

Town of High Level Policy 173-99

Title: VEHICLE AND EQUIPMENT REPLACEMENT

Authority: Council
Council Motion: 321-99
Date Adopted: June 14, 1999
Old Policy No.: PW 02-99
Rescinds: Previous Policies

Purpose:

To replace old equipment and vehicles on a scheduled basis.

Policy Statement and Guidelines:

It is economically expedient to replace and discard equipment before breakdowns occur and extensive down time results, and also to replace old worn out equipment and vehicles, before it becomes financially unsound for the continued use due to extensive repairs.

Budget allotments and reserves should be established annually for the purchase and replacement of vehicles and equipment, in order to maintain a stable mill rate, and by not requiring large expenditures in any given year.

Procedures:

1. The Chief Administrative Officer will be charged with ensuring the average unit life expectancy is determined (see attached Schedule "A") by:
 - a) Assessing annual hours of use or annual mileage;
 - b) The type of use;

- c) The Manufacturer's life expectancy;
 - d) The effectiveness of the equipment or vehicle;
 - e) The present condition;
 - f) The history of annual repair costs and down time.
2. Categories of different classes of equipment will then be established indicating life expectancy.
 3. The Chief Administrative Officer in conjunction with the Department Heads will then prepare schedules where applicable; indicating which items should be replaced, for budget consideration.
 4. An amount equal to the purchase value of items to be replaced, amortized over the appropriate number of years for that class, will then be in the annual budget allotment for capital expenditures for the applicable department, subject to budgetary constraints.
 5. If approved items scheduled for replacement are not purchased in the current budget year, an amount equal to the replacement value amortized over the appropriate number of years for that class, will be established as a reserve for future expenditures in the current budget allotment for the applicable department, subject to budgetary constraints.

	RESOLUTION	DATE
Amended		
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SCHEDULE "A"

VEHICLES

1. Full or mid-size passenger cars, station wagons to be replaced at 200,000 kilometers or after 5 years, whichever occurs first.
2. Compact or sub-compact passenger cars and station wagons to be replaced at 175,000 kilometers or after 5 years, whichever occurs first.
3. All trucks up to and including 5 tons to be replaced at 200,000 kilometers or after 6 years, whichever occurs first.
4. Tandems, water trucks, snow plow trucks, sanders and similar trucks over 5 tons to be replaced at 300,000 kilometers or after 8 years whichever occurs first.
5. All leased vehicles to be replaced at the expiry of the current lease if the replacement is to be of similar expenditure.

MOBILE EQUIPMENT

1. Tractors to be replaced after 300,000 kilometers or after 7 years whichever occurs first.
2. Power packers, graders, rubber wheel tractors and crawlers to be replaced after 14,000 hours.
3. Loaders, back hoes and scrapers to be replaced after 15,000 hours.

SCHEDULE "B"

Upon the vehicle or piece of equipment having reached its replacement date, any such replacement is subject to review.

A recommendation must be brought forward for disposal or retention.