



DISTRICT OF WEST KELOWNA

COUNCIL POLICY MANUAL

Pages: 1 of 7
Approval Date: MARCH 8, 2011

DEPARTMENT: PURCHASING – Fleet Maintenance Department SUBJECT: Vehicle and Equipment Acquisition, Replacement and Disposal Policy
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Policy Statement:

The District of West Kelowna **Operations Department** is responsible for the management of the District Fleet and Equipment Pool. This responsibility includes the replacement, acquisition and disposal of Vehicles and Equipment as required by all the departments of the District.

The Acquisition, Replacement and Disposal of District Equipment will be undertaken in accordance with this policy by taking into account the individual department's needs, the type and age of the existing equipment, maintenance and hourly rates of any proposed equipment, budget, best value, fuel economy, size, and available alternatives prior to purchase.

District Staff will strive to ensure that the District is a leader in the purchase of fuel efficient Equipment, which may include vehicles powered by alternative fuels.

The **Finance Department** will provide Council a report which will identify the additional costs which will be incurred if a fuel-efficient vehicle and/or equipment is being recommended to be purchased.

Procedure:

1. Subject to the requesting departmental needs, budget constraints and the guiding principles of this policy, the District of West Kelowna's Operations and Purchasing Departments provide recommendations on the acquisition, replacement and ultimate disposal of Equipment.

The **Operations Manager** will:

- ensure that all equipment is safe, cost effective and meets the needs of the user departments;
- determine "best value" when determining the type of equipment to be purchased;
- be responsible to work with the user departments' to purchase fuel efficient vehicles taking advantage of new technologies and lower emissions;
- prioritize the purchase of smaller vehicles with 4 cylinder or hybrid technology and;

- work with the **Fire Chief** to ensure that the specialized equipment required by the Fire Department meets modern firefighting methods and meets all pertinent firefighting rules and regulations-- such as NFPA, ULC, CSA, etc.

Objectives:

1. The Key objectives of this policy are:
 - to maintain an effective, efficient equipment fleet;
 - to ensure all equipment meets safety codes and regulations;
 - to purchase the most fuel efficient vehicles possible that will meet the needs of the requesting department;
 - to ensure the best value is attained by the District on all purchases;
 - to ensure obsolete or excess equipment is disposed of with integrity and maximizes the value to the District.

Definitions:

1. In this policy,
 - “District Fleet” means all the vehicles owned by the District of West Kelowna.
 - “Equipment Pool” means all equipment that is mobile.

Responsibilities:

1. **Council** shall set and adopt the equipment acquisition budget and approve and amend the Vehicle and Equipment Acquisition, Replacement and Disposal Policy.
2. The purchase, replacement or disposition of all vehicles and equipment must be appropriately approved by the departmental director and the Chief Administrative Officer as per the District’s Purchasing Policy.
3. The **Operations Manager** shall take responsibility for working with the various user groups within the District to manage the equipment budget, and be the lead on the implementation of the Vehicle and Equipment Acquisition, Replacement and Disposal Policy.

Vehicle or Equipment Replacement Process:

1. Vehicle or equipment replacements are funded by the “Equipment Reserve Fund”. These funds are for the replacement of existing vehicles and equipment and are generated through taxes.
2. First time purchases or additions to the District’s Fleet and Equipment Pool cannot be financed with the equipment reserve fund and furthermore, all new and replaced vehicles and equipment must be approved by **Council** through a supplemental budget request.

3. Service Life Guidelines – Table 1 shows typical trigger points for various types of vehicles and equipment that will be used to commence the detailed review of equipment for replacement.

TABLE 1		
VEHICLE TYPES	Replacement Trigger Points	
Description	In Service Years	Km or Hours
Light Duty Car – Economy	12	160,000 km
Light Duty Car / Van – Mid Size	12	160,000 km
Light Duty Van – Full Size	12	160,000 km
Light Duty Truck - ¼ Ton	12	160,000 km
Light Duty Truck - ½ Ton	12	160,000 km
Light Duty Truck – ¾ Ton	12	160,000 km
Light Duty Truck – 1 to 5 Ton	12	160,000 km
Heavy Duty Truck – 5 Ton	12	8,000 hours
Heavy Duty Truck – Single Axle Dump	10	8,000 hours
Heavy Duty Truck – Tandem Axle Dump	10	9,000 hours
Bucket Truck	15	10,000 hours
Sewer Flush Truck	10	10,000 hours
Fire Truck – Engines, Ladders	20	10,000 hours
Fire Truck - Medium Rescue	12	8,000 hours
Loader	14	10,000 hours
Rubber Tire Backhoe	6	5,000 hours
Mini-Excavator	8	8,000 hours
Parks Tractor	12	6,000 hours
Trailer	15	n/a
Ice Resurfacer	10	7,000 hours
Fork Lift	15	7,500 hours
Beach Cleaner	12	n/a
Compost Screener	20	12,000 hours
Grader	15	10,000 hours
Street Sweeper	10	8,000 hours
Boat	20	7,500 hours
Wood Chipper	10	4,000 hours
EQUIPMENT TYPES		
Equipment – Light <ul style="list-style-type: none"> • Lawn Mower • Chainsaw • Rototiller • Compactor • Weed Eater • Leaf Blower • Small Pump • Small Generator 	5	n/a
Equipment – Medium <ul style="list-style-type: none"> • Sidewalk Sweeper • Rotary Mower • Compressor • Leaf Vac • Sander Unit • Top Dresser 	8	3,000 hours

4. Criteria for replacement – In the fall of each year, prior to budget preparation, the District's **Mechanic** will provide the **Operations Manager** with a list of vehicles and equipment that have reached either trigger point.
 - a. Based on this list the **Operations Manager** will have a VEHICLE REPLACEMENT GUIDELINE SCORING SHEET filled out for each replacement candidate as per Appendix A.
 - b. In consultation with the District **Mechanic** the vehicle and/or equipment service life may be extended at the **Operations Manager's** discretion. An extension may be considered for reasons such as:
 - The unit scores high but is still in reasonable condition,
 - The unit is in reasonable condition and has a low annual usage,
 - The unit is not critical for infrastructure maintenance or emergency response,
 - An expensive unit such as a Fire Department Pumper Truck is scheduled for replacement and other replacements need to be deferred for budgetary reasons.

