



Meeting Date: November 10, 2021

Submitted by: Rob Cascaden, P.Eng – Director – Public Works and Engineering

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Report No: PWE 39-2021

Subject: 2022 Fleet Capital Replacement Budget Approval

Recommendation:

THAT Council receive for information the 2022 Fleet Capital Budget;

AND THAT Council approve the 2022 Fleet Capital Replacement Budget of \$ 1,779,000 and as attached in Appendix A.

Purpose:

The purpose of this report is to seek Council's approval of a portion the 2022 Fleet Capital Budget representing proposed replacement vehicles and equipment.

Background:

In an effort to help mitigate the impacts Covid-19 has had on supply chains, pricing and equipment and vehicle lead times, staff are seeking approval of a portion of the 2022 Fleet Capital Budget in advance of the combined capital and operating budgets.

Analysis:

The 2022 Fleet Capital Replacement Budget as shown in Appendix A has been reviewed with the budget committee, and is reflective of the discussion had with the committee. In an effort to ensure the timely replacement of vehicles and equipment staff are seeking approval of the Fleet Capital Replacement Budget. This approval, should it be granted, will help mitigate some of the concerns around delivery lead times for vehicles and equipment, as well as pricing increases. The industry is currently experiencing significant delays in the delivery of vehicles due to ongoing semi conductor shortages and these shortages look to be in place for some time to come.

The 2022 Fleet Capital Replacement Budget looks to replace existing vehicles and equipment only, in accordance with the recommendations of the Asset Management Plan.

New fleet equipment and vehicle requests will be reviewed and approved through the typical budget process.

The Council approved asset management plan recommends the yearly expenditure of an average of \$2,117,098.20 over the next 10 years for the replacement of existing fleet vehicles and equipment.

The replacements and new items are broken down by service area along with 2022 budgeted replacement costs which can be found below.

Division	Project	Code	Financing	2022 Budget Total
Fire Services	Small Engine Equipment	22-2270	Fire Vehicles & Equipment	\$6,000
			Total	\$6,000

Division	Project	Code	Financing	2022 Budget Total
Transportation	Replacement Grader	22-3322	General Vehicles and Equipment	\$485,000
Transportation	Replacement Roadside Mower	22-3523	General Vehicles and Equipment	\$30,000
Transportation	Replacement Stacker	22-3621	General Vehicles and Equipment	\$180,000
Transportation	Replacement Tandem Truck	22-3251	General Vehicles and Equipment	\$380,000
Transportation	Replacement Tractor & Attachments	22-3525	General Vehicles and Equipment	\$225,000
Transportation	Small Engine Equipment	22-3700	General Vehicles and Equipment	\$6,000
			Total	\$1,306,000

Division	Project	Code	Financing	2022 Budget Total
Environmental Services	Replacement Truck	22-4309	½ Water, ½ Wastewater	\$45,000
Environmental Services	Replacement Truck	22-4310	½ Water, ½ Wastewater	\$45,000
Environmental Services	Small Engine Equipment	22-4700	½ Water, ½ Wastewater	\$6,000
			Total	\$96,000

Division	Project	Code	Financing	2022 Budget Total
Community Services	Replacement 18' Tandem Float Trailer	22-7218	General Vehicles and Equipment	\$20,000
Community Services	Replacement Ice Resurfacer	22-7318	General Vehicles and Equipment	\$150,000
Community Services	Replacement Tractor and Snow Blade	22-7323	General Vehicles and Equipment	\$130,000
Community Services	Replacement Tri-Plex Mower	22-7321	General Vehicles and Equipment	\$40,000
Community Services	Replacement Zero Turn Mower	22-7322	General Vehicles and Equipment	\$25,000
Community Services	Small Engine Equipment	22-7700	General Vehicles and Equipment	\$6,000
			Total	\$371,000

Financial Implications:

The total fleet capital budget request of \$ 1,779,000.

The impact to the reserve funds are as follows:

General Fleet and Equipment Reserve Fund	\$1,677,000
Fire Vehicles and Equipment Reserve Fund	\$6,000
Water Reserve Fund	\$48,000
Waste Water Reserve Fund	\$48,000

Strategic Plan:

This matter aligns with following strategic priorities:

- Sustainable Infrastructure and Services
- Responsive Municipal Government

The timely replacement of municipal vehicles and equipment in accordance with the asset management plan will ensure that staff are able to deliver services to the residents of Middlesex centre in a sustainable fashion. Staff working with the budget committee members in collaborative approach have reviewed the purposed fleet replacements with a lens on financial sustainability to ensure the long term financial health of the Municipality.

Attachments:

Appendix A- 2022 Fleet Capital Replacement Budget