

Lead Agency: Department of County

Program Contact: Rich Swift

Program Offer Type: Internal Service

Related Programs:

Program Characteristics: Climate Action Plan

Executive Summary

Vehicle Replacement Planning is provided as an interdependent function within Fleet Services (72081). The key objective is to collect revenue for the future purchase & equipping of vehicle assets (capital expenditures) to maximize investment return while keeping customers supplied with appropriate transportation options.

Program Description

Fleet Services collects & manages the funding for future replacement of vehicles and equipment. Fleet Services will specify, bid, award, receive, inspect, prepare for service and assign replacement vehicles. Fleet Services also collaborates with Material Management to administer the re-sale program (surplus disposal) for County vehicles. Vehicles are placed on an established life-cycle replacement schedule & replacement funds are collected from programs with assigned vehicles. The collected funds are used to buy new vehicles after the pre-determined years of life are met. The process to acquire & replace a current vehicle involves assessing the following elements: vehicle utilization (miles driven/time of operation); department/program needs; current working condition of vehicle; vehicle downtime & predicted future repair costs; safety; & sustainability.

These efforts contribute to the Climate Action Plan activities related to local government operations, item numbers: 18-6, 18-7

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY09-10)	Current Year Purchased (FY10-11)	Current Year Estimate (FY10-11)	Next Year Offer (FY11-12)
Output	% of vehicles that are on delayed replacement	78.0%	50.0%	86.0%	73.0%
Outcome	Surplus gross sales revenue as % of purchase price	29.0%	10.0%	10.0%	10.0%

Performance Measure - Description

We continue to delay scheduled physical replacement and carry over collected funds on a significantly high number of vehicles. The primary reason for the delay of replacement is that vehicles are maintained in good condition and may have low mileage. The number of vehicles that come due for replacement in any given fiscal year varies widely. We continue to monitor responsible replacement strategies on an individual program basis, attempting to replace vehicles only when deemed necessary balancing program needs, safety, and usage.

Sale proceeds were high in FY09-10 as a result of the sale of heavy road equipment that was removed from inventory and sold to other government agencies (vs. light duty vehicles sales through auction).

Legal/Contractual Obligation

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2011	2011	2012	2012
Contracts	\$0	\$3,000	\$0	\$0
Capital Outlay	\$0	\$3,342,482	\$0	\$3,886,049
Total GF/non-GF:	\$0	\$3,345,482	\$0	\$3,886,049
Program Total:	\$3,345,482		\$3,886,049	
Program FTE	0.00	0.00	0.00	0.00
Program Revenues				
Fees, Permits & Charges	\$0	\$1,300,984	\$0	\$1,312,190
Other / Miscellaneous	\$0	\$3,228,640	\$0	\$3,247,444
Total Revenue:	\$0	\$4,529,624	\$0	\$4,559,634

Explanation of Revenues

Vehicles are placed on an established life-cycle replacement schedule and replacement funds are collected on a monthly basis from programs with assigned vehicles. The replacement amount is based on the vehicles actual cost. Fleet Services uses the replacement funds to buy replacement vehicles after the pre-determined years of life is met. If a vehicle is not replaced after its predetermined replacement life is reached, replacement charges are stopped.

Significant Program Changes

Last year this program was: #72082A, FREDS Fleet Vehicle Replacement

In FY10/11 Fleet Replacement, in collaboration with Materials Management, established a redesigned disposal process for surplus vehicles. Higher resale outcomes are anticipated from a "no commission" contract with a new auctioneer.