



REPORT

To: Chair and Directors

Report Number: ENV-BRD-152

From: Kari Bondaroff, General Manager of Environmental Services

Date: October 5, 2023

Subject: 2024 Fleet Allocation and Capital Budget Pre-Approval

RECOMMENDATION: [Corporate Weighted]

That the Regional Board provide capital budget pre-approval, for the 2024 supplemental request to replace Unit 8, 2019 Chevrolet Colorado, with a quarter tonne 4x4 truck, at a cost not to exceed \$45,000 (excluding taxes) and authorize the inclusion of the expense in the draft 2024-2028 PRRD Financial Plan.

BACKGROUND/RATIONALE:

2024 Fleet Vehicle Administration Budget

To provide accurate allocations of 2024 expenses charged to each of the service functions that vehicle costs are charged to, a pre-budget approval is being requested. One vehicle replacement is proposed as this fleet asset has reached the end of its useful life.

To secure 2024 pricing and vehicles, it is necessary to proceed with the procurement process for purchasing a new vehicle in advance of the budget approval process.

Vehicle replacements and additions are detailed below:

- a) Unit 8 (2019 Chevrolet Colorado) is located at the Dawson Creek warehouse and will be replaced with another ¼ tonne 4x4 crew cab pick-up truck. Estimated replacement value is \$38,500, however, due to inflation, 15% contingency has been allocated to the purchase.

The total estimated capital budget for Fleet Capital Replacement under Financial Considerations is \$45,000, as shown in Table 1. If pre-approvals are approved, the budget allocations shown in Table 2 will be reflected in the 2024 vehicle allocations for all affected functions.

The 2024 supplemental request for the purchase of the fleet unit is included in Table 3 in the Financial Consideration section of this report for the Board's consideration.

ALTERNATIVE OPTIONS:

1. That the Regional Board provide further direction.

STRATEGIC PLAN RELEVANCE:

- Asset and Infrastructure Management

FINANCIAL CONSIDERATION(S):

Table 1 outlines the 2023-2028 annual capital replacement reserve allocations, the capital reserve balances estimated to be carried forward and the estimated purchase amounts for the current year, based on the attached '10-year Fleet Capital Plan (2024)'. The total change in the total budget is an overall increase of 7% for function 160.

Table 1. 2023-2029 Annual Fleet Capital Replacement Estimates

Financial Implications	2023	2024	2025	2026	2027	2028
Annual Capital Reserve	\$ 133,475	\$ 157,927	\$ 158,866	\$ 161,608	\$ 169,887	\$ 172,287
Additional Reserve Dollars	\$ 189,678	\$ 132,115	\$ 119,426	\$ 165,933	\$ 154,927	\$ 226,447
Purchases	\$ 191,039**	\$ 170,615	\$ 112,360	\$ 172,614	\$ 98,367	\$ 321,905
Reserve Balance:	\$ 132,115	\$ 119,426	\$ 165,933	\$ 154,927	\$ 226,447	\$ 76,829

**It should be noted that the PRRD is still waiting for the two vehicles contracted to purchase in the 2023 budget. Any capital funds outstanding from 2023 that are allocated to the 2023 purchases will be rolled forward into the 2024 fleet capital budget function 160.

Table 2 outlines the financial implications for each of the applicable functions. These allocations include capital replacement costs and operational costs, based on actual vehicle use in 2022, for the 2024 budget year. These values will be reflected in the 2024 budget package. Any operational surpluses will be utilized for general operational expenditures including the monthly contractual charges for the Geotab units, health and safety items, and miscellaneous equipment which will not affect the allocation amounts below.

Table 2. 2023 Vehicle Allocations per Function

Function	2024 Vehicle Allocation	Function	2024 Vehicle Allocation
100- Admin	\$73,752	340- Taylor Fire	\$93
110 – Legislative Regional	\$192	345- Tomslake Fire	\$613
120- Legislative Electoral	\$740	400- Mgmt Of Development	\$22,992
200- Reg. Parks	\$42,235	405- Building Inspection	\$26,909
210- Comm. Parks	\$ 10,068	430- Rolla Creek Dyke	\$139
220- Regional Recreation	\$191	500- Regional Solid Waste	\$125,803
221- Sub Regional	\$279	520- Invasive Plants	\$302
225- Kelly Lake Community Centre	\$199	525- NP TV	\$1,498
240- Chetwynd Leisure Centre	\$920	601- Charlie Lake Sewer	\$422
245- North Peace Leisure Pool	\$128	602- Chilton Sewer	\$3,578
290- Chetwynd Library	\$636	603- NP Airport Sewer	\$785
300- Emergency Planning	\$8,330	604 – Friesen Sewer	\$93
305- 911 Emergency Telephone	\$3,283	605- Harper Imperial Sewer	\$2,303
310- Emergency Rescue Vehicle	\$153	606- Kelly Lake Sewer	\$11,633
315- Charlie Lake Fire	\$6,111	607- Rolla Sewer	\$9,704
320- Chetwynd Rural Fire	\$93	701- NP Airport Water	\$1,675
325- DC/Pouce Coupe Fire	\$93	702- Area B Pot Water	\$151
335- Mob. Lake Rural	\$1,847	Total:	\$336,631

Table 3. 2023 Supplemental Request for Function 160 – Fleet Capital Purchase

Capital Budget						
Funding Sources	2024	2025	2026	2027	2028	5 Yr Total
Requisition	\$45,000	\$112,360	\$149,966	\$98,367	\$172,287	\$557,980
Capital Reserve			\$22,648		\$60,118	\$82,766
Sub-total	\$45,000	\$112,360	\$172,614	\$98,367	\$232,405	\$660,746
Expenses	2024	2025	2026	2027	2028	5 Yr Total
Replace Unit 8	\$45,000					\$38,500
Replace Unit 27		\$68,702				\$68,702
Replace Unit 28		\$43,658				\$43,658
Replace Unit 34			\$32,503			\$32,503
Replace Unit 32			\$39,031			\$39,031
Replace Unit 33			\$39,031			\$39,031
Replace Unit 31			\$62,049			\$62,049
Replace Unit 39				\$63,750		\$63,750
Replace Unit 40				\$34,617		\$34,617
Replace Unit 17					\$139,639	\$139,639
Replace 41					\$92,766	\$92,766
Sub-total	\$45,000	\$112,360	\$172,614	\$98,367	\$232,405	\$660,746
Total Project Cost						\$660,746

COMMUNICATIONS CONSIDERATION(S):

None at this time.

OTHER CONSIDERATION(S):

1. Asset Management is a key priority for the Regional Board as outlined in the current Strategic Plan. To support this key priority, scheduling regular vehicle replacement and evaluating current needs to sustain fleet is done as follows:
 - a) Budget is calculated for capital replacement based on 5-year depreciation for vehicles, 10-year depreciation for trailers and attachments, and 8 years for vehicles that have specialized use;
 - b) Vehicles remain covered under warranty and are replaced before significantly increasing maintenance costs are incurred; and
 - c) The PRRD can continue to provide safe and reliable vehicles which are intended for differing working purposes (such as off-road site inspections compared to highway travel between offices).
2. A Request for Proposals will be issued to offer a fair opportunity to vendors to bid on the capital expenditures. There may be a difference in price which could be reflected in the 2024 budget. Any unused capital funds will be placed in the capital reserve fund for future fleet replacements and/or purchases.

Attachments:

1. 10-year Fleet Capital Plan (2024)