

SUBJECT: Provisional Procurement Strategy for Light and Medium Duty Vehicles  
Conclusion

TO: Council Information Package (CIP)

FROM: Public Works  
Roads, Parks and Forestry

Report Number: PWS-12-26

Wards Affected: numbers, all or not applicable

Date to Council: N/A

CIP date: April 17, 2026

---

### **Purpose of report:**

- The purpose of this report is to provide a summary and conclusion to the provisional procurement strategy for light and medium duty vehicles which was approved for a 24-month period starting July 2023 (RPF-13-23).

### **Key findings:**

- Throughout the 24-month period light duty vehicles were purchased 10-20% under their Suggested Retail price with commercial fleet discounts.
- Vehicles were received, outfitted and deployed within days of purchase and thereby minimizing service interruptions to internal departments.
- As a result of savings arising from the interim procurement strategy, the city did not use the approved capital one-time withdrawal of \$500,000 from the vehicle depreciation reserve fund (VDRF). This funding has been reinvested back into the subject reserve.
- After receiving favourable pricing and bidders under RFT-25-310 - Supply and Delivery of Various Trucks and Vans the City will resume procurement under it's current procurement bylaws.

# Information Report

---

## **Background**

In 2020, the City of Burlington awarded Request for Tender RFT-303-20 for light duty to medium duty trucks and vans with the intention of procuring trucks and cargo/minivans from 2020 to 2024.

During the tendering period and into the contract award the City encountered issues with dealerships cancelling orders, increasing prices, increasing delivery times, reducing model offerings and a “seller’s market.”

To mitigate this issue, the City implemented RPF-13-23 Provisional Procurement Strategy for Light and Medium Duty Vehicles (passenger vehicles, ¼ ton pickup trucks, ½ ton pickup trucks, ¾ ton pickup trucks, 1-ton pickup trucks, cargo and minivans) for a 24-month period (July 2023 to July 2025) to facilitate the procurement of vehicles and enable city departments to deliver services.

## **Strategy/process/risk**

Staff from RPF, Fire and Transit in collaboration with Procurement Services continually research industry trends and best practices being conducted by other municipalities to determine optimal purchasing solutions for light and medium duty vehicles.

Procurement Services recognized that the city’s typical procurement process was not practical given the supply chain issues experienced in the automotive industry during/immediately after the Covid Pandemic. It was concluded, through these discussions and research, that buying new as well as certified used vehicles (less than 1-2 years old) would be the best option to obtain the vehicles required to meet immediate service demands.

Staff have been successful with the 24-month provisional procurement strategy approved with the previous report. The City was able to purchase net-new vehicles immediately, which positively impacts service delivery for user groups. Recent vehicle and equipment tenders are showing signs that the automotive industry is “normalizing” with less disruption to supply chains and inventory levels improving. There is a degree of uncertainty associated with the current trade dispute; however, we are optimistic that this situation will be resolved soon. Through our most recent tender, RFT-25-310 - Supply and Delivery of Various Trucks and Vans, favourable bidder interest and pricing was received, which has validated our current industry assessment.

**Implications**

**Financial Matters:**

Vehicles purchased under the subject provisional procurement strategy have supported the following city departments:

- Fire & Transit Support Vehicles
- Recreation & Organized Sport Support
- Parks & Open Space Maintenance
- Building Permits and Inspection
- All Roads, Parks, Forestry and Business Services
- Roads Design & Construction
- Traffic Operations
- Animal Control
- Parking & By-Law

**Total Financial Impact**

The following table provides a summary of the vehicles purchased under the 24-month provisional procurement strategy:

Vehicle Type	Cars/Light Duty	Trucks	Outfitted Vans	Total
Purchased Quantities	12	25	7	44
Cost (rounded)	\$500,000	\$1,900,000	\$420,000	\$2,820,000

The City has purchased each new vehicle approximately \$6,000 - \$14,000 (10-20%) under manufacturer's suggested retail price MRSP.

Of the original 67 assets to be replaced, 14 assets were procured under an existing tender, and the remaining assets were rolled into our new 2025 tender. Select units were also repurposed/reorganized within the fleet maximizing life cycle beyond 2025 to minimize operating costs.

As of the end of 2024 through realized savings, the city has not required to withdraw any unbudgeted funds from the vehicle depreciation reserve fund (VDRF).

## **Source of Funding**

The source of funding for these purchases were already accounted for in the 2020 – 2025 departmental capital budgets and are funded through the Corporate Vehicle & Equipment Depreciation Reserve Fund.

---

## **Conclusion**

- The City was able to save funding 10-20% under MRSP by using the subject interim procurement strategy method with no delays to city services.
  - The City has received favourable tender pricing and several bids under RFT-25-310 - Supply and Delivery of Various Trucks and Vans to satisfy both procurement and fleet departments.
  - The City intends to resume following Procurement Bylaws in procuring further light duty vehicles as the industry has stabilized in supply.
- 

## **Author:**

Paul Swioklo  
Manager of Corporate Fleet  
Paul.swioklo@burlington.ca

## **Report Approval:**

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.