

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: General Services Agency

BOARD AGENDA # B-13

Urgent  Routine

AGENDA DATE October 30, 2012

CEO Concurs with Recommendation YES  NO   
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Approval to Accept a Report on the Stanislaus County Vehicle Procurement, Maintenance and Replacement Process

STAFF RECOMMENDATIONS:

Accept a report on the Stanislaus County vehicle procurement, maintenance and replacement process.

FISCAL IMPACT:

The General Services Agency - Fleet Services Division provides preventative and prescriptive maintenance for approximately 992 County vehicles and other pieces of specialized equipment. The total Final Adopted Budget is \$2,563,621 for Fiscal Year 2012-2013. Public Works - Morgan Shop provides equipment and vehicles to other Public Works divisions, primarily the Road & Bridge Division. The user divisions pay a rental rate to Morgan Shop when using equipment and vehicles. The total Adopted Final Budget is \$3,681,667 for Fiscal Year 2012-2013. Vehicle purchases are funded through individual County department budgets.

BOARD ACTION AS FOLLOWS:

No. 2012-543

On motion of Supervisor O'Brien, Seconded by Supervisor Monteith

and approved by the following vote,

Ayes: Supervisors: Chiesa, Withrow, Monteith, De Martini and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

4) \_\_\_\_\_ Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

## Approval to Accept a Report on the Stanislaus County Vehicle Procurement, Maintenance and Replacement Process

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### **DISCUSSION:**

The Board of Supervisors has requested information about how GSA – Fleet Services and Public Works processes are managed, and how decisions are reached. Adherence to current practice will be applied as part of the annual budget process, quarterly fiscal reporting or individual purchases of light- and heavy-duty vehicles and equipment.

In Fiscal Year 2011-2012, Stanislaus County logged 5.9 million miles. Vehicle repair and replacement correlates to miles driven. As vehicles age they become increasingly more costly and more difficult to maintain. Parts are often unavailable through normal distribution channels and are sourced from wrecking yards and e-bay. From time to time, parts are completely unavailable. County vehicles must be fully maintained to protect the safety of both County employees and citizens. At the point where repair of the vehicle is no longer cost effective, a recommendation to replace the vehicle is made.

GSA – Fleet Services meets with each Department as part of the annual Service Level Agreement meetings, held each January, to review departmental vehicle usage and make recommendations for the coming Fiscal Year's Proposed Budget. The Fleet Manager evaluates the mileage and vehicle usage to develop recommendations for each department. If a vehicle is identified as underutilized, the Fleet Manager recommends that the vehicle be rotated within the department to ensure appropriate usage among all department vehicles. If the department is unable to rotate the vehicle, it is turned over to GSA – Fleet Services for reassignment to another County department. If the Fleet Manager determines, that the vehicle has out-lived its useful life, the vehicle is stripped of useable parts and a recommendation is made to the Board of Supervisors for the vehicle to be sold at auction with proceeds returned, net of costs, to the department that owned the vehicle. GSA – Fleet Services submits recommendations for the Board of Supervisors to salvage vehicles semi-annually. When the department determines that a replacement vehicle is needed, the Fleet Manager works with the department to develop the specifications for new vehicle purchase.

GSA – Fleet Services promotes standardization of vehicles to reduce parts inventory; however, there are other factors to consider in determining the most cost effective and best vehicle for a department. Some departments benefit enormously from standardization, such as the Sheriff's patrol vehicles, other departments, with fewer vehicles, have much more flexibility in their purchasing. One factor in determining the best vehicle to purchase is the availability of special offers. From time to time dealers have vehicles that they offer at a deep discount. If there is a need for that type of vehicle, and it is similar to a vehicle requested by a department, the Fleet Manager will suggest it to the department as a cost savings measure. Another factor is the type of funding. If the purchase were being made with Grant funding, certain vehicle specifications/requirements would need to be adhered to. Standardization, which allows for recycling of parts from used vehicles, and reduces the amount of parts inventory that

## Approval to Accept a Report on the Stanislaus County Vehicle Procurement, Maintenance and Replacement Process

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must be kept on hand, is always a goal, but may not always be as cost effective. Vehicle parts that are used regularly are stocked in-house, however the use of on-line and just-in-time inventory generally allows for quick sourcing when parts are needed.

