



STAFF REPORT ACTION REQUIRED

Pre-Budget Approval – Purchase of Automated Collection Vehicles

Date:	September 27, 2007
To:	Budget Committee
From:	General Manager, Solid Waste Management Services and Deputy City Manager and Chief Financial Officer
Wards:	All
Reference Number:	P:/2007/swms/oct/025BC (5994)

SUMMARY

The purpose of this report is to request pre-budget approval for the purchase of 27 automated collection vehicles associated with the implementation of the 70% Solid Waste Diversion Plan.

As a critical element of the 70% Diversion Plan, automated replacement vehicles to collect the carts are required by July of 2008, to coincide with the start of delivery of the garbage carts to single family homes. The estimated delivery time for the new collection equipment is approximately 9 months.

Funding for these replacement vehicles will come from the Solid Waste Management Vehicle Replacement Reserve.

RECOMMENDATIONS

The General Manager of Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer recommend that:

1. Authority be granted for the pre-budget approval of the 2008 Fleet Capital Program to purchase 27 automated collection vehicles in an amount not to exceed \$7,417,087.38.
2. This report be forwarded to Public Works and Infrastructure Committee for information.

Financial Impact

The Solid Waste Management Services Division has submitted a 2008 vehicle replacement request to Fleet Services in the amount of \$12,525,325.00 for the replacement of 55 collection trucks.

Twenty-seven (27) of these vehicles are scheduled to be replaced with automated collection trucks and need to be ordered prior to Capital Budget Approval in December 2007. Due to the long delivery time and the need to have the vehicles in place by July 2008, pre-approval of \$7,417,087.38 is requested. Funding for these vehicles will be available in cost center XQ1014 (Vehicle Reserve-Solid Waste). No actual cash flow expenditures will occur until delivery in late spring of 2008.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the Financial Impact information.

DECISION HISTORY

Council at its meeting held on June 19, 20 and 22, 2007 approved the report “Proposed Initiatives and Financing Model to Get to 70% Solid Waste Diversion by 2010”. Refer to Item EX9.1 on page 1 of the following decision document link at

<http://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-06-19-cc10-dd.pdf>

As part of this report, staff recommended the cart-based collection of garbage, recycling and organic materials be automated.

COMMENTS

Staff in Purchasing and Materials Management (PMMD) have issued and closed the RFQ for the automated vehicles.

Budget pre-approval for the purchase of 27 automated collection vehicles allows for the ordering and delivery of the vehicles prior to the summer of 2008, when they will be required. The tender award will be subject to Bid Committee approval.

These new vehicles will replace existing equipment as part of the 2008 Fleet Replacement Program.

Although pre-approval of Capital funding is being sought at this time, no funds will actually be spent until the trucks are delivered in 2008.

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SIGNATURE

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