

Staff Report for Decision

DATE OF MEETING JUNE 26, 2019

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SUBJECT GREEN FLEET STRATEGY

OVERVIEW

Purpose of Report

To advise the Finance and Audit Committee of the City's green fleet initiatives to date and to obtain Council's support to create a City Green Fleet Strategy and join the E3 Fleet program.

Recommendation

That the Finance and Audit Committee recommend that Council direct Staff to join the E3 Fleet program and complete the Green Fleet Performance Review in 2019.

BACKGROUND

In 2002, the City of Nanaimo joined the Federation of Canadian Municipalities (FCM) "Partners for Climate Protection" Program (PCP). The PCP helped municipal governments across Canada identify initiatives to reduce energy use and greenhouse gas (GHG) emissions. In 2007, the City signed onto the provincial Climate Action Charter and began work on its Corporate Climate Change Plan.

The Corporate Climate Change Plan included a review of energy and fuel consumption throughout the corporation and provided initial direction on greening the City fleet, which focused on:

- Energy conservation through reduced use;
- Switching to less carbon intense fuels
- Offsetting conventional energy with renewable energy sources

These recommendations are being implemented in the following ways:

- Using bio diesel mixes in City diesel vehicles. Currently set at a blend of 5%.
- Purchasing fuel and energy efficient vehicles, including:
 - Four electric vehicles
 - Six hybrid vehicles
- Purchasing two mountain bikes with trailers for the use with the City horticulture staff.
- Switching to Compressed Natural Gas (CNG) for eight City Garbage Trucks. Reducing greenhouse gas emissions by 30% over standard diesel trucks.
- Completed a number of dual fuel and fuel switching conversions, including:
 - Two 2012 CNG Pickup Trucks
 - Eighteen dual fuel trucks (propane/unleaded fuel)
 - Converting six City ice resurfacing vehicles to run on electricity

In 2015, the City adopted an anti-idling policy, which directs City staff to minimize fuel use while using City vehicles. All these measures have contributed to the City lowering its fuel consumption by 15% over the last 10 years, despite increasing the size of the fleet.

DISCUSSION:

The City continues to play a leadership role in how to green its fleet in a prudent and cost effective way. With a number of important technological changes coming in transportation and growing concerns around Climate Change, it is timely to conduct a review of current policies and programs around greening our fleet to ensure the City of Nanaimo remains a leader for the community.

The Fraser Basin Council's E3 ("Energy, Environment, Excellence") Green Fleet program, offer a cost effective way to work with a number of regional fleet managers to remain on the leading edge of reducing GHG emissions and improving energy efficiency.

The program offers a comprehensive, confidential performance analysis to E3 members. Using data provided by the City, an E3 fleet reviewer conducts a detailed review of financial and GHG emissions performance, and identifies priority areas for improvement. After the review, a Green Fleet Strategy would be drafted by Staff and presented to Council for consideration.

The E3 Fleet program also provides a rating system that helps showcase the achievements of members and recognizes excellence in the green performance of vehicle fleets. The rating system based on points accumulated in 10 areas of performance and encompasses energy efficiency, emissions reductions and excellence in fleet management practices. Fleets can qualify for a Bronze, Silver, Gold, or Platinum fleet rating, which could be used to promote the City's commitment to meet its Green Fleet standards. More information on the E3 Fleet Program can be found at www.e3fleet.com

Staff recommend that the City join the E3 Fleet program and complete the green performance review. The results of the performance analysis would be presented back to Council as part of an updated City Green Fleet Strategy.

Costs of joining the E3 review and rating program are outlined below.

Yearly cost breakdown

First year 2019

Membership fee	\$400
E3 fleet review	\$4,600
Staffing cost	<u>\$3,313</u>
	\$8,313

Yearly cost breakdown

First year 2020

Membership fee	\$408
E3 fleet review	\$4,692
E3fleet rating	\$3,570
Staffing cost	<u>\$3,379</u>
	\$12,049

It is anticipated that these costs will be more than offset in fuel savings and GHG reductions. |

OPTIONS

That Council direct Staff to:

1. That the Finance and Audit Committee recommend that Council direct Staff to join the E3 Fleet program and complete the Green Fleet Performance Review in 2019.
 - **Budget Implication:** The cost of participating in the E3 Fleet Program in 2019 will be funded internally; the cost for 2020 would be incorporated into the 2020 – 2024 Financial Plan. The program is anticipated to cost \$8,313 in the first year and increase to approximately \$12,049 in the second year.
 - **Policy Implication:** Developing a Green Fleet Strategy is supported under Plan Nanaimo (Goal Five: Protect and Enhance the Environment) and under the City Corporate Climate Change Plan (2007) Implementing a Green Fleet Strategy may place appropriate restrictions on the numbers, uses and types of vehicles purchased by the City.
 - **Strategic Priorities Implication:** The Green Fleet Strategy meets the strategic priority of Environmental Responsibility. Key Focus area “Take a leadership role and focus on our environmental impact and climate change contributions in our decision making”.
2. That the Finance and Audit Committee recommend that Council direct Staff to not join the E3 Fleet program and to not develop a Green Fleet Strategy.
 - **Budget Implication:** There could be longer-term energy cost and GHG implications if the City does not update its Green Fleet Strategy.
 - **Strategic Priorities Implication:** Not taking advantage of this program may be a missed opportunity to fulfill a Strategic Objective. |

SUMMARY POINTS

- |The City continues to play a leadership role in the community on how to green its fleet in a prudent and cost effective way.
- Joining the E3 Fleet program will assess City’s performance around greening its fleet.
- The performance analysis will inform an updated City Green Fleet Strategy. |

Submitted by:

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