



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: May 24, 2005
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CC File No.: 1805
Meeting Date: June 28, 2005

TO: Vancouver City Council
FROM: General Manager of Engineering Services
SUBJECT: Fleet Addition - Two (2) Mini-Vans

RECOMMENDATION

- A. *THAT Council approve the allocation of \$64,000 from the Truck and Equipment Plant Account to add two (2) mini-vans to the Engineering Services vehicle fleet to replace two (2) existing leased mini-vans.*
- B. *THAT Council approve funding from internal rental rates with a decrease of \$11,000 to the Operating Budget.*

COUNCIL POLICY

Council approves expenditures from Reserves, including the Truck and Equipment Plant Account.

Council approves all increases in service levels, including the addition of vehicles and equipment to the fleet.

PURPOSE

This report seeks approval for the conversion of two (2) leased vehicles to two (2) City-owned vehicles in the Engineering Services vehicle fleet.

BACKGROUND

The Engineering Services Department currently leases two (2) mini-vans as a part of the Employee Accommodation Program which provides modified duties to assist injured employees return to work. The Employee Accommodation Program was a pilot program initiated in 1994 by the Human Resource Department. The vehicles were originally leased because of the temporary nature of the Program.

DISCUSSION

Council made the Employee Accommodation Program a regular funded service and transferred the responsibility of the Program to the Sanitation Operations Branch in 2004 (Report # 1375 - Engineering Operations, Reorganization). This Program is currently being used to assist in poster removal initiatives. The Program has an on-going need for two (2) mini-vans. There is a potential to save \$11,000 by switching leased vehicles to City owned vehicles.

FINANCIAL IMPLICATIONS

The current budget of \$34,000 for the two (2) leased vehicles represents leasing, maintenance, insurance and fuel costs. By purchasing these vehicles through the Truck and Equipment Plant Account, and providing annual funds through internal rental rates, the total annual costs (internal rental rates, maintenance, insurance and fuel costs) for these vehicles is reduced to \$23,000. The two (2) vehicles identified in Table 1 represent a one time charge of \$64,000 to the Truck and Equipment Plant Account, which will be repaid over the eight (8) year life of these vehicles through the City rental rate system.

Table 1: List of Additional Vehicles

Engineering Services Area	Vehicle Type	Budget Cost (including outfitting)
1. Poster Removal - East Side	Mini-Van	\$ 32,000
2. Poster Removal - West Side	Mini- Van	\$ 32,000

CONCLUSION

This report seeks approval to convert two (2) leased vehicles to City owned vehicles with the related economic benefits to the City.

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