 Committee Report

# Report TR-CW-28-17

**To**: Warden Barfoot and Members of Grey County Council

**From**: Graham Wilson, Maintenance Manager

**Meeting Date:** September 28, 2017

**Subject: 2017 Capital Budget Grader Purchase and Disposal**

**Status**: Recommendation adopted by Committee as presented per Resolution CW209-17; Endorsed by County Council October 12, 2017 per Resolution CC55-17;

## Recommendation

1. **That Report TR-CW-28-17 regarding the 2017 capital budget grader purchase and disposal plan be received; and**
2. **That Transportation Services proceed to substitute the purchase of a small grader for the planned purchase of a large unit and the retention of an existing large grader.**

## Background

Transportation Services has 3 large graders in our fleet. Report TR-TAPS-30-16 dated April 21, 2016 recommends disposing of two of these graders and purchasing a new large grader in 2017.

After a Fleet meeting with staff and completing a review of the enhanced cross section paving (partial paved shoulders) in recent capital construction projects, it has been determined a smaller grader would be better suited to perform maintenance shoulder grading, prepare areas for granular sealing, and small paving patches.

Graders are also used to perform winter maintenance activities and the smaller grader is not capable of this task. Staff recommends that the County retain 2 larger graders which are equipped for winter maintenance and required for plowing shoulders and high-winging snow banks. The larger graders will also be utilized for shoulder grading on the shoulders such as Grey Roads 4, 9, 10 and 13.

## Financial/Staffing/Legal/Information Technology Considerations

There is no impact to the net expenditure under the proposed scenario. The cost of the small grader is $255,000 ($140,000 less than a large grader). The value of the grader to be disposed of is $100,000 (we are retaining the $140,000 grader and disposing of the one with an estimated lower value). The recommendation will not have an effect on the Machinery 2017-2021 Five Year Capital Budget.

|  | **Purchase Cost** | **Sale of Assets** | **Transfer from Reserves** |
| --- | --- | --- | --- |
| Original (large grader) | $395,000 | $240,000 | $155,000 |
| Proposed (small grader) | $255,000 | $100,000 | $155,000 |

## Link to Strategic Goals/Priorities

Deliver excellence in Governance and Service with a priority outcome of greater operational efficiency.

## Attachments

[TR-TAPS-30-16 Transportation Services 2017-2021 Draft Five Year Capital Forecast](https://docs.grey.ca/share/s/UdnzO-jlRMCTP_1xvE9R1A)

[TR-TAPS-52-16 2017 Transportation Services Department Budget Overview](https://docs.grey.ca/share/s/zFMoAJVpQIaNx8zPf-7h_w)

2017-2021 Capital Project Form – Grader, dispose of V401-08 and V403-07

Respectfully submitted by,

Graham Wilson, Maintenance Manager

Director Sign Off: Pat Hoy, Director of Transportation Services

2017-2021 Capital Project Form – Grader, dispose of V401-08 and V403-07