

2025

State of
**FLEET SERVICES
INFRASTRUCTURE**

CONTENTS

INTRODUCTION	1
STEWARDS	2
CURRENT INVENTORY AND VALUE	3
THE ASSET PERFORMANCE WITH DATA CONFIDENCE	4
INVESTMENT STRATEGIES AND NEEDS	11
FORECASTED STATE OF INFRASTRUCTURE	12

The State of Report is a standardized Corporate Asset Management tool designed to give City Council and Executive Leadership a strategic overview of each infrastructure portfolio. It outlines the current condition, performance, risk levels, service level achievement and asset management capacity, promoting transparent, evidence-based decision-making across the organization. A Corporate Asset Management Consolidated Report consolidates findings from all asset portfolio State of Reports into one overall executive summary report.

INTRODUCTION

Fleet Services (Fleet) is part of the Roadways, Fleet and Support department within the Transportation and Construction division. Fleet has three main service areas: Civic, Saskatoon Police Service (SPS), and Parks maintenance equipment fleets. Fleet is responsible for the maintenance, repair, replacement, specification development, tender evaluations, and administration of an internal rental model for vehicles and equipment.

Parks powered mobile equipment (PME) has been maintained by Fleet, but the overall management and replacement cycles of their equipment has been administered by the Parks department and funded through the Parks cost centre.

This report provides information on the current state of the City of Saskatoon's vehicles and equipment maintained by Fleet including inventory, condition ratings, and data reliability to provide a clear understanding of the fleets' health and performance. It also provides service level measures included in the Service Level Agreements with the user groups to determine if the maintained vehicles and equipment meet performance targets and user group needs.

Additionally, the report outlines investment needs and funding gaps, covering fleet operational and maintenance costs as well as capital cost projections necessary for fleet sustainment and improvement. It also assesses key risk profiles and mitigation strategies, addressing potential vulnerabilities such as continued inflationary pressures and inadequate replacement funding, impacts of extreme weather, higher potential for vehicle damage/loss etc.

Furthermore, the report identifies data gaps and proposes action plans to improve asset management and decision-making. This report provides the insights needed to prioritize investments, enhance service delivery, and support the long-term sustainability of Civic, SPS and Parks fleets.

Fleet Services maintains and replaces fleet assets to minimize their total lifecycle costs and provide critical operational support for delivery of key civic services to Saskatoon residents.

STEWARDS

Responsibility	Description	Responsible Party
Overall Accountability	Owner of the assets. Implement and continuously improve the efficiency, safety and overall condition of the fleet.	Civic Fleet: General Manager, Transportation and Construction SPS Fleet: General Manager, Transportation and Construction Director of Finance and Asset Management, SPS Parks Fleet: General Manager, Community Services
Resource and Budget Allocation	Approve asset replacement and budget plans, allocate resources and make significant strategic decisions related to Fleet Services.	Civic Fleet: Director of Roadways, Fleet and Support SPS Fleet: Director of Roadways, Fleet and Support Director of Finance and Asset Management, SPS Parks Fleet: Director of Parks
Risk Management	Identify, assess and prioritize risks related to the assets and their operations.	Civic Fleet: Fleet Manager, Roadways, Fleet and Support SPS Fleet: Fleet Services Manager, Roadways, Fleet and Support Asset Manager, SPS Parks Fleet: Fleet Services Manager, Roadways, Fleet and Support Director of Parks
Regulatory Compliance	Ensure Fleet Services vehicles and equipment are maintained and operated in compliance with federal and provincial regulatory standards.	Civic Fleet: Fleet Services Manager, Roadways, Fleet and Support SPS Fleet: Fleet Services Manager, Roadways, Fleet and Support Parks Fleet: Fleet Services Manager, Roadways, Fleet and Support
Fleet Condition Monitoring	Assess the condition of vehicles and equipment and report on performance.	Civic Fleet: Fleet Services Manager, Roadways, Fleet and Support SPS Fleet: Fleet Services Manager, Roadways, Fleet and Support Parks Fleet: Director of Parks
Data Management	Collect and validate data on asset inventory, condition, and performance.	Civic Fleet: Fleet Services Manager, Roadways, Fleet and Support

		SPS Fleet: Fleet Services Manager, Roadways, Fleet and Support Parks Fleet: Fleet Services Manager, Roadways, Fleet and Support Director of Parks
Routine Maintenance	Implement maintenance activities, including preventative maintenance and corrective measures.	Civic Fleet: Fleet Services Manager, Roadways, Fleet and Support SPS Fleet: Fleet Services Manager, Roadways, Fleet and Support Parks Fleet: Fleet Services Manager, Roadways, Fleet and Support
Facility Maintenance	Owner and maintainer of the asset.	Civic, SPS and Parks Fleets: Director of Facilities Management
Fuel Infrastructure Maintenance	Owner and maintainer of the asset.	Civic, SPS and Parks Fleets: Fleet Services Manager, Roadways, Fleet and Support Corporate Fuel Management Administrator, Fleet Services The development of a corporate fuel management strategy is in progress. The request for a new Corporate Fuel Management Administrator position is included in the 2026/2027 budget documents. If approved, the position will be in Fleet Services, reporting to Fleet Services Manager.

