



**City of Kingston
Report to Council
Report Number 16-019**

To: Mayor and Members of Council

From: Denis Leger, Commissioner of Transportation, Facilities, and Emergency Services

Resource Staff: Sheila Kidd, Director of Transportation Services

Date of Meeting: December 15, 2015

Subject: Award of Contract – Seven All-Wheel Drive Compact Sport Utility Vehicles

Executive Summary:

The Fleet Services Division issued a Request for Proposal (RFP) for the purchase of seven all-wheel drive compact sport utility vehicles. These units are to replace units that have fulfilled lifecycle expectations within the Engineering, Parking Services, Utilities Resources, Utilities Engineering, and Utilities Gas and Meter divisions. Twelve proposals were evaluated for this RFP request however staff is not recommending the lowest price submission therefore Council approval is required to proceed.

Recommendation:

That Parkway Nissan be awarded the contract for the purchase of seven all-wheel drive compact sport utility vehicles, RFP F31-TFES-TS-FL-2015-23, for the total purchase price of \$172,364 plus applicable taxes; and

That the Commissioner of Transportation, Facilities, and Emergency Services be authorized to execute the required agreements, in a form satisfactory to the Director of Legal Services.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

**Denis Leger, Commissioner of
Transportation, Facilities and
Emergency Services**

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

Gerard Hunt, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Cynthia Beach, Corporate & Strategic Initiatives	Not required
Lanie Hurdle, Community Services	Not required
Jim Keech, President and CEO, Utilities Kingston	
Desiree Kennedy, Chief Financial Officer & City Treasurer	Not required

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Options/Discussion:

The Fleet Services Division issued a Request for Proposal (RFP) for the purchase of seven all-wheel drive compact sport utility vehicles. These units are to replacement two units within Engineering, one in Parking Operations, two in Utilities Resources, one in Utilities Engineering, and one in the Gas and Meter division, all of which have fulfilled lifecycle expectations. The submissions were evaluated by staff using the following criteria:

- Pricing and related costs – 40%
- Specification compatibility – 35%
- Warranty – 10%
- Fuel economy and greenhouse gas emissions -5%
- Delivery – 5%
- Accessibility Standards for Customer Service, Ontario Regulation 429/7 – 5%

Thirteen submissions were received for this RFP however one was not compliant and therefore only twelve submissions were evaluated. The results are as follows:

Vendor	Produce Offered	Rank	Rated	Purchase Price excluding applicable tax
Parkway Nissan	Nissan Rogue	1	91%	\$172,364
Airport Nissan	Nissan Rogue	2	90%	\$174,942
New Roads Chevrolet Cadillac	Chevrolet Equinox LS	3	87%	\$158,959
Mitsubishi	Mitsubishi RVR	3	87%	\$162,153
Metro Chrysler	Jeep Patriot	3	87%	\$166,096
Gananoque Chevrolet Cadillac	Chevrolet Equinox LS	4	86%	\$161,525
Georgian Chevrolet Cadillac	Chevrolet Equinox LS	4	86%	\$163,800
Highland Chevrolet Cadillac	Chevrolet Equinox LS	5	85%	\$166,972
Taylor Chevrolet	Chevrolet Equinox LS	6	84%	\$171,031
Gananoque Chevrolet Cadillac	Chevrolet Equinox LT	6	84%	\$172,942
East Court Ford	Escape SE	7	80%	\$186,228
Barrie Chrysler	Jeep Cherokee North	8	78%	\$217,693

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The Nissan Rogue offered by Parkway Nissan scored the highest based on the RFP criteria. The proposal from New Roads Chevrolet Cadillac was the lowest price bid however all the Chevrolet products were given a lower score primarily due to fuel ratings. The Nissan product also scored slightly higher than the other submissions on warranty and specification compatibility due to the inclusion of additional features that are built into the base cost.

Although the proposals offering the Nissan Rogue product are priced higher, the Rogue has a better fuel economy rating than the Chevrolet Equinox product. The Nissan Rogue consumes 9.5 litres of fuel per 100 kilometers for city driving versus the Chevrolet Equinox which uses 11.5 litres of fuel per 100 kilometers. These units have a potential lifecycle of 200,000 kilometers. Using an average regular fuel cost of \$1.00 per litre, the Nissan would use \$4,000 per vehicle less fuel than the Chevrolet Equinox over the lifecycle duration. In addition, the Natural Resources Canada fuel consumption guide estimate tailpipe emissions are based on the combined rate and conversion factor of 2.3 kg of CO₂ per litre of gasoline. Based on this calculation, the Nissan Rogue would emit 9,200 kg less CO₂ per unit than the Chevrolet Equinox.

Parkway Nissan submitted a price of \$172,364. This price is \$13,405 higher than the lowest price proposal for a Chevrolet Equinox however the fuel cost savings over the life of the vehicles represents approximately \$28,000.

If one were to recommend the lowest priced vehicle, it would result in significantly more fuel consumption and greenhouse gas emissions and a greater cost over the life of the vehicle.

Existing Policy/By-law:

By-law 2000-134, *a By-law to Establish Purchasing Policies and Procedures for the City of Kingston*

Green Fleet Policy for the City of Kingston

CO₂ emissions – Estimated tailpipe CO₂ emissions are based on the combined fuel rating and conversion factors of 2.3 kg of CO₂ per litre of gasoline.

Notice Provisions:

Not Applicable

Accessibility Considerations:

Not Applicable

Financial Considerations:

This purchase will be funded from funds previously approved in the 2015 Fleet capital budget.

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Contacts:

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Robert (Bud) Steele, Manager of Fleet, 613-546-4291, Extension 2216

Other City of Kingston Staff Consulted:

Mark Campbell, Manager, Construction
Ian Semple, Manager, Service Development
Jim Miller, Director, Utilities Engineering
Brad Joyce, Director Hydro and Business Services

Exhibits Attached:

Not Applicable