

FINANCIAL MANAGEMENT COMMITTEE

HIS WORSHIP, THE MAYOR
AND COUNCILLORS

**SUBJECT: 2016 ENGINEERING CAPITAL INFRASTRUCTURE VEHICLE
ACQUISITION BYLAW FUNDING REQUEST**

RECOMMENDATIONS:

1. THAT Council approve the capital expenditure of \$962,000 for vehicle acquisitions, as outlined in this report.
2. THAT Council authorize staff to bring down a Capital Reserves Bylaw in the amount of \$1,007,000 (inclusive of GST) to finance the capital programs, as outlined in this report.

REPORT

The Financial Management Committee, at its meeting held on 2016 May 25, received and adopted the attached report seeking Council's funding approval for 2016 Engineering Vehicles – Annual (Backhoes, Tandem Axle Dump Trucks, and Emergency Hose Reel Pump System).

Respectfully submitted,

Councillor D. Johnston
Chair

Councillor C. Jordan
Vice Chair

Councillor P. McDonell
Member

Copied to:	City Manager Director Engineering Director Finance Director Parks, Recr. & Cult. Services City Solicitor
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TO: CHAIR AND MEMBERS FINANCIAL MANAGEMENT COMMITTEE **DATE:** 2016 May17

FROM: DIRECTOR ENGINEERING **FILE:** 32000-05

SUBJECT: 2016 ENGINEERING CAPITAL INFRASTRUCTURE VEHICLE ACQUISITION BYLAW FUNDING REQUEST

PURPOSE: To request funding approval for 2016 Engineering Vehicles - Annual.

RECOMMENDATIONS:

1. **THAT** Council approve the capital expenditure of \$962,000 for vehicle acquisitions, as outlined in this report.
2. **THAT** Council authorize staff to bring down a Capital Reserve Bylaw in the amount of \$1,007,000 (inclusive of GST), to finance the capital programs as outlined in this report.

REPORT

The 2016 – 2020 Annual Financial Plan provides funding for various multi-year capital improvements. In order to proceed in a timely manner with the specifications and ordering of vehicles, funding approval is requested for the projects listed below. Sufficient Capital Reserves are available to complete these works.

Provisional funding was previously requested in December 2015 for new vehicles. This additional funding was included in the Annual Plan in order to purchase additional vehicles.

1.0 New Vehicles Engineering Fleet

1.1 Backhoes (ENZ.0036) \$300,000

Water and Sewer rely on several contracted backhoes daily to assist City forces in completing construction and maintenance programs. There are two spare backhoes to the 4 RFT boarded operators for Public Works that are predominately used daily for Water and Sewer construction and operating programs. They currently use spare backhoes from the fleet inventory that are meant to be used infrequently.

To: Chair and Members Financial Management Committee
From: Director Engineering
Re: 2016 Engineering Capital Infrastructure Vehicle Acquisition Annual
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1.2 Tandem Axle Dump Trucks (ENZ.0036) \$650,000

The City retains approximately 12 contracted Tandem Dump Trucks through Hired Equipment Services to assist City forces in completing construction and maintenance programs. Annual expenditures for contracted tandem dump trucks are approximately \$1.5 Million. The estimate of the \$650,000 request includes the purchase of a snow plow and a sander for winter operations at approximately \$50,000 for each truck. The purchase of two Tandem Axle Dump Trucks will alleviate the use of Hired Equipment.

These two vehicles are planned to be purchased in 2017, however, Fleet is anticipating tendering and ordering these vehicles in 2016. In order to be able to award the contract to purchase the two tandem dump trucks, the funding is being raised now. Delivery and payment will take place in 2017.

1.3 Emergency Hose Reel Pump System (ENZ.0034) \$12,000

This is additional funding to the amount raised in 2015 to reflect an increase in expected cost of this item. Total cost is expected to be \$87K. The Emergency Hose Reel Pump System will provide a quick set up system for bypassing sewer blockages in emergency situations. It will also be used for de-watering projects and pump station emergencies.

2.0 Conclusion:

It is recommended that Council approve the capital expenditure of \$962,000 Million for vehicle acquisitions, as outlined in this report and that Council authorize staff to bring down a Capital Reserves Bylaw in the amount of \$1,007,000 (inclusive of GST) to finance the capital programs as outlined in this report.


Leon A. Gous, P. Eng. MBA
DIRECTOR ENGINEERING

FV/ac

Copied to: City Manager
Director Finance
Director Parks, Recreation & Cultural Services
City Solicitor