

Burbank Water and Power

DATE: March 2, 2023

TO: Stela Kalomian, acting Chief Financial Officer *Stela Kalomian*

FROM: John Regan, Fleet Manager *John Regan*

SUBJECT: Budget Summary for FY 2023-24 and FY 2024-25 Master Fleet Plan

The Master Fleet Plan is a 10-year forecast for vehicle and equipment replacement. There were 97 vehicles and large pieces of equipment due for replacement review in FY 2023-24 and FY 2024-25 that have a potential replacement cost of approximately \$9,851,000 for the two budget years.

These 97 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 78 vehicles and pieces of equipment had their lives extended in the Master Fleet Plan, postponing capital spending of approximately \$6,766,000.
- An additional \$100,000 is budgeted for a digger derrick for electric distribution.
- An additional \$100,000 is budgeted for a material handler for fleet services.
- An additional \$100,000 is budgeted for a dump truck for fleet services.
- An additional \$50,000 is budgeted for 5 electric carts (3 for the power plant, one for fleet services and one for electric equipment shop).
- Twelve vehicles and seven pieces of equipment are now planned for replacement at a cost of approximately \$3,085,000.

Vehicles:

- Two large heavy-duty bucket trucks for \$600,000 are budgeted for electric distribution.
- One large material truck for \$200,000 is budgeted for electric distribution.
- Four service trucks for \$400,000 are budgeted for electric distribution.
- One large crane truck for \$300,000 is budgeted for water operations.
- One surveyor's truck for \$100,000 is budgeted for water engineering.
- Three vans for \$275,000 are budgeted (one for the ECC and 2 for the electric test shop).

Equipment:

- One large stationary emergency generator for \$200,000 is budgeted for water operations.
- One large backhoe for \$250,000 is budgeted for water construction.
- One asphalt zipper for \$265,000 is budgeted for water construction.
- One large walk behind cement saw for \$75,000 is budgeted for water construction.
- One small, enclosed trailer for \$10,000 is budgeted for electric equipment shop.
- Two digital message board trailers for \$60,000 are budgeted for water construction.

	Original Replacement Costs	After Review Replacement Costs	FY23/24 & FY24/25 Savings
Water	\$1,435,000	\$1,250,000	\$185,000
Electric Division	\$5,775,000	\$1,495,000	\$4,280,000
Power Supply	\$851,000	\$130,000	\$721,000
Technology	\$365,000	\$0	\$365,000
Customer Service	\$260,000	\$0	\$260,000
Finance/Fleet	\$1,165,000	\$210,000	\$955,000
Total	\$9,851,000	\$3,085,000	\$6,766,000