



The Regional Municipality of York Police Service Board

Public Board Meeting
April 23, 2025
For Decision

Report of the Chief of Police

Direct Purchase of Cummins Generator Maintenance and Repair Service

1. Recommendations

1. That the Board approve the direct purchase from Cummins Canada ULC of generator maintenance and repair services for a total cost of \$320,215.00 excluding Harmonized Sales Tax; and
2. That the Chief of Police be authorized to award and execute the contract on behalf of the Board, subject to the approval of The Regional Municipality of York's Regional Solicitor or designate, as to form and content; and
3. Exercise the optional renewals at the sole option of the Chief of Police, subject to the contractor's satisfactory performance, as determined by the Chief of Police.

2. Purpose

This report seeks the Board's approval and authorization to make a direct purchase from Cummins Canada ULC of generator maintenance and repair service.

The Board owns Cummins generators for emergency back-up power at the following three buildings

- York Regional Police (YRP) Headquarters in Aurora;
- 2 District Headquarters in Richmond Hill; and
- 3 District Headquarters in Sutton

3. Background

The Capital Projects and Facilities Bureau maintains the generators, which were acquired and installed during the commissioning of each building. The generators are equipped with built-in internal software with proprietary algorithms and framework that needs to be integrated with existing building systems. Cummins Canada ULC, the Original Equipment Manufacturer (OEM), owns the intellectual property and exclusive rights to the built-in software, which no other company can legally develop or sell. The regulatory and security compliance with software must meet specific standards that alternative vendors could not meet.

The Ontario Building Code mandates that maintenance on emergency generators conform to Canadian Standard Association C282 "Emergency Electrical Power Supply for Buildings", which requires that maintenance work on such generators be performed on a predetermined service schedule.

4. Analysis

The contract is for an initial three-year term and includes up to two optional renewal terms of one year each. The initial term has a cost of \$200,439.00, exclusive of HST, and the total value of the contract is \$320,215.00, exclusive of HST, if the optional terms are exercised.

On November 5, 2024, Request for Quotation Q-24-39, Cummins Generator Maintenance and Repair Service Contract was issued electronically directly to Cummins Canada ULC. Cummins Canada ULC submitted its quotation by the closing date of December 15, 2024, however the pricing came in above budget. YRP directly negotiated with Cummins Canada ULC and was able to secure a discount on preventative maintenance service. The form of contract will be the Request For Quotation (RFQ) terms and conditions, subject to the negotiated terms and pricing.

DIRECT PURCHASE JUSTIFICATION

Purchasing By-Law #10-17 sections 10.1(a) and 10.2 permit direct purchases where the compatibility of a purchase with existing equipment, facilities or service is the paramount consideration, subject to the Board's approval if the total cost is greater than \$150,000.00. The direct purchase of the generator maintenance and repair services, as described in this report, falls within this justification.

The direct purchase of the services from Cummins Canada ULC is necessary to ensure the generators are functioning properly in the event of an emergency requiring back-up power at the buildings.

Since the generators are controlled by proprietary software which must integrate with existing building systems, the Capital Projects and Facilities Bureau has standardized the servicing of these generators to OEM based on their software's unique capabilities, proprietary algorithms, framework and integration. Only Cummins Canada ULC offers a compatible solution.

If the Board were to contract the maintenance of the generators to a non-OEM vendor, that vendor would need to subcontract software service issues to Cummins Canada ULC. Non-OEM vendors have been engaged in the past, however, these agreements were not established directly with Cummins Canada ULC, and YRP was not provided priority-level service. As a result, there was a prolonged downtime without access to emergency backup power. An alternative of redevelopment and replacing generators would be costly and does not provide best value to the Board.

5. Financial Considerations

Funding in the amount of \$703,000 is included in the 2025 operating budget for mechanical repair and maintenance including generator maintenance, repairs, and load bank testing. The funding needed in 2026 will be included in the 2026 operating budget proposal, subject to the approval process of the budget.

6. Local Impact

There are no impacts to local municipalities for adopting the recommendations.

7. Conclusion

It is recommended that the Board approve the direct purchase outlined in this report in accordance with sections 10.1 (a) and 10.2 of Purchasing By-Law 10-17.

Alternative formats or communication supports are available upon request.

Approved for Submission: Jim MacSween, M.O.M., B.A.A.
Chief of Police