

## **REPORT**

Report Date: September 27, 2022 Contact: Alexander Ralph Contact No.: 604.829.2092

RTS No.: 15348 VanRIMS No.: 08-2000-20

Meeting Date: October 25, 2022

Submit comments to Council

TO: Vancouver City Council

FROM: Chief Procurement Officer, General Manager of Finance, Risk and Supply

Chain Management and General Manager of Engineering Services

SUBJECT: Contract Award for the Supply and Delivery of Dodge Charger Enforcer

Vehicles

### RECOMMENDATION

THAT Council receive this report for information.

### REPORT SUMMARY

On September 15, 2022, a time when Council was not scheduled to meet during at least the next four (4) weeks, Bid Committee invoked its extended authority under Section 12.6 of City's Procurement Policy (ADMIN-008), which extends Bid Committee's authority to award a contract where: (i) goods, services or construction are urgently required and where delay would be injurious to the public interest as determined by the City Manager; and (ii) the total purchase price of a contract is greater than \$2 million. The Bid Committee awarded the extension of a contract to FCA Canada Inc., formerly known as Chrysler Canada Inc., for the supply of Dodge Charger Enforcer cars for use as VPD police vehicles.

The contract extension covers a period of 29 months commencing August 1, 2021, with an estimated value of \$3,165,000 plus applicable taxes over the contract term. Funding is to be provided from the approved 2022 Annual Capital Expenditure budget and the approved multi-year 2019-2022 Vehicle Replacement Capital budget.

The contract extension, in effect, is a "Permitted Sole Source" arrangement under Section 9.1(b) of the Procurement Policy. All requirements of that provision have been fulfilled, including the public issuance of a Notice of Intention to Contract (NOITC) in respect of the contemplated contract extension.

## REPORT

# Background/Context

The City and FCA Canada Inc. were party to a contract dated August 1, 2013 for the supply and delivery of Dodge Charger Enforcer vehicles for the Vancouver Police Board's (Vancouver Police Department's) use as patrol vehicles. The contract in its original form had a term of three (3) years with no possibility of extension. A modification agreement dated June 22, 2017 changed the initial term to six (6) years and included options for the City to extend the term for two (2) additional periods of one (1) year each.

FCA Canada Inc. has notified the City that production of the Dodge Charger Enforcer model is to be discontinued after the model year 2023. Vancouver Police Board must replace patrol vehicles in its fleet on an ongoing basis.

An evaluation team, consisting of members of Engineering Services (Fleet Management) and Supply Chain Management, conducted an evaluation of possible options for VPD patrol vehicle replacements and determined that the Dodge Charger Enforcer continues to provide the best value. On that basis, the Bid Committee determined that the supply agreement should be extended to the end of 2023.

# Strategic Analysis

The NOITC was prepared by Supply Chain Management staff in collaboration with Engineering Services and Legal Services. No responses were received in respect of the NOITC.

# Financial

Finance has reviewed the financial information and confirmed that funding is available from the approved 2022 Annual Capital Expenditure budget and the approved multi-year 2019-2022 Vehicle Replacement Capital budget.

### Risks and Considerations

FCA Canada Inc. will begin to receive orders for 2023 Model Year Dodge Charger Enforcers at the end of October/beginning of November 2022. If City orders are not placed during this narrow timeframe, the City may not be able to procure sufficient supply of vehicles to meet the VPD's annual fleet replacement requirements.

## CONCLUSION

The City, by way of Bid Committee decision pursuant to the Procurement Policy, has awarded FCA Canada Inc. a 29-month contract extension for the supply and delivery of Dodge Charger Enforcer vehicles.

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