The County uses a dual approach to fleet maintenance. GSA – Fleet Services and Public Works – Morgan Shop provide vehicle services to Stanislaus County, but each service their own sub-set of vehicles according to the needs of the departments and the vehicles they serve. Both departments serve a vital function in maintaining the, often critical, pieces of equipment that allow the County Departments to provide their core services. GSA – Fleet Services focuses on light-duty vehicles and equipment. This can range from a Sheriff's patrol vehicle to an Assessor's vehicle used for real estate appraisals. Public Works – Morgan Shop focuses on heavy-duty equipment ranging from Road Work vehicles to large, earthmoving Landfill vehicles.

The overall approach to maintenance, with GSA – Fleet Services taking primary lead on light-duty vehicles and equipment and Public Works taking primary lead on heavy-duty vehicles and equipment is both effective and efficient, maximizing the strengths of both departments while utilizing staff and other resources in a cost effective manner. While reviewing the vehicle, procurement, maintenance process, GSA – Fleet Services and PW Morgan Road recognized opportunities of improvement.

GSA – Fleet Services will create a worksheet to formalize specifications when departments are considering the purchase/lease of vehicles. This will make for a tighter process, with clear expectations from the department and Fleet management.

Communication between GSA – Fleet Services and Public Works is very good, but could be enhanced. At this time, there is no mechanism for effective planning between the two departments and communication relies on long-term relationships and a history of cooperation between staff of each department. A quarterly meeting to discuss, formally, any issues of importance to both departments will bridge the gap as staffing changes occur, leading to better planning, and coordination between the two departments.

The attached Stanislaus County Vehicle Procurement, Maintenance and Replacement process outlines in details the procedures of both GSA – Fleet Services and PW – Morgan Shop in maintaining, salvaging, and the replacement of County vehicles and equipment.

### **POLICY ISSUES:**

The Stanislaus County vehicle procurement, maintenance and replacement process supports the Board priority of Efficient Delivery of Public Services by ensuring that all maintenance, salvage, and replacement of vehicles are done in a cost effective manner.

Approval to Accept a Report on the Stanislaus County Vehicle Procurement,  
Maintenance and Replacement Process

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**STAFFING:**

GSA – Fleet Services and PW-Morgan Shop staff are responsible for maintaining our County Fleet, ensuring that vehicles and equipment are in a safe, working, order and fully utilized in a cost effective manner.

**CONTACT:**

Keith D. Boggs, Assistant Executive Officer. Telephone: 209.652.1514  
Matt Machado, Public Works Director. Telephone: 209.525.4130

# **Stanislaus County Vehicle Procurement, Maintenance and Replacement**

## **A Cooperative Approach to Fleet Management**

**October 2012**

### **INTRODUCTION**

The purpose of this report is to define the vehicle services provided by GSA – Fleet Services and Public Works – Morgan Shop and communicate those services to County departments and the Board of Supervisors. The Board of Supervisors has requested information about how GSA – Fleet Services and Public Works processes are managed, and how decisions are reached. Adherence to current practice will be applied as part of the annual budget process, quarterly fiscal reporting or individual purchases of light- and heavy-duty vehicles and equipment.

Stanislaus County has parsed vehicle maintenance responsibility into two separate departments, General Services Agency (GSA) – Fleet Services and Public Works, creating a dual approach to ensure that Stanislaus County maintains vehicles and equipment at the highest standards. GSA – Fleet Services maintains the light-duty and miscellaneous vehicles/equipment. Public Works maintains Stanislaus County heavy-duty equipment/vehicles for Roads, Landfill, and other departments with similar equipment needs. Both departments align the needs of their customers with the skill sets and resources available to them. Fleet Services, was first established as a part of the Chief Executive Office and is referenced in a 1956 Grand Jury Report on departmental duties as being charged with overseeing the motor pool. Public Works – Morgan Shop was referenced in the same Grand Jury report as having responsibility for all vehicle maintenance. Light-duty vehicle maintenance was moved to Fleet Services in the late 1950s, and located in a garage on 12<sup>th</sup> Street, over fifty years ago. Fleet Services became part of General Services Agency in 2005.

A review of both shops shows a recalibration of work due to the economic down turn starting in 2008, with greater focus on cost effective repairs that improve long-term productivity. GSA – Fleet Services has reduced the amount of work outsourced, keeping more work internal and working closely with departments to keep vehicles on the road longer, avoiding costly replacements. Public Works has similarly recalibrated their shop, focusing on core services and long-term maintenance of equipment.

