



Date: February 1, 2001

TO: Board Members - Parks and Recreation
FROM: General Manager - Parks and Recreation
SUBJECT: REPLACEMENT OF FUEL MANAGEMENT SYSTEM

RECOMMENDATION

THAT the Board approve the transfer of \$85,000 in Capital Budget funds as identified in this report to provide funding for the supply and installation of new fuel management system equipment to enable the Park Board to continue to be a part of the corporate fuel operation.

POLICY

Transfers of budgets in excess of \$50,000 must be approved by the Board.

DISCUSSION

The Park Board is a partner in the City's computerized fueling system. The current system is beyond its service life and is being replaced by the City. In order to remain a partner in the system, the Board must upgrade its portion of the computerized system. While there are limited direct savings to the Board as a result of the change, there are efficiencies that will be realized and, more importantly, there is significant cost avoidance. Without the benefit of a central computerized fueling system, the Board would be faced with the expense of developing a labour intensive alternate method of tracking and billing fuel charges. It is estimated that it would require at least one full-time clerk to operate an alternative manual system. Given that the Park Board portion of the new computerized system is \$115,000, the expense of an additional clerk would surpass the capital cost in less than three years.

The fuel facility at the Stanley Park Service Yard is currently being replaced. This budget includes an amount of approximately \$30,000 for a computerized fueling system leaving a balance of \$85,000 to be found. Staff are recommending that the balance be funded from other existing capital accounts.

English Bay Boathouse Electrical -	\$29,700	(Work is complete)
Facilities Painting 1996 -	\$14,000	(Closure of old account)
Fieldhouse Upgrading	<u>\$41,300</u>	(Some work may be delayed)
Total	\$85,000	

The impact of transferring the first two amounts is minimal. The transfer of funding from the Fieldhouse Upgrading account may delay some minor projects but there is a sufficiently large balance to allow work to proceed on important projects.

SUMMARY

The expenditures are necessary to remain a partner in the corporate fuel system and to avoid the expense of developing and operating an alternative system.

Prepared by:

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