5. When addressing equipment replacement requests; the following will be considered:
 - User departments current and forecasted needs;
 - Estimated use;
 - Rental availability;
 - Can the employee be paid mileage rate and use own equipment;
 - Opportunities to share with or transfer to other departments;
 - Efficiency – fuel and usage and;
 - Environmental effects.

Disposal of Equipment:

1. The **Purchasing Manager** shall determine the most cost effective method of disposing of obsolete or surplus vehicles and equipment.

New Vehicle or Equipment Requests – Not Replacing Existing Equipment:

1. All new or additional equipment requests are to be treated as supplemental budget requests and therefore must be supported by the **Director** of the respective DWK Division.
2. New Equipment Request Application, see Appendix B, is required for all new or additional equipment requests.
3. The Process for new or additional equipment requests is as follows:
 - Fill out New Equipment Application; Appendix B, no later than the "Capital Budget submission deadline;
 - Division Director to approve and sign;
 - Forward new Equipment Request Application to **Operations Manager** for review;

- Request to be included as a supplemental budget request for upcoming annual budget;
 - District Council approve or deny supplemental request and;
 - Once the supplemental request is supported, the **Purchasing Manager** will work with the required departments on the detailed specifications for the unit.
4. If the equipment is requested at a time other than annual budget, the same procedure is to be followed with the exception that the request will be submitted as a supplemental request to the amended annual budget.
 5. Annual operating costs shall be budgeted by the Department requesting the equipment. Suggested hourly or yearly costs will be outlined on the copy of the New Equipment Request Application.

Previous Revision/s: none

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APPENDIX A VEHICLE REPLACEMENT GUIDELINE SCORING SHEET

Inspection date: (yy/mm/dd) _____ / _____ / _____ Inspector: _____
 Unit number: _____ VIN: _____
 Vehicle description: _____ In-service date: _____
 Kilometers or Hours: _____ Dept. Assigned to: _____
 Primary Vehicle (Vital for DWK Operations) _____ Secondary Vehicle (Pool Vehicle) _____

FACTOR	DESCRIPTION	POINTS
Age	One point for every year of service from "in-service" date	
Miles/Hours	One point for every 20,000 kms. Or 2,000 hours of use	
Type of Service	1 to 5 points based on type of service	
	Constant Heavy Use (eg. Utilities)	5 Points
	Occasional Heavy Use (eg. Parks)	4 Points
	Medium Use (eg. Engineering, Inspections)	3 Points
	Light Use (eg. By-Law, Building, Planning)	2 Points
	Administrative Use (eg. Pool Vehicles)	1 Point
Reliability	Frequency of Repairs (in addition to regular preventative maintenance.)	
	Pending major repairs	10 Points
	In shop once per month	8 Points
	In shop every 2 months	6 Points
	In shop every 4 months	4 Points
	In shop every 6 months	2 Points
	In shop once per year	1 Point
Condition	General Exterior Appearance Integrity of Interior Rust, Dents etc.	Good 1 Point
		Fair 3 Points
		Poor 5 Points
Deduction	Deduct 5 Points for a Secondary Use Vehicle	
	Deduct 5 Points if vehicle is still under manufacturer's warranty	
TOTAL POINTS		

Points Ratings	Under 20	Condition 1	Excellent
	20 to 25	Condition 2	Good
	26 to 30	Condition 3	Fair
	31 to 35	Condition 4	Poor (consider replacement)
	Over 35	Condition 5	Replace
Inspector's Comments:			

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Appendix B New Equipment Request Application

In order to be included in the annual budget preparation this application must be received by the Operations Manager at least 30 working days prior to the annual budget submission deadline.

DEPARTMENTAL REQUEST

Date: (yy/mm/dd) _____/_____/_____ Requesting Department: _____

Type of Equipment Request (size HP etc.): _____

Special Requirements over and above Base Model: _____

A completed capital funding request form must be attached to this application.

Estimated Value: \$ _____ Estimated Annual Operating Costs: \$ _____

Estimated Annual Use (hours/days/seasonal): _____ Can Unit be shared: Yes No

If yes, which department(s): _____

Supervisor Signature: _____

Department Director Signature: _____

FLEET REVIEW

Estimated Cost: \$ _____ Estimated Service Life: _____

Estimated Hourly or Annual Charge-Out Rate: \$ _____

Does this new vehicle fit the District's policy of purchasing environmentally friendly vehicles?

Yes No If no, detail reasons: _____

Is there an existing fleet vehicle that can be redeployed to fill this need? Yes No

If yes, which unit? _____

Mechanic's concerns with Purchase: _____

Purchasing Manager's approval: Yes No Signature: _____

Comments: _____

Operations Manager's approval: Yes No Signature: _____

Comments: _____