Both GSA – Fleet Services and Public Works have been impacted by changes in California Air Resources Board standards, prompting a short-term turn over in vehicles that are unable to be brought up to new standards in a cost effective manner. On June 15, 2008, the California Air Resource Board adopted Fleet Rule, Title 13, California Code of Regulations to reduce diesel particulate matter and criteria pollutant emissions from both off-road and on-road diesel fueled vehicles. Additionally, GSA – Fleet Services maintains Transport Refrigeration Unit (TRU) compliance on diesel operated refrigeration units. As a result, the State of California has evaluated both GSA – Fleet Services and Public Works fleet for compliance with the Fleet Rule. This rule resulted in the need to replace or retrofit much of the heavy-duty fleet, certain light-duty vehicles, and transport refrigeration units. The Fleet Rule did provide for a phased in approach, with multiple deadlines. Both GSA – Fleet Services and Public Works are currently in compliance with the Fleet Rule regulation.

### **DUAL APPROACHES**

GSA – Fleet Services and Public Works – Morgan Shop provide vehicle services to Stanislaus County, but each service their own sub-set of vehicles according to the needs of the departments and the vehicles they have served over the last fifty years. Both departments serve a vital function in maintaining the, often critical, pieces of equipment that allow County Departments to provide their core services. GSA – Fleet Services focuses on light-duty vehicles and equipment, which range from a Sheriff's patrol vehicle to an Assessor's vehicle used for real estate appraisals. Public Works – Morgan Shop focuses on heavy-duty equipment ranging from Road Work vehicles to large, earthmoving Landfill vehicles. Each are detailed below:

<b>Item</b>	<b>GSA – Fleet Services</b>	<b>Public Works</b>
Departments Served	All County Departments light-duty vehicles and equipment	All County Departments heavy-duty vehicles and equipment
Special Services	Assistance with: <ul style="list-style-type: none"> <li>• Vehicle purchase</li> <li>• Registration</li> <li>• CARB and emissions compliance</li> <li>• Surplus/salvage</li> <li>• Specification for light-duty vehicles and equipment</li> <li>• Vehicle accidents</li> <li>• Vehicle safety recalls</li> <li>• Undercover plates and registration</li> </ul>	Assistance with: <ul style="list-style-type: none"> <li>• Vehicle purchase</li> <li>• Registration</li> <li>• Management of ARB and local air districts compliance</li> <li>• Surplus/salvage</li> <li>• Specifications for light and heavy-duty trucks and off-road construction equipment</li> </ul>
Work Outsourced	<ul style="list-style-type: none"> <li>• Transmissions</li> <li>• Glass</li> <li>• Upholstery</li> <li>• Manufacturer's warranty</li> <li>• Emission and opacity testing</li> <li>• Safety recalls</li> <li>• Alignments</li> <li>• Body work</li> </ul>	<ul style="list-style-type: none"> <li>• Transmissions</li> <li>• Glass</li> <li>• Upholstery</li> <li>• Manufacturer's warranty</li> <li>• Emission and opacity testing</li> <li>• Safety recalls</li> <li>• Heavy-duty tire repair</li> </ul>
Fuel Services	Cardlock program	<ul style="list-style-type: none"> <li>• Bulk fuel</li> <li>• Compressed Natural Gas (CNG)</li> </ul>
Staffing	6 Equip. Techs/Mechanics 1 Lead Equipment Mechanic 1 Account Clerk III 1 Manager III	6 Heavy Equip. Mechanics 1 Lead Mechanic 1 Staff Services Analyst 1 Manager III
Funding	Internal Service Fund	Internal Service Fund
Vehicle Replacement	Departments work with GSA-Fleet to identify the need and approximate cost. The department identifies a funding source and requests purchase.	Replacement vehicles funded through rental of heavy-duty equipment to other Public Works programs, such as Roads
Vehicles	<ul style="list-style-type: none"> <li>• 854 Cars and Trucks</li> <li>• 8 Motorcycles</li> <li>• 90 Trailers</li> <li>• 10 Watercraft</li> <li>• 30 Miscellaneous equipment</li> <li>• 992 Total vehicles and equipment</li> </ul>	350 Vehicles and heavy equipment
Vehicle Profile	<ul style="list-style-type: none"> <li>• Average age = 7.7 years</li> <li>• Average miles = 57,759</li> <li>• Total miles = 50,770,465</li> </ul>	<ul style="list-style-type: none"> <li>• Average age (light-duty) = 8.7 years</li> <li>• Average age (heavy-duty) = 6.3 years</li> <li>• Use based on hours in service, not miles.</li> </ul>

