



REGIONAL MUNICIPALITY OF WATERLOO COUNCIL AGENDA

Wednesday October 3, 2012
Closed Session 6:15 p.m.
WATERLOO COUNTY ROOM
Regular Meeting 7:00 p.m.
REGIONAL COUNCIL CHAMBER
150 Frederick Street, Kitchener, ON

1. **MOMENT OF SILENCE**
2. **ROLL CALL**
3. **MOTION TO GO INTO CLOSED SESSION**

THAT a closed meeting of Council be held on Wednesday, October 3, 2012 at 6:15 p.m. in the Waterloo County Room in accordance with Section 239 of the Municipal Act, 2001, for the purposes of considering the following subject matters:

- a) proposed or pending acquisition of land, litigation or potential litigation and receiving of advice that is subject to solicitor-client privilege related to property in the City of Kitchener
- b) litigation or potential litigation and receiving of legal advice and opinion that is subject to solicitor-client privilege related to a contract
- c) litigation or potential litigation, including matters before administrative tribunals, affecting the municipality
- d) labour relations
- e) personal matters about an identifiable individual

4. **MOTION TO RECONVENE IN OPEN SESSION**
5. **DECLARATION OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT OF INTEREST ACT**
6. **PRESENTATIONS**
7. **PETITIONS**
8. **DELEGATIONS**
9. **MINUTES OF PREVIOUS MEETINGS**
 - a) Well Interference Advisory Committee – September 19, 2012
 - b) Closed Council – September 19, 2012
 - c) Council – September 19, 2012
 - d) Closed Committee – September 25, 2012
 - e) Community Services – September 25, 2012
 - f) Administration & Finance – September 25, 2012
 - g) Planning & Works – September 25, 2012
 - h) Library Committee – September 25, 2012

10. **COMMUNICATIONS**11. **MOTION TO GO INTO COMMITTEE OF THE WHOLE TO CONSIDER REPORTS**12. **REPORTS****Finance Reports**

- | | |
|--|---|
| a) F-12-080 , T2012-124 Floor Drain Upgrades at Three Well Sites (G4, H3 & H4) | 1 |
| b) F-12-081 , T2012-132 Horizontal Gas Collector Connections – South Expansion Area – Waterloo Landfill Site | 3 |
| c) F-12-082 , Consultant Selection C2012-22 Region of Waterloo County Courthouse Renovation, 20 Weber Street East, City of Kitchener | 5 |

Committee Reports

- | | |
|--|----|
| a) Community Services - attached & marked SS-120925 | 7 |
| b) Planning & Works - attached & marked PS-120925 | 9 |
| c) Administration & Finance - attached & marked FS-120925 | 11 |
| <i>Memo – Response to Questions Regarding Report CR-FM-12-014 Pre-Budget Approval for Vehicle Procurement (Dated September 25, 2012)</i> | 13 |

Chief Administrative Officer**Regional Chair****Regional Clerk**13. **OTHER MATTERS UNDER COMMITTEE OF THE WHOLE**14. **MOTION FOR COMMITTEE OF THE WHOLE TO RISE AND COUNCIL RESUME**15. **MOTION TO ADOPT PROCEEDINGS OF COMMITTEE OF THE WHOLE**16. **MOTIONS**17. **NOTICE OF MOTION**18. **UNFINISHED BUSINESS**19. **OTHER BUSINESS**20. **QUESTIONS**21. **ENACTMENT OF BY-LAWS – FIRST, SECOND & THIRD READINGS**

- a) A By-law to Amend By-law 06-072, as amended, being the Region's Traffic and Parking By-law No Parking, (Regional Road 53 (Fairway Road) from Briar Meadow Drive to Regional Road 17 (Fountain Street), Cities of Kitchener and Cambridge)

b) A By-law to Confirm the Actions of Council – Wednesday, October 3, 2012

22. **ADJOURN**



REGION OF WATERLOO

Report: F-12-080

**FINANCE DEPARTMENT
Procurement & Supply Services Division**

TO: Regional Chair Ken Seiling and Members of Regional Council

DATE: October 3, 2012 **FILE CODE:** F18-30

SUBJECT: T2012-124 FLOOR DRAIN UPGRADES AT THREE WELL SITES (G4, H3 & H4)

RECOMMENDATION:

THAT the Regional Municipality of Waterloo accept the tender of J. Weber Contracting Limited for the Floor Drain Upgrades at Three Well Sites (G4, H3 & H4) in the amount of \$165,191.31 including all applicable taxes.

