

Report to Civic Works Committee

To: Chair and Members
Civic Works Committee

From: Anna Lisa Barbon, CPA, CGA
Deputy City Manager, Finance Supports

Subject: SS-2024-090 Single Source Contract - Telematics Services

Date: March 19, 2024

Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, the following actions **BE TAKEN**:

- a) Approval **BE GIVEN** to exercise the single source provisions of the Procurement of Goods and Services Policy under sections 14.4 (d) and (g) to contract with AdvantageOne Technology Inc. for the supply and delivery of telematic services for a two (2) year contract with an option to renew for two (2) additional two (2) year periods;
- b) Civic Administration **BE AUTHORIZED** to undertake all administrative acts that are necessary in connection with this contract; and,
- c) Approval hereby given **BE CONDITIONAL** upon the Corporation entering into a formal contract or having a purchase order, or contract record relating to the subject matter of this approval.

Executive Summary

The City of London's municipal fleet has 280 active telematics devices employed in various City owned and contracted vehicles. Vehicle telematics play an important role in improving the efficiency and effectiveness of the services we provide to the community. A telematics device captures and communicates vehicle generated data to authorized users through a secure application. The City of London has been using various telematic technologies for more than 15 years to promote safety, improve maintenance planning, reduce corporate risk, contribute towards environmental stewardship, and effectively manage City assets.

In accordance with Sections 14.4 (d) & (g) of the Procurement of Goods and Services Policy, Fleet Services recommends establishing a single source contract with AdvantageOne Technology Inc, given the need to maintain compatibility with the active hardware installed on every vehicle and to take advantage of competitive offerings through a Group Procurement Organization (GPO).

Linkage to the Corporate Strategic Plan

This recommendation supports the 2023-2027 Strategic Plan in the following areas:

Well Run City

- Review municipal best practices, identifying gaps and opportunities, and deliver projects that improve performance.

Climate Action and Sustainable Growth

- Implement the Climate Emergency Action Plan with a focus on actions up to 2027 that will contribute towards achieving 2030 emissions reduction targets.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

There are no relevant reports available.

1.2 Background

Modern vehicle telematics is enabled by installing a wallet sized device that connects to the vehicle's electronic communication network. The device gathers data using GPS, sensors, movement and actions, and engine data to provide authorized users with the information needed to manage safe and effective operations of City assets. Using this data, the City can take actionable steps towards improving driver and road safety, supporting regulatory compliance, fleet maintenance, operational excellence, and civic leadership.

The City of London has been using a variety of automated vehicle location technologies over the past 15 to 20 years, with a main focus on winter operations. Over the years several of the leading products used by Road Operations have transferred ownership, been acquired, and eventually amalgamated with Geotab headquartered in Oakville Ontario. The progressive standardization of telematics software and hardware in our municipal fleet, has resulted in the need for establishing a service contract.

Telematics devices are installed in over 280 City owned and contracted vehicles. Winter operations is the biggest user of telematics services as the Service must track snow clearing routes, and material distribution on roads and sidewalks. There are seven other Services that utilize telematics including: Waste Collections, Fleet, Facilities, Forestry, Wastewater, Water and Sewer Operations.

2.0 Discussion and Considerations

From a compatibility perspective there are several savings that substantiate the recommendation to establish a contract with AdvantageOne Technology Inc which will enable the Corporation to maintain the existing hardware. Switching hardware would require labour to remove and replace all 280 units in-service by City mechanics. Keeping the same hardware also eliminates the need for new application training and custom data migration into the Cityworks database. Additionally, the controllers in our existing suite of winter operation sanders and salter units have a fit for purpose harness and are programmed to integrate seamlessly with our current hardware.

The City of London issued a public notification of its intent to use various Group Procurement Organizations on January 2, 2024. The City is a member of Canoe Procurement Group who issued RFP #020221 Fleet Management Technologies with Related Software Solutions, that evaluated competitive proposals from all major telematics providers based on eight categories. The RFP evaluation results ranked Geotab's offering number one against dozens of proposals. To leverage the benefits of a competitive offering through group procurement, Fleet Services is seeking approval to enter into a contract with Geotab's authorized reseller AdvantageOne Technology Inc.

2.1 Procurement Process

Fleet Services and Procurement and Supply recommend establishing a single source contract with Geotab authorized reseller AdvantageOne Technology Inc, given the requirements to be compatible with the existing hardware and make use of the competitive procurement opportunity through the Canoe Procurement Group. This recommendation is in accordance with Section 14.4 (d) and (g) of the Procurement of Goods and Services Policy:

- 14.4 d. There is a need for compatibility with goods and/or services previously acquired or the required goods and/or services will be additional to similar goods

and/or services being supplied under an existing contract (i.e., contract extension or renewal);

- 14.4 g. It is advantageous to the City to acquire the goods or services from a supplier pursuant to the procurement process conducted by another public body or a Group Procurement Organization (GPO);

As per Section 14.5 a) ii) of the Procurement of Goods and Services Policy, Committee and City Council must approve a single source award greater than \$50,000, unless otherwise permitted by the Policy.

Fleet Services, in collaboration with Procurement and Supply will continue to explore group buying opportunities to reduce costs, streamline the purchasing process, allow for standardization of equipment, and ensure operational requirements are met.

3.0 Financial Impact

Across our municipal fleet, the average annual expenditure over the last three-years on telematics was \$88,513 (excluding HST). Fleet Services is anticipating modest increases to the number of assets using telematics given the operational need for the technology has not changed. Data provided by vehicle telematics enables Fleet Services to expand key performance metrics that support fleet composition decisions, reductions in fuel consumption, and ensures asset utilization. Funding for telematics is supported by the respective Services approved operating budgets.

Conclusion

Establishing this contract will result in avoiding unnecessary hardware and application switching costs, maintain continuity with existing operational equipment, and leverage the benefits of a competitive offering through a Group Procurement Organization. In accordance with section 14.4 (d) & (g) of the Procurement of Goods and Services Policy, Fleet Services is requesting approval to establish a single source contract with AdvantageOne Technology Inc. for two (2) years with an option to renew for two (2) additional two (2) year periods.

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