



Report To: Program Planning Committee

From: Robert Smith  
Chief of Paramedic Services

Date: February 26, 2020

Re: CGS Fleet Maintenance - Issue Report

## **Executive Summary**

The Manitoulin-Sudbury DSB is responsible to ensure its fleet maintenance program meets all aspects of Provincial legislation related to both ambulance services and commercial operations. The Ministry of Health (MOH) certification process pays particular attention to fleet maintenance programs and assigns multiple personnel to ensuring compliance.

In late 2018, following a significant process for system design, Manitoulin-Sudbury DSB established a fleet maintenance pilot program with the City of Greater Sudbury. Initially, this program included preventative maintenance and repairs for 15 of 23 ambulances, and 4 Paramedic Response Units (PRU).

December 31, 2019 marked the end of the first budget year for the pilot project, and the results confirmed significant benefit for both service reliability and costing.

## **History**

Manitoulin-Sudbury DSB historically contracted both preventative maintenance and fleet repair to a number of private and Original Equipment Manufacturer (OEM) garages, focusing primarily on proximity to station locations. This process proved problematic for service quality, timeliness and cost containment. With those challenges in mind, the DSB explored several mitigation strategies. Between 2015 and 2018, the DSB saw significant budget overages, and additionally diminishing service reliability. In 2018, fleet maintenance and tires reached a high of \$402,957 which was \$137,957 over budget.

In late 2016, Paramedic Services staff initiated discussion with the City of Greater Sudbury's (CGS) Fleet Services surrounding a potential arrangement to allow for both Preventative Maintenance (PM) and repair of Manitoulin-Sudbury DSB Paramedic Services fleet by CGS. In the spring of 2018, both the CGS Leadership and DSB staff had their Board/Council approve a pilot project. On November 1, 2018, following capital purchases and human resource assignment, the pilot project was initiated.

### **Project Benefit**

The benefit from the contracted fleet service agreement with CGS pertains to timely service and expertise as the mechanics are both OEM and Demers certified. Staff believe that an effective preventative maintenance program will have a net positive impact on vehicle failure and repair costs.

There are also significant value-added benefits as well.

1. CGS fleet facilities operate from 7AM to midnight, and their staff have committed to a responsive service system. In the first year, staff have realized a reduction in loss of resources due to breakdown. Additionally, CGS Fleet Service facilities are available 24/7 for warm storage of DSB vehicles, reducing the incidents of equipment loss due to extreme temperatures.
2. CGS fleet services has an on-site parts department that carries not only OEM parts, but also conversion parts from the ambulance and PRU manufacturers. Historic parts delays have been almost eliminated.
3. CGS fleet services staff have managed both OEM and Demers warrantee work, resulting in additional savings not previously realized.
4. CGS staff have taken on the commissioning of new DSB fleet, including the ferrying of vehicles from Montreal. Commissioning time has been reduced from weeks to days.

### **Financial Impact.**

As stated at the outset, in 2018, Paramedic Services costs for fleet maintenance, repair and tires was \$402,957, nearly \$138,000 over the \$265,000 budget. In 2019, the cost still exceeded the \$265,000 budgeted amount, but despite annualized increases in service costing, the total expenditure was \$343,413, a direct year over year savings of almost \$60,000.

Staff had previously reported to the Board that the first-year impact would likely not result in significant savings, as there would be a requirement to bring the entire fleet to an ideal level of compliance. There was also a one-time cost in 2019 for a system to remotely monitor parking brake use, something that has had historically resulted in significant

repair costs. It is also important to note that the average monthly cost from CGS in the first quarter of 2019 was \$19,911 while the 2019 fourth quarter average monthly cost was only \$13,969, a 30% cost reduction. Staff expect to realize further savings in 2020 and beyond.

## **Conclusion**

The benefit from contracting with the City of Greater Sudbury for fleet maintenance and repair of both ambulances and PRUs relates to improvement service delivery and a more responsive program, leading to a reduced maintenance and lost deployment.

Staff will continue to work collaboratively with the City of Greater Sudbury to advance a mutually beneficial system of fleet maintenance.