

THE VILLAGE OF MONTROSE

POLICY TITLE: EQUIPMENT REPLACEMENT POLICY

POLICY #1280

POLICY STATEMENT:

It is the policy of Council to schedule the replacement of vehicles and equipment to maintain high equipment efficiency at low maintenance costs.

POLICY BACKGROUND:

Montrose has small fleet. The trend has been to replace vehicles at a time when the cost of maintenance increased significantly, or when equipment reliability became problematic. The timely replacement of equipment has at times been difficult to achieve due to budget limitations.

POLICY GOAL:

It is the goal of this policy to establish vehicle replacement schedule to facilitate long-term planning and to stabilize the equipment acquisition/replacement budget.

POLICY OBJECTIVES:

1. To evaluate the replacement of the equipment listed on Schedule 'A' of this policy at the end of a lease cycle where equipment is leased, or not later than 10 years following acquisition where equipment is purchased.
2. To determine the value of equipment under replacement evaluation on the basis of:
 - a) trade-in value
 - b) maintenance cost history and trends
 - c) operating cost history and trends
3. To select new equipment on the basis of:
 - a) maximum utility
 - b) life-cycle costs
4. To select the acquisition methodology on the basis of total financing cost.

Initially approved at meeting #2-00 January 18, 2000

Reviewed and confirmed unchanged at meeting #05-12 on February 21, 2011

Next scheduled to be reviewed on February 20, 2012

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POLICY #1280 - SCHEDULE 'A'

- Unit #1 2000 Chevrolet 1-ton 4x4 pickup
Purchased in 2000
Odometer reading February 9, 2011 – 122,488 km
Scheduled for replacement evaluation in 2010
2010 Usage – 8,332km
- Unit #2 1999 Ford F450 truck, c/w Haul-All Model 14R refuse packer
Acquired in 1998
Odometer reading February 8, 2011 – 66,596 km
Rescheduled for replacement evaluation in 2011
2010 Usage – 5,307km
- Unit #3 2002 GMC 15,000 kg GVW dump truck
Purchased in 2002
Odometer reading February 9, 2011 – 10,317 km
Scheduled for replacement evaluation in 2011
2010 Usage – 1,150 km
- Unit #4 1994 GMC 15,000 kg GVW dump truck
Purchased in 1994
Odometer reading February 9, 2011 – 22,967 km
Rescheduled for replacement evaluation in 2011
2010 Usage – 1,039 km
- Unit #5 2006 John Deere Model X324 Riding Lawn Tractor
Purchased in 2006
Hour meter reading February 9, 2011 – 509.8 hrs
Rescheduled for replacement evaluation in 2011
2010 Usage – 189.4 hrs
- Unit #7 2007 Toolcat Model 5600 Turbo
Purchased in 2007
Hour meter reading February 9, 2011 – 1,451.6 hrs
Rescheduled for replacement evaluation in 2011
2010 Usage – 397.4 hrs

Unit #8 2010 CEV Might-E-Truck
Purchased in 2010
Hour meter reading February 9, 2011 – 819 hrs
Rescheduled for replacement evaluation in 2015