SUMMARY: Nil

REPORT:

Tenders were called for the Floor Drain Upgrades at Three Well Sites (G4, H3 & H4) in the City of Cambridge and were advertised in The Record, on the Ontario Public Buyers Association website and on the Region's website. The tenders were opened in the presence of F. Smith, S. Clarke and J. Markovic.

The following tenders were received:

J. Weber Contracting Limited	Breslau, ON	\$165,191.31
Dean-Lane Contractors Inc.	Kitchener, ON	\$203,805.67

Three (3) contractors attended the mandatory site meeting. Due to a heavy workload schedule one of the contractors decided not to bid.

The three Cambridge wells included in this project are located at 35 Dianne Avenue (Well G4), 94 Winston Boulevard (Well H3), and 189 Hungerford Road (Well H4,) and are all system wells that feed directly into the Cambridge water distribution system. These are typical municipal wells that consist of mechanical, electrical, disinfection and control systems.

All three wells are located inside brick well houses with floor drains that are not currently connected to the sanitary sewer system. All of the well houses are located in fully serviced (i.e. sanitary sewers exist in the right of way adjacent to the well properties) areas of Cambridge. In the interest of good management practices, it is the desire of the Region to connect the floor drains in the well houses to the municipal sewer system.

No formal Ministry of the Environment (MOE) approval is required for this project. There is no treatment, pumping or storage capacity changes resulting from this work, however, once the work is completed, the Drinking Water Permit will be updated if necessary.

Subject to Council approval, work will begin in the fall of 2012 and is expected to be completed by December 2012.

CORPORATE STRATEGIC PLAN:

Award of this contract meets the Corporate Strategic Plan objective to develop, optimize and maintain infrastructure to meet current and projected needs under Strategic Focus Area 2 - Growth Management and Prosperity.

FINANCIAL IMPLICATIONS:

T2012-124		\$165,191.31
Engineering		<u>71,000.00</u>
	Sub-total	\$236,191.31
Less: Municipal Rebate of 86.46% of HST (11.24%)		<u>(23,493.72)</u>
	Total	<u>\$212,697.59</u>

The approved 2012 Ten Year Water Capital Program includes \$250,000 in 2012 for Water Supply Upgrades (project #04097) and will be funded from the Water Reserve Fund. The remaining funds of approximately \$37,000 will be used for well inspections, maintenance workflow and process mapping.

The final date of acceptance for this tender is November 13, 2012.

OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE: Nil

ATTACHMENTS: Nil

PREPARED BY: C. Whitlock, Director, Procurement & Supply Services

APPROVED BY: C. Dyer, Chief Financial Officer

**REGION OF WATERLOO****FINANCE DEPARTMENT
Procurement & Supply Services Division**

TO: Regional Chair Ken Seiling and Members of Regional Council

DATE: October 3, 2012 **FILE CODE:** F18-30

SUBJECT: **T2012-132 HORIZONTAL GAS COLLECTOR CONNECTIONS - SOUTH EXPANSION AREA - WATERLOO LANDFILL SITE**

RECOMMENDATION:

THAT the Regional Municipality of Waterloo accept the tender of 2153592 Ontario Ltd. (Elgin Construction) for Horizontal Gas Collector Connections - South Expansion Area - Waterloo Landfill Site in the amount of \$235,948.92 including all applicable taxes.

SUMMARY: Nil

REPORT:

Tenders were called for T2012-132 for Horizontal Gas Collector Connections in the South Expansion Area at the Waterloo Landfill Site and were opened on September 11, 2012 in the presence of A. Yochim, L. Churchill and J. Markovic.

The following tenders were received:

2153592 Ontario Ltd (Elgin Construction)	St. Thomas, ON	\$235,948.92
Network Underground Utilities Inc.	Cambridge, ON	\$312,841.83
Kieswetter Excavating Inc.	Cambridge, ON	\$400,895.75

Work to be completed under this contract includes the connection of eight existing horizontal landfill gas collectors into the existing landfill gas system. One of the collectors is located in the original landfill area and the remaining seven collectors are situated within the south expansion area. The work of the contract also includes the replacement of temporary landfill gas controls at two south expansion area leachate collection system maintenance structures with permanent connections. Following completion of the various connections, restoration of clay cover and liner systems in the original landfill area and south expansion area will be completed as required.