## **PROCEDURAL OVERVIEW**

### **GSA – Fleet Services**

#### **Purchasing**

GSA – Fleet Services plays an integral part in the purchase/lease determination for all County light-duty vehicles. The process includes:

- The Department contacts the Fleet Manager;

- After the Fleet Manager and Department determine the best vehicle for their needs;
- The Fleet Manager will obtain vehicle quotes and lease quotes, as needed;
- When the appropriate vehicle and financing method have been determined and approved, the Fleet Manager will procure the vehicle;
- When GSA - Fleet Services receives the vehicle, any modifications/builds for department optimization are completed;
- GSA – Fleet Services registers the vehicle and delivers the vehicle to the Department for use;
- GSA – Fleet Services maintains vehicle titles and registration for all County departments except Public Works; and
- GSA – Fleet Services requests and renews undercover plates annually, in accordance with California Department of Motor Vehicles Undercover Records requirements.

GSA – Fleet Services promotes standardization of vehicles to reduce parts inventory; however, there are other factors to consider in determining the most cost effective and best vehicle for a department. Some departments benefit enormously from standardization, such as the Sheriff's patrol vehicles, other departments, with fewer vehicles, have much more flexibility in their purchasing. One factor in determining the best vehicle to purchase is the availability of special offers. From time to time dealers have vehicles that they offer at a deep discount. If there is a need for that type of vehicle, and it is similar to a vehicle requested by a department, the Fleet Manager will suggest it to the department as a cost savings measure. Another factor is the type of funding. If the purchase were being made with Grant funding, certain vehicle specifications/requirements would need to be adhered to. Standardization, which allows for recycling of parts from used vehicles, and reduces the amount of parts inventory that must be kept on hand, is always a goal, but may not always be as cost effective. Vehicle parts that are used regularly are stocked in-house, however the use of on-line and just-in-time inventory generally allows for quick sourcing when parts are needed.

### **Preventative Maintenance**

When GSA – Fleet Services receives a vehicle, whether for scheduled or unscheduled maintenance, the mechanic performs a full safety audit, ensuring that departments do not need to return a vehicle for any additional repairs or adjustments. At the conclusion of a scheduled maintenance service, the mechanic places a "next service due" sticker in the upper left corner of the windshield to aid County-approved drivers in scheduling preventative maintenance service.

### **Repair**

GSA – Fleet Services monitors and facilitates manufacturer's warranty repairs, and monitors and coordinates all manufacturers' safety recalls. When a County-approved driver has issues/concerns/problems with a vehicle or it is time for scheduled maintenance the driver contacts GSA – Fleet Services to make an appointment/brings the vehicle to the shop/calls for a pick-up. GSA – Fleet Services develops an estimate of the repair cost and contacts the department if the cost to repair is greater than the value of the vehicle or if the vehicle cannot be brought to a level safe enough for its use. The Department consults with GSA – Fleet Services on how best to proceed and the vehicle is repaired or prepared for salvage. GSA – Fleet Services maintains an inventory of commonly used parts and tires to minimize downtime for departments. Most other parts are sourced on-line with Just-In-Time delivery. When necessary, GSA – Fleet Services obtains certain older, obsolete parts, by pulling parts from local auto dismantlers.

### **Breakdowns**

When a County-approved driver on County business has a vehicle failure in a County-owned vehicle, they are to follow the guidelines on the paperwork in the County vehicle glove box. When a vehicle fails in-service, the driver contacts GSA – Fleet Services and arranges to have the vehicle towed to GSA – Fleet Services. In the event that the failure occurs outside of Stanislaus County, GSA – Fleet Services will arrange to have the vehicle either repaired or transported to GSA – Fleet Services. If needed, GSA – Fleet Services will assist the employee in obtaining a rental vehicle to return to the County and in the event that a vehicle fails in-service, after hours, the driver contacts the GSA – Fleet Services Emergency number and GSA – Fleet Services responds as needed.

