



INFORMATION ONLY COUNCIL REPORT
Engineering & Public Works
For the August 27, 2019 Council Meeting

DATE: August 8, 2019
TO: Paul Gipps, CAO
FROM: Stacey Harding, Parks & Fleet Operations Manager
RE: Fleet Update

BACKGROUND:

This report is to provide Council with an update on the City's Fleet Department. The report will provide an accounting of our inventory, administrative tools and staff in place to purchase, operate and dispose of fleet assets.

Council will also be updated on policies and procedures for purchasing, best practices and operating costs. A further review of how, since incorporation, the fleet has developed and where we plan to go in the future as technology improves.

History of the CWK Fleet

From an administrative perspective, the City operates two separate fleets, one being the Fire Rescue Fleet and the other the Operations Fleet. The Operations Fleet is broken into Departments for accounting purposes however; the Fleet Manager oversees all the fleet.

At the time of the incorporation, the City inherited fleet from the Regional District of Central Okanagan, the Westbank Irrigation District and the Lakeview Irrigation District. This included pickup trucks and a modest quantity of water system and parks equipment. The Fire Rescue fleet also transferred. At the time, the Operations fleet was equipped to provide a rural standard of community maintenance and repairs, however, much planning was in the works to urbanize with added and improved services. These improvements necessitated fleet growth such as a street sweeper and excavators. Staff also developed policies and procedures around vehicle acquisition, departmental uses and procedures.

Council's Policies include:

- Anti-Idling
- Code of Ethics
- Purchasing
- Vehicle and Equipment Acquisition, Replacement and Disposal
- Health and Safety

In addition, Staff Policies include:

- Code of Conduct
- Per diem, Travel & Mileage
- Vehicle Use

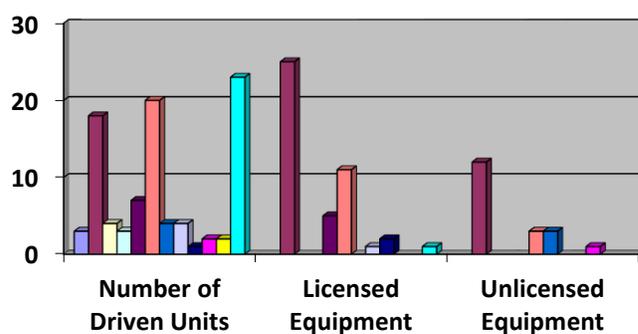
The Fleet Department utilizes the Vehicle and Equipment Acquisition, Replacement and Disposal Policy to maintain an effective, efficient fleet, to ensure all equipment meets safety codes and regulations. All obsolete or excess equipment is disposed of to maximize the return value to the City.

This policy assists in determining the useful working life of its units and the replacement schedule, which identifies the replacement year and estimated cost. The replacement schedule with cost is useful to Finance as they forecast financial plans and how fleet replacement influences future Capital expenses.

As of mid July 2019, the Fleet consists of 155 total units.

Total Fleet Units per Department

Department	Number of Units	Licensed Equipment	Unlicensed Equipment
City Hall Pooled Vehicles	3		
Parks	18	25	12
Bylaw	4		
Inspections	3		
Roads	7	5	
Utilities	20	11	3
Facilities	4		3
Engineering	4	1	
Recreation	1	2	
Mechanics	2		1
RCMP	2		
Fire	23	1	
Total	91	45	19



Note:

- Driven units include cars, trucks, etc.
- Licensed units included trailers, bobcats, skidoos, etc.
- Unlicensed equipment includes snow blowers, welders, rototillers, field line painter, etc.

Staffing and Preventative Maintenance Program

The City currently employs two (2), full time, mechanics who maintain and repair both fleets. The mechanic shop is located at the Mount Boucherie Arena and consists of two work bays. Both mechanics vehicles are also equipped for field service work.

Both mechanics hold highly rated Heavy Duty Red Seal designations and are annually trained in emergency vehicle maintenance. Worth noting, the industry average in Canada for fleet mechanics is one (1) mechanic for every fifty (50) serviceable units, currently CWK staff are at 76.5 units per employee.

One clerk provides administrative services for the Fleet, Parks and the Cemetery Department. She is responsible for insurance, licencing, accident reporting and maintaining asset data through RTA Fleet Management Software. Fleet staff utilize this program to ensure preventative maintenance is completed, on a timely basis, and repairs costs are allocated to the corresponding department.

Operations Fleet Purchasing and Disposition

New fleet requests are made during the annual budget deliberation process and require Council's approval. Each vehicle/equipment request must identify if it's for a new unit or is replacing an aged or obsolete unit. Larger equipment requests are required to have detailed business cases for justification and some are a requirement of an approved FTE's duties.

For replacement requests, staff follows the Vehicle and Equipment Acquisition, Replacement and Disposal Policy, which defines when a unit reaches a predetermined useful life (e.g. a car or light truck to be inspected at either 12 years of service or 160,000 km). The mechanic completes an inspection and uses a matrix to determine a score, (e.g. as a unit ages the score eventual hits the 35 point threshold). Once the score reaches this threshold and it is determined that high repair costs are on the horizon, the units are brought forward to Council as a replacement request. Each request also includes the fate of the old unit, which sometimes means they are retained for a one-time student season, but all make their way to the auction in the fall.