This landfill gas collection system expansion will be constructed in accordance with the existing Ministry of Environment Certificate of Approval for the site and no new approvals are required for this work.

Subject to Council approval, construction will commence in mid October with completion of all works by the end of January 2013.

CORPORATE STRATEGIC PLAN:

Award of this contract meets the Corporate Strategic Plan objective to reduce greenhouse gas emissions and work to improve air quality under Strategic Focus Area 1 – Environmental Sustainability.

FINANCIAL IMPLICATIONS:

T2012-132	\$235,948.92
Less: Municipal Rebate of 86.46% of HST (11.24%)	<u>(23,469.61)</u>
Total	<u>\$212,479.31</u>

The approved 2012 Waste Management Ten Year Capital Program includes a total budget of \$314,000 for the Waterloo Landfill Gas System Upgrades and Expansion (project 01163). The total cost of this tender is within the budgeted amount and the remaining funds are planned for other work related to the gas system. This project is to be financed by debentures.

The final date of acceptance for this tender is November 10, 2012.

OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE: Nil

ATTACHMENTS: Nil

PREPARED BY: C. Whitlock, Director, Procurement & Supply Services

APPROVED BY: C. Dyer, Chief Financial Officer



REGION OF WATERLOO

**FINANCE DEPARTMENT
Procurement & Supply Services Division**

TO: Regional Chair Ken Seiling and Members of Regional Council

DATE: October 3, 2012 **FILE CODE:** F18-60

SUBJECT: CONSULTANT SELECTION C2012-22 REGION OF WATERLOO COUNTY COURTHOUSE RENOVATION, 20 WEBER STREET EAST, CITY OF KITCHENER

RECOMMENDATION:

THAT the Regional Municipality of Waterloo approve entering into a Consultant Agreement with Robertson Simmons Architects Inc. to provide standard architectural and engineering services for the design and contract administration of the County Courthouse Renovation at a total cost of \$786,434.80, including all applicable taxes.

SUMMARY: Nil

REPORT:

The Master Accommodation Strategy for Regional Offices outlined in Report CR-FM-09-015 (dated June 16, 2009) identified the reconfiguration of the County Courthouse at 20 Weber Street, Kitchener, as the next phase in accommodation of staff in the Regional Headquarters campus.

Located at 20 Weber Street, Kitchener, this facility was originally constructed in 1963 as the Courthouse and County Administration building. The County Courthouse is recognized for its design, physical, contextual, historical and associative values. Earlier this year, the City of Kitchener passed the resolution that 20 Weber Street East is to be listed on the Municipal Heritage Register as a non-designated property of cultural heritage value or interest. A number of heritage attributes were noted and are intended to be incorporated into the design.

The building currently functions as a Courthouse and Justice facility with approximately 60,000 square feet over 5 floors. The current tenants are anticipated to move out in the spring of 2013 and the facility will be renovated to a minimum of LEED Silver certification, incorporating offices, meeting rooms, kitchenettes and services for Region staff.

A Consultant Selection request for proposals C2012-22 to undertake the design and renovation of the Courthouse was released on July 26, 2012. Fourteen packages were received from interested consulting firms. Based on evaluation criteria including understanding and approach of the project, consultant and company experience, cost control, schedule and budget factors, four firms were short-listed. This was followed by interviews.

The four short listed consultants were:

- WZHM Architects
- Moriyana & Teshima Architects
- Taylor Hazell Architects Ltd.
- Robertson Simmons Architects Inc.

A second envelope containing fees was opened for the above consultants.

Subject to Council's approval of this assignment, it is anticipated that the design of the County Courthouse Renovation will be undertaken immediately with construction commencing in the fall of 2013. Substantial completion and process commissioning of the Courthouse Renovation is scheduled to be completed for the end of year 2014.

CORPORATE STRATEGIC PLAN:

The renovation of the County Courthouse Facility will support Focus Area 5 of the Corporate Strategic Plan – Infrastructure to provide high quality infrastructure and asset management to meet current needs and future growth.

The project also supports Focus Area 1- Environmental Sustainability to protect and enhance the Environment, as the facility will be designed and constructed to meet the LEED® Canada Silver standard for environmental conservation and energy efficiency per Regional Council Policy.

FINANCIAL IMPLICATIONS:

The 2012 approved Regional Accommodation Capital Program includes \$17,807,000 for the Courthouse Renovation (90114) in the years 2012-2016 and \$1,688,000 for Courthouse Major Maintenance (90033) in the years 2012-2015 for a total project budget of \$19,495,000, to be funded from debentures. The project budget includes \$1,050,000 for consultant costs, permits and approvals. That provision is sufficient to cover the cost of this work.

OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE: Nil

ATTACHMENTS: Nil

PREPARED BY: *C. Whitlock*, Director, Procurement & Supply Services

APPROVED BY: *C. Dyer*, Chief Financial Officer

**THE REGIONAL MUNICIPALITY OF WATERLOO
COMMUNITY SERVICES COMMITTEE**

Summary of Recommendations to Council

The Community Services Committee recommends as follows:

1. THAT the Regional Municipality of Waterloo increase the 2012 Children's Services operating budget by \$623,966 gross and \$0 net Regional Levy for Transitional Operating and Capacity Funding as outlined in report SS-12-038, dated September 25, 2012.
2. THAT the Regional Municipality of Waterloo endorse the Children's Services, Early Learning and Child Care Service Plan 2012-2015 and that copies be forwarded to the Province, Early Learning and Care Division, Ministry of Education as outlined in report SS-12-043, dated September 25, 2012.
3. THAT the Regional Municipality of Waterloo adopt interim EMS response time targets for the 2013 calendar year in accordance with the Ambulance Act, O. Reg. 267/08, amending O. Reg 257/00, under Part VIII, Response Time Performance Plans, Sections 22-24 (attached as Appendix A);

AND THAT Response Time Target Option "C" shown in Appendix B to Report No. PH-12-039 be approved;

AND THAT a Working Group be established to include staff and Councillors to review the Response Time Target plan, deal with any outstanding issues and report back to Council with any recommended revisions in 2013;

AND THAT area municipalities and the Waterloo Regional Police Services Board be requested to formally share response time information with EMS for any cardiac arrest their Police or Fire staff attend, where a defibrillator is available for use;

AND FURTHER THAT since Region of Waterloo EMS does not have universal access to the response time information from other agencies and parties, the Regional Chair on behalf of Council, be directed to write to the Minister of Health and Long Term Care, requesting that Regulation 257/00 under the Ambulance Act be amended to require all agencies and parties using defibrillators to report response time information to the relevant Upper Tier Municipality in order that a complete report of annual defibrillator activity in the municipality can be compiled, per report PH-12-039, dated September 25, 2012.

September 25, 2012

**THE REGIONAL MUNICIPALITY OF WATERLOO
PLANNING AND WORKS COMMITTEE**

Summary of Recommendations to Council

The Planning and Works Committee recommends as follows:

1. THAT the Regional Municipality of Waterloo take the following action regarding the properties municipally known as 51 Breithaupt Street, 20-24 Breithaupt Street, 2 and 12 Moore Avenue and 47 Wellington Street (hereon collectively referred to as the Breithaupt Block) in the City of Kitchener:
 - a) Approve a joint Tax Increment Grant for an amount not to exceed \$953,286 to be financed from the funding allocated to the Brownfield Financial Incentive Program as per the Financial Implications section of Report P-12-088/F-12-073.
 - b) Provide the Tax Increment Grant subject to the completion of remediation and redevelopment on the properties (including the filing of a Record of Site Condition with the Ministry of the Environment) and upon final confirmation of any additional brownfield related financial assistance rendered under the Region's Brownfield Financial Incentive Program or through the City of Kitchener;
 - c) Authorize the Region's Commissioner of Planning, Housing and Community Services and Chief Financial Officer to execute any associated agreements with the registered owner(s) of the Breithaupt Block and the City of Kitchener, as described in Report P-12-088/F-12-073, dated September 25, 2012, with the form and content of such agreement(s) to be satisfactory to both the Regional and City of Kitchener Solicitors.
2. THAT the Regional Municipality of Waterloo continue to support the approach and policies that apply within the Region of Waterloo in the draft Source Protection Plan, as presented in Report E-12-089 dated September 25, 2012.
3. E-12-091 THAT the Regional Municipality of Waterloo amend the Engineering Services Agreement with AquaResource Inc. (ARI), for the Ministry of Natural Resources (MNR)-funded Pilot Tier 3 Water Budget and Water Quantity Risk Assessment (Tier 3 Project) as outlined in Report E-12-091, dated September 25, 2012, from \$2,045,000 to an upset limit of \$3,015,000 plus applicable taxes. This represents an increase of \$970,000, 100% of which is being funded by the Ministry of Natural Resources.
4. THAT the Regional Municipality of Waterloo approve exercising an option to extend the contract with Tervita Corp (formerly American Process Group (Canada) Inc.) for the dewatering, haulage and disposal of biosolids from Waterloo Wastewater Treatment Plant for a twelve (12) month period, and further extend the contract for an additional six months (for a total of 18 months) at the current 2012 unit rate of \$31.34 per cubic metre (including all applicable taxes) with annual Consumer Price Index increases, as set out in Report E-12-083, dated September 25, 2012.

