



Subject: Public Works Fleet Services Asset Allocations

Report Number: OPD 24-037

Department: Operations and Development Department

Submitted by: Richard Sparham

Meeting Type: Council Meeting

Meeting Date: Monday, May 27, 2024

RECOMMENDATION

- A. THAT report OPD 24-037 titled Public Works Fleet Services Asset Allocations be received as information; and
- B. THAT Council approves the reallocation of approved budgeted funds for the recommended purchase of associated fleet equipment, as below; and
- C. THAT Council approves the additional \$26,072 to be funded from the Fleet Reserve:

Unit #	Item	Budget	Actual	Diff	Action
123	Snow Blower	\$182,000	\$246,545	\$ (64,545)	Approve
127	Tractor (+ attach)	\$145,000	-	\$ 145,000	Cancel + Re-all
128	Mower Deck	\$ 55,000	-	\$ 55,000	Cancel + Re-all
129	Flail/Brusher	\$ 55,000	-	\$ 55,000	Cancel + Re-all
130	Snow Blade	\$ 20,000	-	\$ 20,000	Cancel + Re-all
131	Snow Plow	\$465,000	\$424,936	\$ 9,165	Re-allocate
N/A	Leaf Vac	-	\$274,975	\$ (270,219)	Approve
054	Box Blade	\$ 55,000	\$ 25,717	\$ 29,283	Re-allocate
TOTAL		\$ 977,000	\$ 955,805	\$ (26,072)	Approve

BACKGROUND

In the approved 2023 and 2024 Budgets for Fleet Capital purchasing, staff brought forth the request to purchase multiple pieces of equipment. In light of market delivery delays over the last couple of years staff, have reassessed our overall equipment needs and functional requirements of said equipment to better accommodate scheduled purchase in ensuring the best purchase through Asset Renewal activities/needs.

DISCUSSION


Overall and in 2024's budget consideration, Council approved the fleet capital requests to purchase seven (7) pieces of equipment with a total budget impact of approximately \$977,000. They are:

Capital Budget #	Item	Budget Amount
123	Snow Blower	\$ 182,000
127	Tractor (plus attachments)	\$ 145,000
128	Tractor Attachment – Mower Deck	\$ 55,000
129	Tractor Attachment – Flail/Brusher	\$ 55,000
130	Tractor Attachment – Snow Blade	\$ 20,000
131	Snow Plow	\$ 465,000
054	Box Blade	\$ 55,000

Recommendations

The itemized description of the recommended changes to the Fleet Capital purchases includes the following:

- **Snow Blower** – the snow blower attached was budgeted as a replacement to a previous unit. This unit is included in this report as the \$246,545 (with the Town’s 1.76% HST) overall cost of the unit exceeded the \$182,000 budgeted amount. Staff felt the inclusion of this unit in this restructure would allow the currently approved budget to afford the overage.
- **Tractor (plus attachments)** – the tractor purchase was intended to be used partially for Roads operations as well as providing assistance at the Airport. Staff felt, since the Roads staff will no longer be committed to assist at the Airport, a different piece of equipment would better satisfy the needs.
- **Snow Plow** – staff finalized the quote for the snow plow purchase at \$424,936 (with 1.76% HST). The original budget of \$465K was funded 77% from DCs, with the other 23% or \$106,900 coming from the Fleet Reserve. As we would now only need to pull \$97,735 (23% of \$424,936) from the reserve, this equates to a savings of **\$9,165** (\$106,900 - \$97,735) that can be reallocated.

		Quarterly Reports - Capital		
		For period ending December 31, 2024		
	2024	YTD	2024	
	Budget	Actuals	Revised Budget	Variance
131 New - Tandem Axle Plow				
3900 Contr from Fleet Reserve	-106,900		-97,735	-9,165
3905 Contr from DC Reserve	-358,100		-327,200	-30,900
5425 Sp Proj Exp	465,000		424,936	40,064
Total 131 New - Tandem Axle Plow				

OPD 24-037 Public Works Fleet Services Asset Allocations

Staff is recommending to utilize the savings in the purchase changes, plus will require Council approval for an additional \$26,072 to fully fund the overall changes.

- **Box Blade** – the box blade purchase was \$25,717 (with 1.76% HST), which equated to a savings of \$29,283 from the budgeted amount of \$55,000.
- **NEW Leaf Vacuum Unit** – As Council was aware, the 2023 leaf collection was a resounding success. Through improved health and safety measures and equipment optimization, staff is recommending to approve the reallocated funds for the purchase of a new leaf vac unit in the amount of approx. \$274,975, with 1.76% HST).

The table below also describes outlines the overall budget impact of the recommended reallocations:

Unit #	Item	Budget	Actual	Diff
123	Snow Blower	\$ 182,000	\$ 246,545	(\$ 64,545)
127	Tractor (+ attachmt)	\$ 145,000	\$ -	\$ 145,000
128	Mower Deck	\$ 55,000	\$ -	\$ 55,000
129	Flail/Brusher	\$ 55,000	\$ -	\$ 55,000
130	Snow Blade	\$ 20,000	\$ -	\$ 20,000
131	Snow Plow	\$ 465,000	\$ 424,936	\$ 9,165
N/A	Leaf Vac	\$ -	\$ 274,975	(\$ 274,975)
54	Box Blade	\$ 55,000	\$ 25,717	\$ 29,283
TOTAL		\$ 977,000	\$ 972,173	(\$ 26,072)

CONSULTATION

- Director of Operations and Development
- Senior Analyst/Deputy Treasurer
- Interim Director of Finance / Treasurer

FINANCIAL IMPACT/FUNDING SOURCE

All changes, as recommended, will be afforded through approved budget funding and Council approval of this report’s recommendation and that of related reports OPD 24-045, OPD 24-047, and OPD 24-051.

CORPORATE GOALS

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion

OPD 24-037 Public Works Fleet Services Asset Allocations

- Community growth
- Connectivity and transportation
- Not Applicable

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

Goal – Tillsonburg residents and businesses will be connected to each other, regional networks, and the world through effective traditional and digital infrastructure.

Strategic Direction – Develop a robust, long-term asset management plan to inform evidence-based decisions on the maintenance, rehabilitation and replacement of municipal infrastructure.

Priority Project – *Ongoing Projects* – Asset Management Plan

ATTACHMENTS

NONE