West Kelowna Fire Rescue Fleet

A fire department's apparatus and equipment are its key firefighting tools. A reliable, mission-ready fleet is a requirement for WKFR to be successful in its mandate to safely protect life and property. Fire apparatus, consisting of fire engines, bush trucks, water tenders and ladder trucks are complex and represent a considerable investment. The fleet must be properly sized and equipped in order to meet the current firefighting requirements of the community, as well as flexible to meet the demands of a growing community (upwards and outwards) and a changing climate.

Fire Underwriters states that fire apparatus should be placed in frontline service for the first fifteen years of service. During this period, it has been shown that apparatus effectively responds and performs as designed without failure at least 95% of the time. For the next five years, it should be held in reserve status for use at major fires or used as a temporary replacement for out-of-service first line apparatus. Fire Underwriters states that apparatus should be retired from service at twenty years of age.

Today, the WKFR fleet is operated under an industry best practices preventative maintenance program, which balances operational reliability and safety, while serving to maximize the service life of individual apparatus within the WKFR fleet. WKFR has established and maintained a Capital Plan that includes an apparatus replacement cycle that draws upon NFPA, Fire Underwriters Survey, best practices and input from the CWK Fleet Manager and Mechanic. Apparatus' are replaced only when needed and optimized for the West Kelowna firefighting context and the requirement to fight fires in the Wildland Urban Interface (WUI).

At its January 16, 2018, Special Council Meeting, Council was provided a presentation on the WKFR Capital Plan. Council provided a motion of support for the plan in principle for the next 10 years. Each year, WKFR fleet capital requirements are brought to Council for consideration as a part of the annual budget process. Currently, two (2) new fire engines are under construction, with delivery expected in the fall of 2019. They are four-wheel drive and built on a smaller chassis, specifically for the paid-on-call stations in Rose Valley and Glenrosa. Over the next 5 years, the WKFR Capital Plan envisions the replacement of two (2) fire engines, two (2) water tenders and five (5) administrative/command vehicles at an estimated cost of approximately \$8 million.

Insurance Costs

The fleet carries coverage from several different sources. It is broken out as some forms of coverage are cheaper when provided from different sources.

- Basic Auto Plan coverage is mandatory and is provided by ICBC. The 2019, ICBC fleet premiums totalled \$74,364.23
- Collision and Comprehensive on light vehicles is provided by Intact Auto Insurance at a cost of \$24,110.00.
- Collision and Comprehensive on heavy vehicles is provided by Cowan Insurance at a cost of \$24,178.00.
- Excess Third Party Liability coverage was highly recommended for our fleet elevating coverage from \$5 million to \$10 million (municipal fleet industry standard). Cowan Insurance provided the lowest annual price point, for this coverage, at a cost of \$9,223.00. (Cowan also provides insurance for our buildings and insurable corporate assets.)
- A mandatory ICBC licencing fee is also paid with an annual cost of \$1,974.

Fleet Insurance Costs for 2019

Type	2019 Cost
Basic Auto Plan (ICBC)	\$ 72,162.00
Collision & Comprehensive to Light Vehicles (Intact - \$500 Deductible)	\$ 22,947.00
Collision & Comprehensive to Heavy Unit (Cowan - \$5,000 Deductible)	\$23,514.00
Excess Third Party Liability (Cowan)	\$9,223.00
Licencing	\$ 1,974.00
Total	\$ 127,846.00

Fuel Consumption

Vehicle fuel consumption is considered during the tendering process. Questions such as what are the uses, is it hauling materials, does it idle for long periods and other question are also considered when selecting motor type and size.

The City uses Petro-Canada for bulk fuel. A competitive pricing process was used at the time Petro Canada was selected to provide the City with both diesel and gasoline. Consumption records are uploaded to our fleet software program and are physically reviewed monthly. Investigations into anomalies are completed. The City currently has two hybrid units, which are dual powered with electric and gas.

Future Technology

In certain local commuting applications, electric cars will soon be considered. The price points are dropping and the battery mileage length per charge is increasing as technology improves. It is expected that within two years the first electric, single axle, transport trucks will be on the market.

A contributing factor to operating electric cars are the charging stations. There are three types of charging stations, some of which come with considerable expense. Type 3 quick charge stations are the types we see BC Hydro installing around the Province. West Kelowna has one on Brown Rd. Types 1 and 2 are the types the City's units will utilize. As the City expands into permanent facilities these stations will be considered for installation at the construction stage to reduce costs.

It is planned that the new Public Works Yard will have several charging stations. In the future, when Council is presented with the first, electric only, car purchase request a detailed business case with justifications and cost comparisons will be provided.

Higher up front cost may equate to savings over the life of the unit. In time, it is estimated that positions such as building inspectors, bylaw and engineering techs whom commute locally for their work will transition to this new technology.

Reviewed and approved by:

Tracey Batten, Deputy CAO
Paul Gipps, CAO

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