**Accidents**

When a County-approved driver on County business is involved in an accident in a County-owned vehicle, they are to follow the guidelines on the paperwork in the County vehicle glove box. When a County-approved driver on County business is involved in an accident in a privately owned vehicle, the driver's insurance is primary, and County insurance is secondary. All drivers on County business should carry emergency and accident paperwork in their vehicle. GSA – Fleet Services inspects, documents, and completes repair estimates for all County vehicles involved in an accident except Public Works vehicles. GSA – Fleet Services determines the repairs needed and works with the appropriate body shop to complete all repairs, and then partners with Risk Management and Revenue Recovery to collect money owed to Stanislaus County for vehicle accidents.

**Emissions**

Stanislaus County falls under the government fleet smog testing program that requires that all gas and diesel vehicles that are six model-years or older complete and pass a bi-annual smog test. GSA-Fleet Services performs smog testing on light-duty, County-owned or leased vehicles; completes any needed repairs, and files an annual report with the Bureau of Automotive Repair. Diesel smoke testing is required on all vehicles 1,400 pounds or greater and which are four model-years old or older. GSA – Fleet Services partners with Public Works Morgan Shop to ensure that all vehicles are smog-tested annually. GSA – Fleet Services and Public Works Morgan Shop are proud to have 100 percent compliance on emissions testing.

**Surplus**

GSA – Fleet Services meets with each Department as part of the annual Service Level Agreement meetings, held each January, to review departmental vehicle usage and make recommendations for the coming Fiscal Year's Proposed Budget. The Fleet Manager evaluates the mileage and vehicle usage to develop recommendations for each department. If a vehicle is identified as underutilized, the Fleet Manager recommends that the vehicle be rotated within the department to ensure appropriate usage among all department vehicles. If the department is unable to rotate the vehicle, it is turned over to GSA – Fleet Services for reassignment to another County department. If the Fleet Manager determines, that the vehicle has out-lived its useful life, the vehicle is stripped of useable parts and a recommendation is made to the Board of Supervisors for the vehicle to be sold at auction with proceeds returned, net of costs, to the department that owned the vehicle. GSA – Fleet Services submits recommendations for the Board of Supervisors to salvage vehicles semi-annually. When the department determines that a replacement vehicle is needed, the Fleet Manager works with the department to develop the specifications for new vehicle purchase.

**Salvage**

When a vehicle is:

- Of no use to any County department;
- Unsafe for further use;
- Unable to meet emissions standards;
- Valued at less than the cost of a repair; and
- Stripped of all usable parts, then the vehicle is eligible to be submitted for salvage/auction.

GSA – Fleet Services compiles a list of all vehicles and equipment eligible for salvage/auction and submits the list to the Stanislaus County Board of Supervisors for approval. Upon approval, GSA – Fleet Services works with a County approved auction firm to sell the vehicles and when the auction is complete, processes all paperwork to transfer title and deposit the revenue received.

**Fuel**

GSA – Fleet Services maintains the Cardlock fuel agreement for Stanislaus County. All County-approved drivers in County-owned vehicles are to use either the Cardlock program or Public Works Morgan Road fuel pumps to refill vehicles when in Stanislaus County to ensure that all costs are minimized and tracked.



Monthly, GSA – Fleet Services processes the fuel bills from the Cardlock system and passes the cost on to County departments according to their usage.

### **Motor Pool**

GSA – Fleet Services currently maintains 15 vehicles for daily or long-term rental to County departments, with departments being charged a daily rate plus fuel. Departments are encouraged to use Motor Pool vehicles for travel outside Stanislaus County, and must compare the cost of Motor Pool to private vehicles when considering travel to determine the most cost effective manner of travel, per the Stanislaus County Travel Policy. GSA – Fleet maintains a cost calculator on the County Intranet to assist departments with travel cost comparisons.

### **Billing and Reporting**

Monthly, each department receives its cost for vehicle maintenance and Cardlock program charges and GSA – Administration posts the charges on the County Intranet to provide additional detail for departments. GSA – Fleet Services monitors California and US legislation for impact to the Stanislaus County fleet, reporting changes as part of the budgeting process.

### **Public Works (PW) – Morgan Shop**

#### **Purchasing**

- PW – Morgan Shop in communication with PW – Road & Bridge determines the best vehicle for their needs (PW vehicles only);
- The PW – Morgan Shop Manager conducts research and develops specifications in conjunction with GSA – Purchasing; and
- The PW – Morgan Shop Manager obtains vehicle quotes, procures the vehicle, and registers the vehicle for use.

