

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 11, 2017

Item 7, Report No. 14, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on December 11, 2017.

7 CAPITAL BUDGET AMENDMENTS FOR NEW AND REPLACEMENT NARROW SIDEWALK TRACTORS - FL-5226-14, FL5227-14, FL-5337-14, FL-5338-14, FL-5340-14, FL-5341-14, FL-5451-14 AND FL-5499-14

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Deputy City Manager, Public Works and the Director of Fleet Management Services, dated December 4, 2017:

Recommendation

The Deputy City Manager, Public Works and the Director of Fleet Management Services, in consultation with the Director of Financial Planning & Development Finance and Deputy City Treasurer and the Director of Procurement Services, recommend:

1. That the approved budget for Capital Projects FL-5226-14, FL5227-14, FL-5337-14, FL-5338-14, FL-5340-14, FL-5341-14, FL-5451-14 and FL-5499-14 be increased by a combined amount of \$90,000, funded from the Vehicle Replacement Reserve, Public Works/Fleet City-Wide Development Charges and Capital from Taxation Reserve as presented in table 1 of this report; and
2. That inclusion of this matter on a Public Committee or Council agenda with respect to amending the capital budgets as identified above be deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002, as amended.

Contribution to Sustainability

Effective asset management supports sustainability by ensuring the City can continue to deliver the services it provides to residents.

Economic Impact

Based on the tender results, the current approved capital project budgets are not sufficient to fund the total cost of the equipment tendered. As such, a combined capital budget amendment of \$90,000 is required. The recommended capital budget increases will be funded from the Vehicle Replacement Reserve (\$72,000), Public Works/Fleet City-Wide Development Charges (\$16,200) and Capital from Taxation Reserve (\$1,800). Further details of the equipment costs and capital project funding are included in the Background – Analysis and Options section of this report.

Communications Plan

This report is publicly available on the Agendas, Minutes and Extracts page of the City's website (www.v Vaughan.ca)

Purpose

The purpose of this report is to seek Council approval to increase capital project budgets for the acquisition of new and replacement narrow sidewalk tractors.

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Background - Analysis and Options

These capital projects fund the procurement of sidewalk equipment with attachments that are principally used to support the removal of snow from approximately one thousand kilometers of sidewalk network and City serviced facilities. The service delivered by City staff using this equipment is key to ensuring the safety and mobility of Citizens before, during and after snow events.

The 8 units will also be utilized to perform City services outside of the winter season in support of park maintenance work such as wood chipping, and grass cutting.

The bid response received for the tender for this equipment exceeds the available budget for each project. The additional funds required in each project are summarized in the table below.

Table 1: Capital Budget Amendment Summary (\$)									
	FL-5226-14	FL-5227-14	FL-5337-14	FL-5338-14	FL-5340-14	FL-5341-14	FL-5451-14	FL-5499-14	Total
	Narrow Sidewalk Tractor with Plow/Salter								
	Replace Unit #1278	Replace Unit #1281	Replace Unit #1279	Replace Unit #1338	Replace Unit #1471	Replace Unit #1472	New	New	
Total Estimated Costs (including HST and 3% Administration Recovery)	75,900	75,900	75,900	75,900	75,900	75,900	93,500	93,500	642,400
Less: Approved Budget	63,900	63,900	63,900	63,900	63,900	63,900	84,500	84,500	552,400
Budget Amendment Required	12,000	12,000	12,000	12,000	12,000	12,000	9,000	9,000	90,000
Funding Source:									
Vehicle Replacement Reserve	12,000	12,000	12,000	12,000	12,000	12,000			72,000
Public Works/Fleet City-Wide Development Charges							8,100	8,100	16,200
Capital from Taxation Reserve							900	900	1,800

The amendment will allow a contract to be awarded for the replacement for eight narrow sidewalk tractors with attachments.

Six tendered units will replace equipment that have reached end of life and have been removed from service. Purchase of these units will also ensure that current equipment can be cycled and made available for ongoing maintenance and repair which will ultimately decrease downtime, improve service response, and prevent a loss in productivity due to equipment failure.

Two tendered units are required to increase the fleet complement of sidewalk tractors to support service to a new route added to support growth.

The Request for Tender for the sidewalk tractors was executed in compliance with the Corporate Procurement Policy assuring that the award enabled by this budget amendment will represent good value to the City for this necessary equipment. Once the tender is awarded, the capital projects will be closed and any funds remaining in the capital projects will be returned to their original funding sources.

The alternative to this budget amendment is to request that Council increase the project budgets through the normal budget process – achieving the same result as this report – but potentially risking the tender validity period expiring and the City having to retender the procurement.

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Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

The purchase of the appropriate vehicle and equipment directly aligns with the Term of Council Priorities, namely:

- Invest, renew and manage infrastructure and assets;
- Operational Performance – Effective Service delivery; and,
- Operational Performance - Continuous Improvement

Regional Implications

There are no regional implications from the recommendations of this report.

Conclusion

Staff recommends that an increase to the approved budgets in Capital Projects FL-5226-14, FL-5227-14, FL-5337-14, FL-5338-14, FL-5340-14, FL-5341-14, FL-5451-14 and FL-5499-14 be approved to provide sufficient funds to award the tender contract.

Attachments

N/A

Report prepared by:

Donald Eta, Director, Fleet Management Services, ext. 6141

CAPITAL BUDGET AMENDMENTS FOR NEW AND REPLACEMENT NARROW SIDEWALK TRACTORS - FL-5226-14, FL5227-14, FL-5337-14, FL-5338-14, FL-5340-14, FL-5341-14, FL-5451-14 AND FL-5499-14**Recommendation**

The Deputy City Manager, Public Works and the Director of Fleet Management Services, in consultation with the Director of Financial Planning & Development Finance and Deputy City Treasurer and the Director of Procurement Services, recommend:

1. That the approved budget for Capital Projects FL-5226-14, FL5227-14, FL-5337-14, FL-5338-14, FL-5340-14, FL-5341-14, FL-5451-14 and FL-5499-14 be increased by a combined amount of \$90,000, funded from the Vehicle Replacement Reserve, Public Works/Fleet City-Wide Development Charges and Capital from Taxation Reserve as presented in table 1 of this report; and
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Regional Implications

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Conclusion

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Attachments

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Report prepared by:

Donald Eta, Director, Fleet Management Services, ext. 6141

Respectfully submitted,

Donald Eta
Director, Fleet Management Services

Stephen Collins
Deputy City Manager, Public Works