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**REPORT TITLE: Infrastructure Maintenance Equipment Parts and Service Provider**

**FROM: Kealy Dedman, Commissioner of Public Works**

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## **RECOMMENDATION**

- 1. That the contract (Document 2022-225N) for the provision of as required OEM parts and service of Vactor Manufacturing Inc., Trackless Vehicle Ltd., and Sewer Equipment Municipal product lines, be awarded to FST Canada Inc. o/a Joe Johnson Equipment Inc., in the estimated annual amount of \$162,000.00 (excluding applicable taxes), for an initial contract term of 12 months, in accordance with Procurement By-law 30-2018, as amended; and**
- 2. That approval be granted to extend the contract with Joe Johnson Equipment, Inc. for optional 12-month extension terms to provide OEM parts and repair services specific to Vactor Manufacturing Inc., Trackless Vehicle Ltd., and Sewer Equipment Municipal product lines, based on satisfactory service, pricing and approved budget, for the lifecycle of the applicable equipment; and**
- 3. That authority be given to increase the contract for this and subsequent contract periods to satisfy the fleet service needs of the Region, including optional period awards, for ongoing maintenance and as required parts and repairs specific to Vactor Manufacturing Inc., Trackless Vehicle Ltd., and Sewer Equipment Municipal product lines, subject to the limit of the approved budget.**

## **REPORT HIGHLIGHTS**

- The Region uses highly specialized equipment to maintain the condition of the sewer, roads, as well as water and wastewater infrastructure.
  - FST Canada Inc. o/a Joe Johnson Equipment Inc. (Joe Johnson) is the exclusive authorized distributor, warranty repair contractor, parts and equipment service provider representing the manufacturers of this specialized equipment in the Greater Toronto Area.
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## **Infrastructure Maintenance Equipment Parts and Service Provider**

### **DISCUSSION**

#### **1. Background**

The Region's Public Works Department uses highly specialized equipment to maintain the condition of the sewer, roads, as well as water and wastewater infrastructure. This includes sewer cleaners, street sweepers, and hydro-excavation machines.

The maintenance and repair of this equipment is essential to fulfilling the emergency and non-emergency program requirements related to public health and safety. Sewer lines are regularly flushed to prevent wastewater spillage into the environment and into residential homes. Streets are cleared of debris which can block drains and sidewalks are kept clean. Underground excavation is completed with high-pressure water to prevent damage to utility lines, water mains and sewer pipes.

Currently, there are 16 pieces of highly specialized equipment that are essential to the Roads and Water and Wastewater programs. The expected replacement life for the units is approximately 12 years per unit.

Joe Johnson Equipment, Inc. (Joe Johnson) is Canada's largest infrastructure maintenance equipment supplier, and the exclusive authorized distributor, warranty repair contractor, and equipment service provider in the Greater Toronto Area. The Region has been purchasing from Joe Johnson since the mid-1990's.

#### **2. Procurement Process**

Direct negotiation with Joe Johnson is necessary as they are the only authorized company to sell and service this specialized equipment for the Region. Staff is seeking to extend a multi year contract with Joe Johnson which is above the \$100,000, thereby requiring Council approval.

To ensure the Region's sewer, roads, and water and wastewater infrastructure are properly maintained, staff recommend direct negotiation with Joe Johnson for the renewal of subsequent contracts. This is pursuant to the Procurement By-Law 30-2018, section 5.2.1, where purchasing is recommended because the supplier has exclusive rights.

### **FINANCIAL IMPLICATIONS**

There are sufficient funds available in various existing approved operating budgets to fund the cost of this contract, valued at \$162,000.

The annual cost is expected to increase annually by 2 per cent to reflect the increasing cost of maintenance. Any increases in subsequent contract renewals including inflation will be incorporated into future operating budget submissions for Council's approval as part of the annual budget process.

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*Authored By: Kathleen Donaldson, Supervisor, Fleet Services*

**Infrastructure Maintenance Equipment Parts and Service Provider**

A handwritten signature in black ink, appearing to read "Kealy Dedman". The signature is fluid and cursive, with the first name "Kealy" written in a larger, more prominent script than the last name "Dedman".

Kealy Dedman, Commissioner of Public Works