#### **Maintenance (Routine and Emergency)**

Routine maintenance provided by Morgan Shop is based on hours of vehicle operation. Morgan Shop provides emergency response and repair as needed. If a vehicle is beyond repair or at the end of useful reliability, Morgan Shop coordinates salvage with GSA – Purchasing. PW – Morgan Shop monitors and facilitates manufacturer's warranty repairs, and monitors and coordinates all manufacturers' safety recalls.

#### **Accidents**

When a Public Works employee has an accident or incident involving a Public Works vehicle an internal investigation is conducted to determine preventability and future actions. PW – Morgan Shop inspects, documents, and completes repairs estimates for all Public Works vehicles involved in an accident and partners with Risk Management and Revenue Recovery to collect money owed to Stanislaus County for vehicle accidents.

#### **Emissions**

Like GSA – Fleet Services, PW – Morgan Shop monitors ongoing legislation and California Air Resource Board rulings to ensure vehicles are in compliance. PW – Morgan Shop ensures that all heavy-duty vehicles are in full compliance with all California State and federal emissions standards. PW – Morgan Shop maintains all related records and works with the State of California to audit the results.

#### **Surplus/Salvage**

PW – Morgan Shop monitors the condition of all vehicles to determine when the cost to repair exceeds the value of the vehicle or the vehicle has reached the end of its useful life.

When a vehicle is:

- Unsafe for further use;
- Unable to meet emissions standards;
- Valued at less than the cost of a repair; then
- The vehicle is eligible to be submitted for salvage/auction.

PW – Morgan Shop compiles a list of all vehicles and equipment eligible for salvage/auction and submits the list to GSA - Purchasing to be presented to the Stanislaus County Board of Supervisors for approval. Upon approval, PW – Morgan Shop and GSA – Fleet Services works with a County approved auction firm to sell the vehicles. PW – Morgan Shop and GSA – Purchasing process all paperwork to transfer title and deposit the revenue received.

#### **Fuel**

PW – Morgan Shop maintains Compressed Natural Gas (CNG) and unleaded and diesel fueling stations for fueling of Stanislaus County vehicles. All County-approved drivers in County-owned vehicles are to use either the Cardlock program or Public Works fuel pumps to refill vehicles when in Stanislaus County. Monthly, PW – Morgan Shop processes fuel billing to County departments for vehicles fueled at the Morgan Road fueling station.

#### **Billing and Reporting**

PW – Morgan Shop provides heavy equipment vehicles primarily in support of Road & Bridge Operations. Rental rates are adjusted annually for equipment available to other departments. Factors included in the rental rates are maintenance, fuel costs, depreciations, and usage. PW – Morgan Shop reconciles vehicle usage monthly and bills departments based on actual usage.

#### **EFFICIENT DELIVERY OF PUBLIC SERVICES**

GSA – Fleet Services supports the Board priority Efficient Delivery of Public Services. Under this priority, GSA – Fleet Services strives to:

- Work with departments to determine the most cost effective vehicle to meet their needs;
- Ensure that all vehicles are maintained in a safe, but cost effective manner;
- Work with departments to determine if a vehicle is no longer needed, or if it is underutilized, to either rotate the vehicle or transfer it to another department;
- Strip parts from vehicles that cannot be returned to a safe, functioning state, in a cost effective manner; and
- Submit for salvage authority only if a vehicle is unable to be repaired, in a cost effective manner.

Public Works – Morgan Shop primarily supports the Board's priority of a Well Planned Infrastructure, but like all County departments also supports Efficient Delivery of Public Services. Under this priority, PW – Morgan Shop strives to:

- Ensure that all vehicles are maintained in a safe, but cost effective manner;
- Strip parts from vehicles that cannot be returned to a safe, functioning state, in a cost effective manner; and
- Submit for salvage authority only if a vehicle is unable to be repaired, in a cost effective manner.

#### **EFFECTIVE PARTNERSHIPS**

GSA – Fleet Services and Public Works – Morgan Shop partner with County departments, supporting the vehicle needs of the various departments and providing the infrastructure, which enables them to provide their core services.

#### **RECOMMENDATIONS/IMPROVEMENTS**

The overall approach to maintenance, with GSA – Fleet Services taking primary lead on light-duty vehicles and equipment and Public Works taking primary lead on heavy-duty vehicles and equipment, is both effective and efficient, maximizing the strengths of both departments while utilizing staff and other resources in a cost effective manner. While developing this position paper GSA – Fleet Services and PW – Morgan Road recognized opportunities for improvement:

- GSA – Fleet Services will create a worksheet to formalize specifications when departments are considering the purchase/lease of vehicles. This will make for a tighter process, with clear expectations from the department and Fleet management.

