



ADMINISTRATIVE REPORT

Report Date: June 2, 2010
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Meeting Date: September 21, 2010

TO: Vancouver City Council
FROM: General Manager of Engineering Services
SUBJECT: Fleet Additions - Carnegie Community Centre Van

RECOMMENDATION

- A. THAT Council approve the addition of one (1) fifteen passenger van to the Carnegie Community Centre fleet at a total cost of \$35,000 with the initial funding to be provided through the acceptance of a donation of \$35,000 from the Carnegie Community Centre Association;

FURTHER THAT future replacement units be funded from the Truck and Equipment Plant Account, funding to be determined at replacement time and subject to budget approval.

- B. THAT the annual capital and operating costs of \$6,200 (reduced from \$10,700 by the donation) for the initial vehicle be funded from the existing Carnegie Community Centre Operating Budget; and

FURTHER THAT future capital and operating costs as indicated in Table 1 be funded through a future increase to the Carnegie Community Centre Operating Budget, subject to annual budget review.

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

The purpose of this report is to seek Council approval to add one (1) fifteen passenger van to the Carnegie Community Centre fleet.

BACKGROUND

The Carnegie Community Centre is an urban core, multi-use social service facility which is located in the heart of the downtown eastside. It contains a seniors centre, weight room, learning/literacy centre, kitchen, art gallery, gym, dark room, pottery room and Vancouver Public Library Reading Room. It serves up to 1,200 individuals on a daily basis. The patrons are predominantly adults on low-fixed incomes and many have multiple health challenges.

In February 1999, Council authorized the loan of \$22,000 from the Truck and Equipment Plant Account for the purchase of a van for the Carnegie Community Centre Association. The Seniors Committee of the Carnegie Community Centre Association used the loan in combination with a \$10,000 grant from the Senior's Lottery Foundation to purchase the current sixteen passenger van. The loan has been repaid and Carnegie Community Centre is receiving \$7,700 per year in their operating budget to cover maintenance costs.

DISCUSSION

The van is Carnegie Community Centre's only vehicle and is currently used by every department in the Carnegie Community Centre, including Oppenheimer Park, the Learning Centre, the Volunteer Program, the Recreation Program, the Seniors Program and the First Nations Program. The van has been used to transport patrons to local beaches and museums, the Mission Music Festival, the Abbotsford Air Show, Christmas light tours, regional parks for hiking, yearly Elders Gatherings for the First Nations Cultural Sharing Group and camping trips as well as various other special events. The van was used on at least 96 separate occasions in 2009 and approximately four (4) trips a year are overnight trips of around three (3) days each. Because of this van approximately 1,500 people from the downtown eastside were able to go on a day trip last year.

The current van is a 1991 model and had already accrued 120,000 kilometres when it was acquired. Since the acquisition of the current van in 1999, the Carnegie Community Centre Association van has accumulated an additional 70,000 kilometres of use. Based on its age and condition it is due for replacement and it has been determined that a 15 passenger van would continue to meet the needs of the Carnegie Community Centre.

The alternatives of using public transit and renting a van have been considered. Many of the trips are hiking type trips where long distances and lack of public transit to the hiking location make public transit inappropriate. Alternatively, renting a van for these trips will cost approximately \$14,500 per year and would require the van to be picked up and dropped off. Since this is more than the cost for the City to own and operate its own van, renting is not recommended.

FINANCIAL IMPLICATIONS

The one-time capital cost and operating budget requirements for the units are listed in Table 1 below, along with the offset of the \$7,700 currently provided for the maintenance of the current unit.

The estimated cost of a fifteen passenger van is \$35,000. The Carnegie Community Centre Association donation will fund the complete capital cost for the first vehicle, therefore annual capital charges for the initial vehicle will be eliminated. The capital charges for the replacement unit will be funded from the Truck and Equipment Plant Account and repaid over the 10 year economic life of the unit through annual capital rates, currently estimated at \$4,500, subject to budget review at the time of replacement.

The annual operating costs of the unit are estimated to be \$6,200 and include maintenance, fuel and insurance. This will result in a net reduction in Carnegie Community Centre’s operating budget for vehicle maintenance in the amount of \$1,500 per year for the life of the initial unit.

Table 1: Anticipated Vehicle Capital and Operating Costs

Vehicle Description	Expected Vehicle Life	One Time Capital Costs			Annual Operating Budget Requirements			Offset	Operating Budget Savings
		Capital Costs	Donation	Subtotal	Capital	Operating	Subtotal		
15 Passenger Van - Initial Donation	10 years	\$35,000	\$35,000	\$0	\$0	\$6,200	\$6,200	\$7,700	\$1,500
15 Passenger Van - Replacement (2020)	10 years	\$35,000	\$0	\$35,000	\$4,500	\$6,200	\$10,700		

ENVIRONMENTAL IMPLICATIONS

All new and replacement equipment in the City fleet go through an environmental and right-sizing review process. This is to ensure that the equipment will not only meet the user's operational needs but that the selected equipment has the best combination of fuel efficiency and cost effectiveness.

The current 16 passenger van has a bus conversion body. It has been determined that a smaller 15 passenger van will provide acceptable capacity while avoiding the additional cost of purchasing a van with a bus conversion body on it. Obtaining the minimum engine size available will minimize fuel consumption and emissions as much as possible. There are no fifteen passenger vans available with diesel engines and, while natural gas conversions are available, these vans do not have the available payload capacity to carry the additional weight of the natural gas fuel system in addition to the expected payload. Natural gas fuel stations are also currently uncommon and, therefore, a source of natural gas fuel may be difficult to find when on trips. Other alternatives such as electric and hybrid vans were

investigated but are not commercially available at this time. This van will produce approximately 3 tons of greenhouse gas per year or 30 tons over its life.

CONCLUSION

To meet the ongoing operational requirements of the Carnegie Community Centre, staff recommends that one (1) 15 passenger van be added to the Carnegie Community Centre fleet. The Carnegie Community Centre Association has offered to donate the capital funds for this vehicle purchase. If approved, the replacement vehicle will be funded from the Truck and Equipment Plant Account. Operating costs for the initial vehicle will be provided from the existing Carnegie Community Centre operating budget through Equipment Services rental rates, subject to annual budget review.

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