



Program #78040 - Fleet Vehicle Replacement 5/7/2015

Department: County Assets **Program Contact:** Garret Vanderzanden
Program Offer Type: Internal Service **Program Offer Stage:** As Proposed
Related Programs: 78039
Program Characteristics:

Executive Summary

Vehicle replacement planning is provided as an interdependent function within Fleet Services (program offer #78039). The key objective is to administer the life-cycle replacement schedule and collection of replacement funds on assigned vehicles and equipment (capital expenditures). This service is responsible for keeping Department customers supplied with vehicle and equipment options that support their core operational missions.

Program Summary

- Fleet Services, through the Fleet Vehicle Replacement program, provides the following services:
- Collects and manages the funding for future replacement of vehicles and equipment;
 - Specifies, bids, awards, receives, inspects, prepares for service, and assigns replacement vehicles and equipment;
 - Administers the vehicle and equipment re-sale program (surplus disposal), using revenue received to offset future vehicle and equipment purchases;
 - Establishes and administers the life-cycle replacement schedule used to determine collection of replacement funds on assigned vehicles and equipment. The collected funds are used to buy new vehicles after the predetermined years of life are met;
 - Collaborates with departments and programs to evaluate the following elements when considering purchase of a new or replacement vehicle or piece of equipment: vehicle utilization (miles driven/time of operation); department/program needs; current working condition of vehicle; vehicle downtime and predicted future repair costs; safety; and sustainability;
 - Ongoing evaluation of opportunities for electric and hybrid vehicles when purchasing new vehicles. The Fleet Vehicle Replacement Program is the primary contributing factor to the following areas in the Local Government Operations component of the 2009 Climate Action Plan:
 - 18-6 "...meet minimum fleet fuel efficiency standards and use low-carbon fuels.";
 - 18-7 "Buy electric and plug-in hybrid vehicles for City and County fleets as they become commercially available."

Performance Measures

Measure Type	Primary Measure	FY14 Actual	FY15 Purchased	FY15 Estimate	FY16 Offer
Output	Percent of vehicles and equipment on delayed replacement	20%	25%	15%	10%
Outcome	Surplus gross vehicle and equipment sales revenue as % of purchase	22%	15%	15%	15%
Output	Number of replacement Gap Vehicles Purchased	48	22	20	13

Performance Measures Descriptions

Output - Vehicles and Equipment on Delayed Replacement is based on the % of vehicles that have gone beyond the date established for purchasing a replacement.
 Outcome - Surplus Gross Vehicle/Equipment Sales Revenue as % of Purchase Price looks at the revenue we receive when we dispose of Fleet capital assets.
 Output - Replacement Gap Vehicles Purchased is tracking of vehicles purchased related to FY14 Program Offer 78031.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2015	2015	2016	2016
Personnel	\$0	\$134,129	\$0	\$134,129
Capital Outlay	\$0	\$6,656,984	\$0	\$4,763,999
Total GF/non-GF	\$0	\$6,791,113	\$0	\$4,898,128
Program Total:	\$6,791,113		\$4,898,128	
Program FTE	0.00	0.00	0.00	0.00

Program Revenues				
Other / Miscellaneous	\$0	\$1,509,846	\$0	\$1,677,160
Interest	\$0	\$0	\$0	\$19,000
Beginning Working Capital	\$0	\$5,281,267	\$0	\$3,728,902
Total Revenue	\$0	\$6,791,113	\$0	\$5,425,062

Explanation of Revenues

Vehicles and equipment are placed on an established life-cycle replacement schedule. Replacement funds are collected on a monthly basis from programs with assigned vehicles and equipment and aggregated until specified useful life has been met. Proceeds from vehicle sales are returned to the Fleet fund to offset future replacement costs. One-time only revenue was received in FY14, Program Offer #78031, to bridge a replacement funding gap for aging vehicles in the Fleet. This money, \$1.2M, will be spent over a 3 year period, FY 2014-FY 2016, with the majority of those dollars spent under the County's Strategic Sourcing initiative to ensure best value and reflection of the County's overall mission. Procurement of these vehicles are being tracked as a discreet performance measure.

Significant Program Changes

Last Year this program was: FY 2015: 78038 Fleet Vehicle Replacement