
2013 OPERATING BUDGET BRIEFING NOTE

Solid Waste Transfer & Disposal Vehicles and Equipment – Transferring Maintenance Responsibilities from Solid Waste Management Services to Fleet Services

Issue/Background:

As of January 1, 2013, the responsibility for repair and maintenance of Solid Waste Management Services' (SWMS) Transfer and Disposal vehicles and equipment will be transferred from SWMS to Fleet Services Division (FSD).

FSD is designated as the City of Toronto's supplier of choice for fleet management services (Council decision on July 25, 26 and 27, 2006, Policy & Finance Committee Report 6, Clause 4, entitled "Review of the City's Corporate Organization Structure for Fleet Management and Services", confirming the Auditor General's recommendation in his report, Audit Committee Report 3, Clause 1, July 19, 20, 21 and 26, 2005), "Fleet Operation Review – Phase Two".

Fleet management in SWMS is currently integrated with FSD and is a shared operational model. FSD has the responsibility for the fleet management of the collection and light duty vehicles, and SWMS manages the repair and maintenance of long-haul vehicles that carry Toronto's waste to the Green Lane Landfill in St. Thomas and heavy equipment utilized at the transfer stations.

The purpose of this transfer of responsibility is to consolidate fleet management services under FSD in order to reduce duplication.

FSD and SWMS are jointly implementing the necessary processes to ensure a seamless transition on January 1st, 2013.

Key Points:

- FSD will manage all aspects of maintenance and repair of 183 Solid Waste Management Services' Transfer and Disposal vehicles and equipment, including scheduling preventative maintenance, completing or coordinating maintenance and repair, managing parts, tires, consumables, and service contracts, paying invoices and managing maintenance staff.
- As a result of the planned transfer of repair and maintenance of SWMS Transfer and Disposal vehicles and equipment from SWMS to FSD, both Fleet Services and Solid Waste

Management Services' 2013 Recommended Operating Budgets have been adjusted to reflect the associated funding in the appropriate expenditure and revenue line items, with no net impacts to both operating budgets. The 2013 Recommended Operating Budget for Fleet Services includes the transfer of the two Automotive Mechanic positions from SWMS effective January 1, 2013.

- The 2013 Recommended Operating Budget for Fleet Services includes an increase of \$2.802 million in gross expenditure for salaries and benefits, materials and supplies, and service contracts; an increase of \$2.802 million in inter-divisional recoveries; and \$0 net impact.
- The planned transfer of repair and maintenance of Transfer and Disposal vehicles and equipment from SWMS to FSD has no net impact on the 2013 Recommended Operating Budget for Solid Waste Management Services. A total reduction of \$2.802 million in salaries and benefits, materials and supplies, and contracted service budgets is offset by an increase of \$2.802 million in inter-divisional charges; resulting in a \$0 net impact.

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