CURRENT INVENTORY AND VALUE

Table 1 shows the summary of fleet Asset Area replacement values and percentages of the total value that each Asset Area represents.

Table 1: Fleet Asset Inventory as of December 31, 2024 (Replacement Values in Millions of Dollars)

Asset Area	Inventory	Replacement Value	% Fleet
Heavy Equipment (HE)	273	\$102.60	60.9%
Light Vehicles (LV)	443	\$29.85	17.7%

Saskatoon Police Service (SPS)	186	\$10.18	6.1%
Parks	283	\$13.56	8.1%
Other	90	\$12.17	7.2%
Total	1275	\$168.36	

Note: Inventory count includes leased units as these are still considered capital assets

THE ASSET PERFORMANCE WITH DATA CONFIDENCE

Since 2010, Fleet Services has utilized a fleet management program (Asset Works M5) to track vehicle and equipment maintenance. Parks equipment is owned by the Parks department. They also manage the lifecycles of their equipment. Maintenance equipment used by Parks was not originally tracked in the fleet management program. Fleet Services has recently added Parks' power mobile equipment and work order activities into the system. Fleet Services and Parks are working together to amalgamate all available information and achieve a higher data confidence score in future reporting.

Table 2: Data Confidence Rating Structure

Condition Description	Explanation
5	Highly Reliable: Quality data sources (trusted, timely, complete, consistent, accurate, relevant).
4	Reliable: Mix of high quality and some lower quality data sources requiring SME assumptions.
3	Uncertain: High-level assumptions by SMEs inferred from suspect quality data sources.
2	Very Uncertain: Primarily based on high-level SME assumptions.
1	Unknown

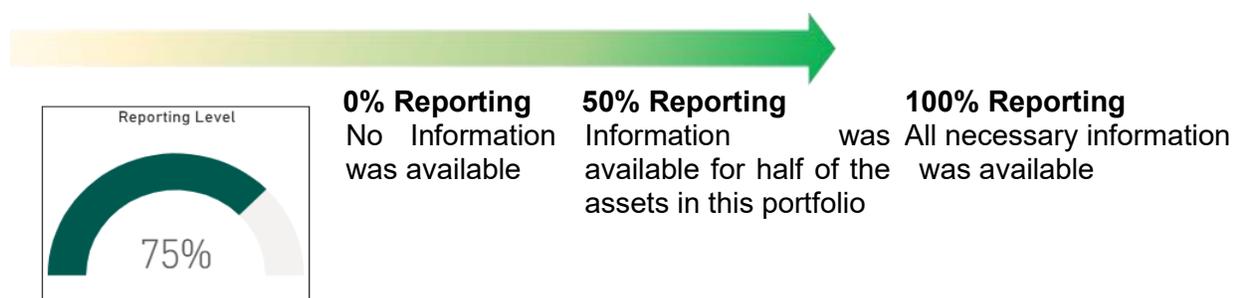
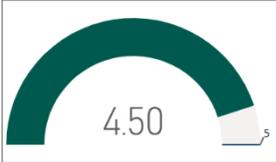
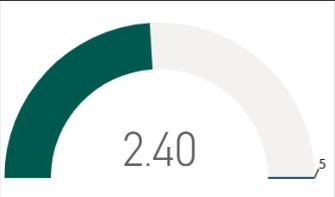


Table 3 shows current fleet data confidence and reporting levels along with the explanations for some data gaps.

