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# The Regional Municipality of Durham Report

To: Works Committee

From: Acting Commissioner of Works

Report: #2024-W-8 Date: March 6, 2024

#### Subject:

Standardization and Sole Source Acquisition of Combination Plow/Dump/Salter Trucks

#### Recommendations:

The Works Committee recommends to Regional Council:

- A) That the Regional Municipality of Durham continue to standardize Viking Cives Ltd. International Truck combination cab, chassis, and truck mounted plows/dump/salter bodies;
- B) That staff negotiate and award a sole source agreement with Viking Cives Ltd. for the supply, customization, and delivery of Viking Cives Ltd. International Truck combination cab, chassis, and truck-mounted plows/dump/salter bodies, parts and servicing of the units from January 1, 2024, to December 31, 2028, at an estimated cost of \$18,457,640\* for the term, including \$2,890,000\* for 2024; and
- C) That the Commissioner of Finance be authorized to execute the necessary documents related to this sole source agreement.

#### Report:

### 1. Purpose

1.1 The purpose of this report is to seek Regional Municipality of Durham (Region) Council approval to extend the standardization of the Region's fleet of Viking Cives Ltd. International Truck combination cab, chassis, and truck-mounted plows/dump/salter bodies, and to sole source the purchase of this equipment, including parts and service from Viking Cives Ltd. (Viking) for a five-year period beginning January 1, 2024, and ending December 31, 2028.

Report #2024-W-8 Page 2 of 4

1.2 Dollar amounts followed by an asterisk (\*) are before applicable taxes.

## 2. Background

2.1 In 2017, Regional Council approved Report #2017-COW-273 to use Viking Cives Ltd. as a sole source supplier from 2018 to 2021 for the combination plow/dump/salter bodies.

- 2.2 On August 25, 2023, the Summer Recess Sole Source Procurement process was utilized to purchase the Viking Cives Ltd. International Truck combination cab, chassis, and truck-mounted plows/dump/salter bodies for the period of August 25, 2023, to January 1, 2024.
- 2.3 The Viking Cives Ltd. International Truck combination cab, chassis, and truck-mounted plows/dump/salter bodies consists of a U-body dump truck designed to be used during winter storm events with very little preparation or changes to the principal format of the vehicle.
- 2.4 This truck combination cab and chassis configuration has been used exclusively throughout the Region for over 20 years to handle accumulations of snow and ice and is now used exclusively with salt brine liquids to reduce the amount of solid rock salt (sodium chloride) discharged while providing a proactive approach to winter maintenance. The U-body haunch tanks provide pre-wetting capabilities (applying brine to the rock salt before it is spun or discharged onto the road during a winter storm). Also, once the tailgate is removed from the U-body truck, a Direct Liquid Application (DLA) tank can be slipped in which will allow brine to be sprayed onto the road surface before the storm for anti-icing.
- 2.5 This combination vehicle specification involves two major components: first, the Viking Cives Ltd. International Truck cab and chassis, and second, the matching Viking Cives Ltd. body, which can be used for plowing and salting in the winter and as a dump body throughout the year, using hydraulically powered accessory mechanisms.

#### 3. Standardization and Justification for Sole Source

3.1 The truck portion of the combination vehicles has competitively transitioned to International Truck cab and chassis and is the only unit used by the Region for this purpose. As a result, the interchangeability of the dump bodies, conveyors, plows, and electronic/hydraulic control systems on these cab and chassis units supports safety through a familiarity strategy and achievement of training

Report #2024-W-8 Page 3 of 4

objectives. Additionally, the trucks and operators can be safely reallocated to support emergency winter conditions in any of the five district depots because of the consistency in engines, transmission, and hydraulic controls.

3.2 Standardizing these specifications provides the Region with a more efficient operation overall, which will reduce costs, vehicle down-time, and enable snowplows to be ready to respond to ice and snow conditions sooner. The Region can recognize savings due to less tooling, training, and diagnostic software. This conclusion is based on the Region's experience of over 20 years of operating and maintaining Viking Cives Ltd. International Truck combination cab, chassis, and truck-mounted plows/dump/salter bodies. Productivity has been exceptional, downtime and maintenance costs have been low, and the safety record has been excellent. Parts and services provided by the many supporting Viking Cives Ltd. International Truck dealerships have always been reliable and more importantly, timely. Finally, standardizing means improved productivity, equipment familiarity, the opportunity to share common parts, reduced stock and space, and enhanced turn-around times during periodic maintenance and repair.

#### 4. Financial Implications

- 4.1 Section 7.2 of the Region's Purchasing By-law #16-2020 permits the acquisition of goods and services through sole source negotiations under specific circumstances outlined in Appendix C of the by-law.
- 4.2 Section 1.1 of Appendix C permits negotiations for goods or services which can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist to ensure compatibility with existing goods, or to maintain specialized goods that must be maintained by the manufacturer of those goods or its representatives. The by-law also requires approval by the appropriate standing committee and Council for the award of sole source contracts that exceed \$100,000 in value.
- 4.3 The financing for the 2024 through 2028 purchases of the recommended standardized and sole sourced products will be provided through the Works Department annual business plans and budget.

## 5. Conclusion

5.1 It is recommended that the Regional Municipality of Durham standardize and award a sole source agreement with Viking Cives Ltd. International Truck combination cab, chassis, and truck-mounted plows/dump/salter bodies including

Report #2024-W-8 Page 4 of 4

parts and service for a period of five years at an estimated cost of \$18,457,640 with Viking Cives Ltd. International.

- 5.2 The report has been reviewed by the Finance Department.
- 5.3 For additional information, contact: Eric Lamain, Manager of Maintenance Operations and Fleet Services at 905-668-7711 ext. 3534.

Respectfully submitted,

## Original signed by:

Ramesh Jagannathan, M.B.A, M.Eng., P.Eng., PTOE Acting Commissioner of Works

Recommended for Presentation to Committee

## Original signed by:

Elaine C. Baxter-Trahair Chief Administrative Officer