5. THAT the Regional Municipality of Waterloo take the following action regarding Grand River Transit's 2013 to 2017 bus purchases:
 - a) accept the proposal of New Flyer Bus Industries Canada ULC for the supply of one hundred and twenty three (123) diesel buses between 2013 and 2017 based on a 2013 price per bus of \$490,420.00 including all applicable taxes with the understanding the quantity and price will be determined annually and subject to final Council approval in each of the five years.
 - b) grant pre-budget approval for the purchase of eighteen (18) transit buses prior to the approval of the 2013 budget at a price of \$8,827,560.00 including all applicable taxes.
 - c) approve the purchase of fifteen (15) transit buses at a purchase price of \$7,356,300.00 including all applicable taxes, subject to the approval of the 2013 budget.
 - d) authorize the issuance of debentures in an amount not to exceed \$12,800,000 for a term not to exceed 10 years for these purchases. [E-12-099/F-12-074]

6. THAT the Regional Municipality of Waterloo takes the following actions regarding the procurement of Stage 1 of the light rail project, as described in Report No. E-12-098/F-12-079, dated September 25, 2012:
 - a) the financial evaluation threshold to pre-qualify respondents to the Request for Qualifications be an amount of long-term private financing equal to approximately 25% of total capital costs.
 - b) indicate in the Request for Qualifications an initial term of ten years for the operations component of the approved procurement and delivery model with two to four renewal options to be exercised at the discretion of the Region so that the planned integration with future system expansion can be combined under a single operator; and
 - c) direct staff to report back to Council with staff's recommendations on the final amount of private financing required, prior to the issuance of the Request for Proposal.

7. THAT the Region of Waterloo accept P-12-061, Monthly Report of Development Activity for August, 2012, dated September 25, 2012.

8. THAT no compensation be provided at 23 Queen Street, Branchton in response to a claim of well interference, for the following reasons:
 - a) Historical data that indicated the well is outside of the influence of municipal pumping;
 - b) Long term water level data collected on a monthly basis from nearby monitoring wells;
 - c) The complaint regarding impact at 23 Queen Street was viewed as being an unsupported complaint within a Groundwater Taking Policy Area as outlined in the Well Interference Policy as there was no technical basis for linking the well problems with the pumping of municipal wells;

Conflicts:
K. Seiling
D. Craig
R. Deutschmann

as outlined in Report E-12-095 dated September 19, 2012.

September 25, 2012

**THE REGIONAL MUNICIPALITY OF WATERLOO
ADMINISTRATION AND FINANCE COMMITTEE**

Summary of Recommendations to Council

The Administration and Finance Committee recommends as follows:

1. THAT the Regional Municipality of Waterloo approve the following approach to ongoing investment in community arts and culture organizations, as described in Report P-12-105/F-12-075, dated September 25, 2012:
 - a) Provide funding for core arts and culture organizations as recommended in Report P-12-105/F-12-075 for the period 2013 through 2015, conditional on the receipt of an annual report including audited financial statements from the organization, with the total funding amount each year subject to annual budget approval;
 - b) Subject to approval of funding through the 2013 budget process, and subsequent annual budget approvals, provide funding for collaborative initiatives proposed by at least three art galleries, conditional on receipt of a work plan and final report approved by Regional staff;
 - c) Subject to annual budget approval, provide annual funding in the amount of the previous year's allocation plus \$1 per capita of population increase to flow through the Creative Enterprise Initiative (CEI) on the condition that this amount be matched by funding from other sources and used to support local arts and culture organizations; and
 - d) Amend the Region's policy on grants to arts, culture and community organizations accordingly, and advise new applicants for arts and culture grants that the Region's annual grant application process for arts and culture organizations has been discontinued, and refer these organizations to the Waterloo Regional Arts Fund or the Creative Enterprise Initiative.
2. THAT the Regional Municipality of Waterloo transfer \$172,987.92 from capital project 01154 (New Landfill Cells Design & Construction) to capital project 01010 (Facilities Maintenance-Waterloo Landfill) to finance the costs of the emergency replacement of four overhead doors at the Waterloo Waste Management Centre – South Workshop.
[F-12-078]
3. THAT the Regional Municipality of Waterloo amend Procedural By-law 00-031, as amended, for the implementation of the consent agenda process for Regional Administration and Finance, Community Services and Planning and Works Standing Committee meetings, effective January 1, 2013 for a one year trial period;