Table 3: Data confidence and reporting levels

	Fleet	Data Confidence Level	Reporting Level	Explanations
	Civic Fleet		100%	
	Inventory	5	100%	
	Condition - Age	5	100%	
	Condition – Usage	4	100%	
	Maintenance	4	100%	<i>Some data gaps due to technology/system changes.</i>
	Repair index	5	100%	
	Downtime/Availability	4	100%	<i>Some data gaps due to technology/system changes.</i>
	Average Score	4.5		
	SPS Fleet			
	Inventory	5	100%	
	Condition - Age	5	100%	
	Condition – Usage	4	100%	
	Maintenance	4	100%	<i>Some data gaps due to technology/system changes.</i>
	Repair index	5	100%	
	Downtime/Availability	4	100%	<i>Some data gaps due to technology/system changes.</i>
	Average Score	4.5		
	Parks Fleet			
	Inventory	3	100%	<i>In progress, physical inventory of assets to be</i>

				<i>completed winter 2025.</i>
	Condition - Age	3	0%	<i>In progress, physical inventory of assets to be completed winter 2025.</i>
	Condition – Usage	3	0%	<i>Some data gaps due to technology/system changes.</i>
	Maintenance	3	0%	<i>Some data gaps due to technology/system changes.</i>
	Repair index	1	0%	
	Downtime/Availability	1	0%	
Average Score	2.4			

CURRENT CONDITION OF FLEET ASSETS AND SERVICE LIFE

The City's vehicles and equipment are evaluated for condition based on the percentage of the Estimated Service Life (ESL) used and the timeframe (asset age) when the asset is estimated to reach the end of its service life. For example, a minivan is estimated to have an ESL of 12 years or 230,000 kilometers. If the actual age of the vehicle is 8.4 years but it has 242,443 kilometers on it, this minivan is at the end of its service life (100%+) because of the excess usage. The rating structure in Table 4 has been used in the industry to rate vehicles and equipment from "Very Good" to "Very Poor" condition.

Table 4: Rating Structure

Condition Description	% of Estimated Service Life Used	Explanation
Very Good (VG)	0 – 20% ESL	New unit, no wear/tear
Good (G)	21 – 50% ESL	Normal maintenance cost, good overall condition, low kilometres/usage
Fair (F)	51 – 80% ESL	Maintenance costs begin to rise, moderate kilometres/usage

Poor (P)	81 – 100% ESL	Unit needs to be replaced, high kilometres/usage, maintenance costs at a steep incline, body condition deteriorating
Very Poor (VP)	>101% ESL	Unit no longer operational, potential safety issues, not feasible to economically maintain

Table 5 shows a summary of the fleet asset condition assessment by replacement value. It shows that 57.84% of the total value of the asset pool is in “Good” to “Very Good” condition, 28.05% is in “Fair” condition and 14.11% is in “Poor” to “Very Poor” condition. The score takes into consideration both the age and usage (kilometers or hours) per unit.

In general, approximately 58% of the City’s vehicles and equipment are in “Very Good” or “Good” condition, with less than 50% of the estimated service life of those assets being utilized. The condition rating of each asset is based on the ESL used, and the percentages are based on the replacement values. The goal is to have the average asset condition in the “Good” category. Equipment and vehicles in the desired “Good” condition generally have normal maintenance costs, good overall condition, and low kilometres.

Table 5: Condition Assessment - Average Score of Age and Usage Conditions – Profile of Assets by Replacement Value

Type	Very Good	Good	Fair	Poor	Very Poor	Total
Combined CIVIC and SPS Fleets	28.0%	29.8%	28.1%	8.8%	5.3%	100%

Parks power mobile equipment was not considered for Table 5. This type of equipment differs from the Civic and SPS fleets. The life cycle and condition ratings can not be assumed in the same fashion as for the Civic and SPS fleet assets. Based on the age condition only, 44.74% of the Parks Power Mobile Equipment is in “Good” to “Very Good” condition.

CONDITION ASSESSMENT METHODOLOGY & PROGRAMS

Service life or kilometres/hours used are the two main factors considered to determine the condition of the fleet assets. Ideally, equipment would be replaced at its optimum point based on its economic lifecycle, which is before the equipment becomes more costly to maintain. In addition to these considerations, before Fleet Services (Fleet) consider assets for replacement, the asset is inspected and prioritized based on a few factors, including safety, cost of maintenance, technological advancements, etc. This assessment along with the current economic and market supply factors is considered when deciding when to replace assets in the “Poor” or “Very Poor” category based on the percentage of the ESL used.

Fleet utilizes a fleet maintenance program (Asset Works M5) to track and maintain assets. In conjunction with this program, Fleet has developed a scoring formula based on the American Public Works Association (APWA) recommended scoring method. This scoring method is used to determine a full condition rating and prioritize vehicles and equipment due for replacement.

SERVICE LEVELS

Fleet has implemented Service Level Agreements with all user groups. These agreements define and outline Fleet's maintenance activities along with the expectations and roles and responsibilities for both parties.

Fleet has committed to monitoring and reporting for customer user groups key metrics including the condition of fleet, downtime/availability and preventative maintenance compliance on a regular basis or as required by the user groups.

