicles require a variety of mounted electronic and communication equipment (such as a laptop computer, long gun racks, radio, sirens and light controllers) to be installed and which must be accessible to the driver and/or passenger. Further, in the patrol car's trunk, officers keep a ballistic shield, water rescue kit, fire extinguisher, needle container, crime-scene tape and more, depending on assignments.

As the interior space available in the Dodge Charger Enforcers is less than that of the Crown Victorias, efforts have been made to maximize available space to provide a safe and comfortable work environment such as sourcing more compact laptop mounts, and consoles. A class of vehicle smaller than the Dodge Charger Enforcers would not be able to provide sufficient space for personal gear and equipment currently required for patrol work. Vehicles that are used for non-patrol work have been right sized to smaller vehicles as part of the City's fleet overhaul.

CONCLUSION

In summary, City staff recommends that the City of Vancouver award a contract to Chrysler Canada at an estimated maximum contract value of \$5,900,000, plus the Provincial Sales Tax, the Goods and Services Tax (less any Municipal rebate received) and the Provincial Environmental Levy, over three years for the supply and delivery of Dodge Charger Enforcers subject to on-going negotiations being finalized and all contract terms being settled. Chrysler Canada had the highest overall evaluation score and offers the best overall value to the City.

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