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**FLEET PLANNING AND ACQUISITION**

Effective Date: September 23, 2016

Approved By: GVRD Board

**Policy No. FN-014**

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**PURPOSE**

To provide direction and guidance on planning and acquiring Metro Vancouver's fleet assets.

Metro Vancouver's *Fleet Planning and Acquisition Policy* supports the following broad objectives:

- Fleet assets meet operational service requirements
- Fleet planning and acquisition aims to achieve continuous improvement in reducing fleet greenhouse gas emissions (GHGs)
- Fleet management is financially responsible

**DEFINITIONS**

**"Fleet Assets"** means all vehicles and mobile equipment;

**"Life Cycle Costs"** means all costs associated with owning and operating fleet assets, including costs of initial capital, fuel, GHG emissions (using an internal price on carbon where applicable), maintenance, and depreciation, using net present value;

**"Mobile Equipment"** means all equipment that is engine, motor or non-motor powered with attached or towed equipment including rolling machinery in excess of \$2000 capital cost or if driven by Metro Vancouver employees, licenced or unlicensed, owned or leased by Metro Vancouver. Examples of mobile equipment include but are not limited to trailers, boats, movers, loaders, graders, excavators, backhoes, forklifts, tractors, chippers, and mobile generators / pumps; and

**"Vehicle"** means passenger vehicles including sedans, vans, pick-up trucks, sport utility vehicles (SUVs) or similar, licensed or unlicensed, owned or leased by Metro Vancouver.

**POLICY**

The *Fleet Planning and Acquisition Policy* aligns with the *Board Strategic Plan's* livability and sustainability objectives by encouraging Metro Vancouver to mitigate the environmental impact of its corporate fleet through transitioning to low emission technologies, where possible, while maintaining excellent standards in the delivery of regional services.

Metro Vancouver will ensure that fleet planning and acquisition will meet operational service requirements while minimizing fleet greenhouse gas emissions and taking into account life cycle costs.

Fleet planning, acquisition, monitoring, and reporting will be managed by Fleet Services within the Financial Services Department, in coordination with user groups, Air Quality and Climate Change Division, and the Energy Management Group.

### 1. Fleet Planning

Metro Vancouver's Fleet Services, along with the user groups and the Air Quality and Climate Change Division, will undertake a comprehensive Fleet Planning Process for all new and replacement fleet assets that will aim to optimize the size of the overall fleet, ensure fleet assets are chosen to meet typical operational requirements and consider low emission technologies where operationally feasible.

#### Right-Sizing

- a) Fleet services will conduct annual fleet utilization assessments in accordance with *Fleet Utilization Procedures* to optimize the size of Metro Vancouver's fleet while meeting operational needs. The assessments will include a process for identifying under-utilized assets so they can be reallocated or removed from the fleet.
- b) Fleet Services, in coordination with user groups, will conduct replacement assessments on current fleet assets to determine when assets are to be replaced, using the applicable *Fleet Assessment Procedures*. Each fleet asset will have assessment plans which considers age, kilometers, maintenance and repair costs, asset condition and utilization to determine replacement decisions.
  - i) Vehicles will be considered for replacement after eight years and/or when used over 200,000 km; and
  - ii) Mobile Equipment will be considered for replacement on a case-by-case basis based on consultation between Fleet Services and the user group.
- c) Requests for new fleet assets require the user group to complete and submit a Fleet Asset Business Case Form to Fleet Services. The business case must justify the additional fleet asset and demonstrate the operational need it is addressing. All requests are subject to verification and audit by Fleet Services.
- d) Fleet Services, in coordination with the user group, will ensure that new and replacement fleet assets are an appropriate size to carry out typical operational requirements.

#### Low Emission Technologies

- a) Fleet Services, in coordination with the Air Quality and Climate Change Division, will develop and annually update a *Low Emission Vehicle Standard*. For each applicable vehicle category, the *Low Emission Vehicle Standard* will create a hierarchy of most-preferred to least-preferred technologies based on GHG emissions. The right-sizing process will identify the applicable vehicle category and typical operational requirements and the *Life Cycle Costing Tool* will determine which technology from the *Low Emission Vehicle Standard* will be selected for tendering.

- b) Recognizing that the technologies used in fleet assets are rapidly changing, Fleet Services in coordination with the Air Quality and Climate Change Division, will identify and evaluate new technologies, including supporting infrastructure, which may provide fuel savings and GHG reductions. As part of the Fleet Planning Process, studies of such technologies may be proposed and pursued under the Sustainability Innovation Fund process.

### 2. Acquisition

Using the *Life Cycle Costing Tool* and the *Low Emission Vehicle Standard*, Fleet Services, in coordination with the Air Quality and Climate Change Division, will purchase vehicles that provide the greatest reduction in greenhouse gas emissions where operationally feasible, based on the Life Cycle Analysis Costing Tool and the applicable Low Emission Vehicle Standard.

For mobile equipment, Fleet Services will purchase, on a case-by-case basis, the lowest emitting mobile equipment asset available that is operationally feasible and financially responsible. Fleet Services will coordinate with the user group to ensure all fleet asset purchases meet operational requirements.

All Fleet purchases must be in accordance with Metro Vancouver's Real Property Contracting Authority and the Procurement and Contracting Employee Procedures.

### 3. Monitoring and Reporting

- a) Fleet Services will establish a baseline inventory of Metro Vancouver fleet assets and report annually on the financial and GHG emissions reduction performance of the fleet. The baseline inventory will include, but is not limited to, the following information:

- Number of fleet assets by category
- Monthly kilometers driven by vehicle/ monthly hours for mobile equipment
- Fuel consumption by fleet asset
- Fuel cost by fleet asset
- Estimated GHG emissions by fleet asset
- Maintenance cost by fleet asset
- Fuel type by fleet asset