CLIMATE CHANGE RISKS

To address challenges and risks with the climate change and in alignment with the Low Emissions Community Plan, Fleet had initiated a pilot project in 2019 for electric vehicle implementation, with the lease of four electric vehicles. The results of the pilot project were reported in the 'The Zero Emission Vehicle Roadmap' that was approved by Saskatoon City Council on June 25, 2025.

Over the next 16 years, Fleet Services is projected to replace 195 internal combustion engine vehicles in the fleet, subject to budget availability. The first 67 vehicles would be purchased by 2027.

ASSET CRITICALITY & RISK

An audit of Fleet Services operations was completed in 2023 by the Independent Office of the City Auditor. While most of the risks identified through the audit have been addressed, Fleet will develop a formal Risk Register and Risk Management Plan for a future budget cycle.

Fleet is instrumental in the service delivery of several major programs including but not limited to:

- Snow grading and removal,
- Water and sewer infrastructure repair and maintenance,
- Saskatoon Light & Power infrastructure repair and maintenance,
- Waste and organics collection,
- Parking enforcement, etc.

Saskatoon's population and land growth continues to add pressure on the wear and tear of the existing fleets. As a result, the risk of rising downtime will continue to be present. When combined with unpredictable and significant rise in vehicle, equipment and repair part costs, pressure to maintain and improve fleet availability increases.

Table 6 indicates some of the Fleets' critical assets, their typical failure mode, and impact of the failures on the delivery of programs and services.

Table 6: Fleet Critical Assets

Critical Assets	Failure Mode	Impact
Roadways: Snow Removal Equipment	- Major component failure	-Reduced or stalled service delivery for user groups; user groups unable to meet service levels.
Saskatoon Light and Power: Bucket/Power Line Trucks	- Delays in repair due to resourcing and/or unavailable repair parts	

Waste Management: Collection Trucks	- Vehicle damage/loss - Insufficient 'spare' fleet	-Delayed response to emergencies
Saskatoon Police Service: Patrol Units		
Water and Waste Operations: Water Main Repair Equipment		
Repair Facility	Electrical Failure	Unable to repair equipment
Fuel Infrastructure	Electrical Failure	Unable to use fuel station temporarily

Tables 7 and 8 indicate scoring criteria for the assessment of the risks identified in Table 10. Risks included in Table 9 would potentially result in significant loss or a reduction in services.

Table 7: Scoring for Impact of Risks to Assets

Impact/ Severity Scoring		Description of Consequences
Insignificant	1	Easily handled, typical day to day process, disruption of services of 1 to 2 hours. No safety risk and insignificant impact on assets (<\$10K).
Minor	2	Minor disruption of services short period (< 2 days). Possibility of minor injuries and minor property damage (<\$100K).
Moderate	3	Disruption of services short period (< week). Significant resources required (<\$500K) and major injuries (not critical). Significant safety risk or damage to assets but can be mitigated within 48 hours.
Major	4	Major disruption of services for extended period (<month), jeopardizes assets' ability to function. Serious safety risk (critical injuries) or property loss (<\$5M).
Catastrophic	5	Long term disruption to services (>month), risks the ability of the City to operate assets. Catastrophic loss of property (>\$5M) or life.

Table 8: Scoring for Probability of Risks to Assets

Probability/ Likelihood Scoring	Frequency of the Occurrence	Risk of Recurrence
Very Unlikely	1 Very unlikely to occur or occurs very infrequently.	Very Low
Unlikely	2 Unlikely to occur or occurs infrequently.	Low
Intermittent	3 May occur or only occurs under ideal conditions.	Medium

Likely	4	Likely to occur or occurs frequently.	High
Very Likely	5	Very likely to occur or occurs very frequently.	Very High

Table 9: Risks

Factor	Potential Impact	Probability	Impact	Mitigation Strategies
Funding shortfall for critical vehicle replacements and growth	<ul style="list-style-type: none"> -Delayed vehicle and equipment replacements. -Aging assets and more wear on vehicles and equipment. -More frequent breakdowns. -Not enough vehicles and equipment to meet service levels or respond to emergencies. 	Likely	Moderate	<ul style="list-style-type: none"> -Regular reporting on State of Fleet Assets to inform risk-based decision making and budgeting. -Robust preventative maintenance programs and operational practices to extend useful life and reduce downtime.
Continued inflationary pressures	<ul style="list-style-type: none"> -Delayed vehicle and equipment replacements. -Aging assets and more wear on vehicles and equipment. -More frequent breakdowns. -Not enough vehicles and equipment to meet service levels or respond to emergencies. 	Likely	Moderate	<ul style="list-style-type: none"> - Robust preventative maintenance programs and operational practices to extend useful life and reduce downtime. -Closely monitor condition of assets. -Monitor Preventative Maintenance Program.