- Communication between GSA – Fleet Services and Public Works is very good, but could be enhanced. At this time, there is no mechanism for effective planning between the two departments and communication relies on long-term relationships and a history of cooperation between staff of each department. A quarterly meeting to discuss, formally, any issues of importance to both departments will bridge the gap as staffing changes occur, leading to better planning, and coordination between the two departments.

Respectfully Submitted,

GSA – Fleet Services

Public Works Morgan Shop

October 2012



# **Vehicle Procurement, Maintenance and Replacement**

A Cooperative Approach to Fleet Management  
GSA Fleet Services/Public Works Morgan Shop

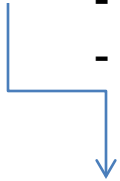
An Informational Report to Board of Supervisors  
October 30, 2012

# DUAL APPROACH

In Stanislaus County...

Fleet Services functions in two departments:

- GSA Fleet Division
- Public Works, Morgan Shop



GSA Fleet Division = light duty vehicles and equipment  
- Sheriff patrol to Assessor appraisals



PW Morgan Shop = heavy duty equipment  
- Road work equipment to earthmoving landfill equipment

# FUNCTIONAL COMPARATIVE

## GSA Fleet Services

## Public Works Morgan Shop

Vehicles

992 total vehicles/eqpmt.

350 total vehicles/eqpmt.

Vehicle Profile

Average age: 7.7 yrs.  
Average miles: 57,759  
Total Fleet miles: 50,770,465

Average age: 6.3 yrs. (heavy duty)

Vehicle Replacement

GSA Fleet works  
w department to identify  
need and cost.  
Department funds purchase

Replacement vehicles funded  
through rental of heavy duty  
equipment to PW programs (Roads)

Outsource

Transmissions  
Glass  
Upholstery  
Manftr warranty  
Safety recalls  
Alignments  
Body Work

Transmissions  
Glass  
Upholstery  
Manftr warranty  
Safety recalls  
Heavy duty tire repair

# FUNCTIONAL COMPARATIVE

## Continued

### GSA Fleet Services

### Public Works Morgan Shop

#### Staffing

6 Equipment Mechanics  
1 Lead Equipment Mechanic  
1 Account Clerk III  
1 Manager III

6 Heavy Equipment Mechanics  
1 Lead Mechanic  
1 Staff Services Analyst  
1 Manager III



# GSA Fleet Services

## ● Vehicle Purchases

Fleet Services plays integral part in all purchase/lease determinations:

- Department contacts Fleet Manager  
(After vehicle need consultation)
- Fleet Manager reviews available vehicles/types
- Fleet Manager obtains vehicle purchase quotes/lease quotes
- When appropriate vehicle and financing determined/approved  
Fleet Manager procures the vehicle
- Fleet received vehicle – any modifications are completed
- Fleet registers the vehicle and delivers to Department
- Fleet maintains vehicle titles and registrations  
(all County departments except Public Works)



# GSA Fleet Services

## ● Vehicle Surplus

GSA meets with each Department as part of an annual Service Level Agreement Review process. This process includes:

- Review of vehicle usage
- Recommendations for upcoming budget cycle
  - based upon mileage
  - vehicle usage w/in Department
- If a vehicle is identified as underutilized Fleet Manager recommends vehicle be rotated within the Department
- If it is unable to be rotated Fleet Manager recommends it be released to GSA Fleet for reassignment
- If Fleet Manager determines that a vehicle has outlived its useful life cycle – the vehicle is stripped of usable parts
- Recommended (to BOS) to be sold at auction
- Proceeds to return to Department that owned vehicle

# GSA Fleet Services

## ● Vehicle Salvage

GSA Fleet Services compiles a list of all vehicles and equipment eligible For salvage/auction and submits the list to the Board for approval. Salvage is only considered when:

- A vehicle is no longer of use to ANY COUNTY DEPARTMENT
- Unsafe for further use
- Unable to meet emissions standards
- Valued at less than the cost of a major repair
- Stripped of all usable parts



## **Vehicle Procurement, Maintenance and Replacement**

A Cooperative Approach to Fleet Management

GSA Fleet Services/Public Works Morgan Shop

An Informational Report to Board of Supervisors

October 30, 2012