

STAFF REPORT: Financial and Information Services



REPORT TO: Council
MEETING DATE: March 23, 2009
REPORT NO.: FIS.09.15
SUBJECT: Environmental Specifications
for Corporate Vehicle Tender
PREPARED BY: Sherri Adams, Manager of
Purchasing

A. Recommendations

THAT Council receive Staff Report FIS.09.15 "Environmental Specifications for Corporate Vehicle Tender"; and,

THAT Council adopt the following environmental specifications as they relate to corporate vehicles approved for purchase in the 2009 Budget:

1. One Used 4X4 truck for the Roads and Drainage Division with a City Fuel Consumption rating not greater than 17 L per 100 km, a Highway Fuel Consumption rating not greater than 12 L per 100 km and CO² emissions not greater than 6972 kg per year;
2. Two Used 2WD trucks for the Parks and Trails Division and Water and Wastewater Services Division respectfully, with a City Fuel Consumption rating not greater than 16 L per 100 km, a Highway Fuel Consumption rating not greater than 11 L per 100 km and CO² emissions not greater than 6588 kg per year;
3. One New Model 2009 4X4 Sport Utility Vehicle (SUV) for the Fire Services Department with a City Fuel Consumption rating not greater than 16 L per 100 km and Highway Fuel Consumption rating not greater than 12 L per 100 km and CO² emissions not greater than 6886 kg per year.

B. Background

The 2009 Capital Budget was passed on March 9, 2009 which included the purchase of vehicles for the Roads and Drainage Division, Parks and Trails Division, Water and Wastewater Services Division and Fire Services Department respectively. Fire Services requires one new model sport utility 4X4 vehicle; Parks and Trails requires one used 2WD truck; Water and Wastewater Services requires one used 2WD truck for the Manager of the division; and Roads and Drainage requires a used 4X4 truck.

A corporate vehicle tender is being prepared for the above mentioned vehicles in order to achieve efficiencies in the tender process, maximize buying power and encourage competitive bids from the market place. The tender is expected to be released the beginning of April.

Fuel and emissions specifications for used vehicles were developed utilizing the 2008 Fuel Consumption Guide developed by Natural Resources Canada (NRC) and Transport Canada. New vehicle specifications utilized the 2009 Fuel Consumption Guide.

Staff utilized the highest and lowest contributors for highway fuel consumption, city fuel consumption and CO² emissions ratings from the guides to establish the threshold. The difference between the highest and lowest figures was then multiplied by 35%, which was then deducted from the highest figure to arrive at a maximum rating for each of the three categories that would be established for the tender specifications.

For example, if the highest figure for city fuel consumption was 19 L per 100 km and the lowest was 14 L per 100 km, the formula would be:

1. $19 - 14 = 5$
2. $5 \times 35\% = 1.75$
3. $19 - 1.75 = 17.25$

The maximum rating for city fuel consumption would then be 17 L per 100km.

This maximum rating for the tender specifications is somewhat arbitrary however Staff did a comparison of all available vehicles within each class utilizing 20%, 35% and 50% reductions. It was determined after this analysis that 20% was not constrictive enough and 50% was too constrictive, thereby limiting the competitive nature of the bid. Staff believes that this reduction from the highest users will still allow for strong competition while ensuring that the Town establishes an environmental standard for vehicle acquisitions.

Future tenders for corporate vehicles will address fuel consumption and CO² emissions with the standard created in 2009 or newer editions as released.

C. The Blue Mountains' Strategic Plan

Goal #3 Preserving and enhancing natural and environmental features, and cultural heritage of the community

- 3.1 Undertake a "GREEN" strategy to proactively protect air, water and land features and sites

Goal #6 Provide a strong, well managed municipal government

D. Environmental Impacts

The Development of a standard for vehicle fuel consumption and CO² emissions is a starting point for the Town to take steps to reduce the greenhouse gasses locally, thereby contributing globally to reduction of same.

E. Budget Impact

All Departments have approved budgeted funds from their 2009 Capital Equipment Budgets as follows:

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| 1. Roads and Drainage Division Additional Vehicle
(Engineering and Public Works Department) | \$20,000 |
| 2. Water and Wastewater Division Replacement Vehicle
(50% cost to each group in the Division)
(Engineering and Public Works Department) | \$17,000 |
| 3. Parks & Trails Division Additional Vehicle
(Recreation Department) | \$17,000 |
| 4. Fire Services Department Additional Vehicle | \$35,000 |

F. Attached

No attachments at this time.

Respectfully submitted,

Sherri Adams, Manager of Purchasing

For more information, please contact:

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