Extreme weather impact, more vehicle and equipment damage/loss	<ul style="list-style-type: none"> -Additional wear on vehicles. -Not enough vehicles and equipment to respond to emergencies. -Additional major repair costs. 	Likely	Moderate	<ul style="list-style-type: none"> -Contingency planning (spare units, contractors etc.) -Work with user groups and continue educating staff on risks and proper operation of vehicles and equipment in extreme weather.
---	---	--------	----------	--

INVESTMENT STRATEGIES AND NEEDS

FUNDING REQUIREMENTS AND INVESTMENT STRATEGIES

The previous level of funding for fleet replacements was sufficient to keep the existing fleet in “Good” condition. Due to instability in the market and inflationary pressures, the Civic Vehicles and Equipment Replacement Reserve is projected not to have sufficient funding for the replacements planned in the coming years. While planned vehicle and equipment replacements in 2025 total \$11.0 million, there is a cumulative funding gap of approximately \$10 million over the next five years.

The Fleet maintenance program is currently funded through the Fleet Services operating budget at an amount of \$21.1million per year (\$17.9M Civic, \$3.2M SPS), excluding fuel costs. The rental fees charged to the various departments cover this maintenance cost, including the contribution to the Civic Vehicles and Equipment Replacement Reserve. The 2023 Fleet Services audit confirmed that the rental fee model and calculation was an appropriate method for cost recovery.

LIFECYCLE PROGRAMS & ANALYSIS

The Administration evaluates the condition of the City’s assets to develop annual programs and maintain the assets at a minimum lifecycle cost. Condition assessments or evaluations are conducted and used to establish condition levels as well as develop annual capital improvement plans.

The expected usage for each type of assets is defined; however, as the actual asset usage increases, so does the cost of maintaining the asset. To compare the level of investment required for all assets, five levels of expenditures are identified below. It should be noted that expenditure levels are not condition assessments but lead to a change in the asset condition over time. “A” represents the highest level of expenditure and “F” represents no expenditure.

Based on the condition assessment ratings, the City’s fleet is generally in “Good” condition state. However, the replacement forecast for the next five years illustrates that additional funding is required to maintain this condition state. Vehicles and equipment purchased in 2023 and 2024 exceeded projected replacement costs. Equipment that has been tendered for 2025 is following the same trend.

Currently, fleet is funded at the expenditure level “C” – maintain assets in current condition. With the funding gap identified, the asset condition and expenditure level is trending towards

level “D” – getting worse. To keep fleet assets in the desired condition and to increase asset condition/value over time, the expenditures level “B” is required.

Table 10: Expenditure Level Definition

Expenditure Level	Asset Condition	Description
“A”	Getting Better Quickly	Sufficient expenditures to keep assets in the desired condition and to increase asset condition/value quickly over time
“B”	Getting Better	Sufficient expenditures to keep assets in the desired condition and to increase asset condition/value slowly over time
“C”	Maintain Assets in Current Condition	Sufficient expenditures to keep asset in constant condition over time
“D”	Getting Worse	Insufficient expenditures to maintain asset condition. Over time asset condition will deteriorate.
“F”	Getting Worse Quickly	No expenditures. Asset condition/value decrease rapidly.

LIST OF RECOMMENDATIONS AND ACTION PLANS

- Continue delivering a high level of routine and preventative maintenance to maintain civic fleet assets in good condition.
- Follow best practices and deliver quality service to internal clients.
- Closely monitor and manage rental fees and vehicle and equipment replacement reserves.
- Continue implementing innovative ideas for reducing costs or improving functionality.
- Monitor and actively participate in emerging trends such as ZEVs and other technology.
- Improve Fleet Services outreach and better understand the needs of other user groups and departments.
- Stay committed to maintaining and investing in fleet assets.
- Develop key performance indicators to ensure transparency and measure efficiency.
- Monitor repair part and vehicle and equipment supply trends to proactively plan for disruptions.
- Continue assessing different options (lease, buy, rent etc.) to support vehicle and equipment procurement decisions.
- Use allocated financial and physical resources to address the needs and expectations of Saskatoon citizens today, and for the future.

FORECASTED STATE OF INFRASTRUCTURE

If the funding gap for the replacement of vehicles and equipment is not addressed, Fleet Services will need to defer some of the scheduled replacements over the next five years.

This would increase the average age of fleet assets which would likely result in higher maintenance and repair costs, increased downtime, and a higher likelihood of user groups and departments not being able to meet their service levels.