AND FURTHER THAT appropriate notice be given in advance of the amendment to the Procedural By-law. [CR-CLK-12-010]

4. THAT the Regional Municipality of Waterloo forward “Appendix A: Region of Waterloo Response to the Integrated Accessibility Regulation (Built Environment)” attached to report CR-CLK-12-017 dated September 25, 2012, as the Region’s official response to the Ministry of Community and Social Services.
5. THAT the Regional Municipality of Waterloo approve the pre-budget expenditure not to exceed \$6,069,000 for the purchase of 37 vehicles and equipment to replace those listed in Appendix A of report CR-FM-12-014 dated September 25, 2012, which were scheduled for replacement in 2013 in the Ten Year Capital Plans of various departments, to be funded from the appropriate vehicle/equipment reserve funds.

September 25, 2012



Region of Waterloo

CORPORATE RESOURCES

Facilities Management & Fleet Services

Date: October 3, 2012

MEMORANDUM

To: Ken Seiling and Members of Regional Council

From: Rick Ellig
Manager, Fleet Services

Subject: **RESPONSE TO QUESTIONS REGARDING REPORT CR-FM-12-014 PRE-BUDGET APPROVAL FOR 2013 VEHICLE PROCUREMENT (DATED SEPTEMBER 25, 2012)**

This memo is in response to questions raised at the September 25, 2012 Administration & Finance Committee regarding the need for pre-budget approval of standard vehicles such as pickup trucks.

Pickup trucks and other standard vehicles are included in the pre-budget approval process to minimize cost through bulk purchasing and pre-ordering while ensuring that they are available when required by the program areas. Although purchase orders will be issued in 2012, payments are only made at point of delivery in 2013 and all vehicles/equipment tendered go through the appropriate approval process in accordance with the Region's Purchasing By-Law.

Although most vehicles are required between January and May, there are a limited number of these standard vehicles that could be tendered in 2013. It is recommended that the practice of tendering following pre-budget approval be continued for these vehicles for the following reasons:

- Bulk purchasing offers a significant price advantage
- Ordering vehicles early in the industry-wide September to April production period is consistently less expensive and ensures timely delivery.
- Customizations, such as power lift gates, electronic control equipment and tarping systems that are frequently required even for pickups and cars to meet specific program delivery requirements can be planned and scheduled over a period of time to minimize costly bottlenecks.

This process was approved by Council in 2003 to ensure that adequate time frames were available for all vehicles to achieve the objectives of the procurement plan. (Procurement Cycle report CR-FM-03-033, dated September 17, 2003) This has improved operational efficiency by allowing the flexibility to effectively plan acquisition, schedule deliveries/conversion with internal/external resources and avoid bottlenecks that result in delays and unplanned costs. Cost savings have also been realized when tendering in the fall/early winter and through bulk purchasing of same type vehicles.

Over the past nine years, the procurement cycle has evolved to better align with the life cycle management program adopted by Fleet. This program is managed in collaboration with the operating departments and has been effective in reducing total cost of ownership and maximizing useful life of the vehicles. This process includes an annual review of all vehicles in the ROW fleet and is supported by data and metrics established by Fleet Services to optimize life cycles and operational effectiveness.

As a result, more accurate vehicle/equipment life cycle planning has reduced the annual forecasted capital replacements through deferrals and deletions from the fleet establishment. These program improvements and initiatives are very dependant on having the ability to process the fleet acquisitions in advance to ensure delivery time lines meet with the user/fleet operational needs and calculated replacement cycles. When vehicles exceed their life cycle replacement, unnecessary costs are incurred to keep the vehicle in service and or for short term replacements if available. Even minor fluctuations in the planned replacement cycle can have significant impacts on the total life cycle cost and associated expenditures.

Correction note: *Through a calculation error, the number of vehicles to be replaced in 2013 was mis-stated in the original report CR-FM-12-014 dated September 25, 2013. The number to be replaced should read 35 rather than 37. This correction does not change the list of vehicles in Appendix A or the budgeted replacement costs.*