
TO: MAYOR J. LEHMAN AND MEMBERS OF COUNCIL

FROM: BILL BOYES, FIRE CHIEF

NOTED: P. ELLIOTT-SPENCER, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES

C. LADD, CHIEF ADMINISTRATIVE OFFICER

RE: FIN014-17 CAPITAL PROJECT STATUS REPORT - FIRE PREVENTION VEHICLES

DATE: June 5th, 2017

The purpose of this Memorandum is to provide information related to the purchase of two Fire Prevention vehicles for the cost originally budgeted for one vehicle, and was requested from General Committee on May 29th, 2017.

The existing Fire Prevention van was deemed unsafe and unfit for the road and was pulled out of service by Fleet Services in 2016. A budget of \$65,000 was approved in the Capital Plan for 2017 to replace the out-of-service vehicle in order for staff to resume normal activities and to provide expected service to the community. The previous van was purchased in 2005 and had a lifetime repair cost over \$34,000 before being removed from service. This exceeded the purchase price of the vehicle. The original intended purpose of the Fire Prevention van has since changed and it has been determined that an all-wheel drive SUV type vehicle could be purchased. This option is considerably less in price than the current approved budget of \$65,000 and the excess funds (\$32,500) are being returned to the Tax Capital Reserve. Barrie Fire and Emergency Services (BFES) are requesting approval to use the budget savings to purchase a second SUV for Fire Prevention.

The purchase of a second vehicle enables BFES to reduce future operational expenditures on vehicles that are over 10 years old. The new vehicles will be less costly to maintain than current vehicles within our fleet. Four of the seven vehicles in our fleet are over 10 years old. One 2006 vehicle has lifetime operating costs that equate to 63.5% of book value. Another 2007 vehicle has 47.2% of book value lifetime operating costs. These are two examples of vehicles that will continue to experience increasing maintenance costs in the immediate future. Replacing one of the aforementioned vehicles allows BFES to reduce operational downtime due to maintenance, reduce the potential for a vehicle to be taken out of service permanently and to improve our overall fleet. Also, BFES will consider the purchase of an electric vehicle should it meet our operational needs and be affordable given the current funding available.

This request can be accomplished for the previously budgeted amount that would have originally been used for the replacement of the out of service van. Moreover, it reduces the need for future capital funding requests for our Fire Prevention fleet.