

Burbank Water and Power

DATE: December 28, 2018
TO: Bob Liu, Chief Financial Officer
FROM: John Regan, Fleet Manager
SUBJECT: Budget Summary for FY 2019-20 Master Fleet Plan

The Master Fleet Plan is a 5 year forecast for vehicle and equipment replacement. There were 43 vehicles and large pieces of equipment due for replacement review in FY 2019-20 that have a potential replacement cost of approximately \$2,914,000.

These 43 vehicles and pieces of equipment have been evaluated for safety, reliability, utilization and overall condition. The affected section managers have reviewed and agreed to the following recommendations:

- A total of 35 vehicles and pieces of equipment had their lives extended in the Master Fleet Plan, postponing capital spending of approximately \$2,422,000.
- Four vehicles and four pieces of equipment are now planned for replacement in FY 2019-20 at a cost of approximately \$492,000.

Vehicles:

- Four all-electric or plug-in hybrid vehicles for Electrical Engineering and Equipment, Finance CFO, and Fleet Pool \$195,000.
- Additional funds for a crane and up-fitting for a heavy duty truck budgeted FY18/19 for Water Construction \$75,000.

Equipment:

- One backhoe for Water Construction - \$175,000
- Three electric carts for Electrical Equipment and Technology - \$47,000

	Original replacement costs	After Review replacement costs	FY19/20 Savings
Water	\$710,000	\$250,000	\$460,000
Electric	\$1,290,500	\$147,000	\$1,143,500
Power supply	\$260,000	\$0	\$260,000
Technology	\$180,000	\$15,000	\$165,000
Customer Service	\$0	\$0	\$0
Finance/Fleet	\$473,500	\$80,000	\$393,500
Total	\$2,914,000	\$492,000	\$2,422,000