



ADMINISTRATIVE POLICIES AND PROCEDURES

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revision

supersedes

SUBJECT

Vehicle and Equipment (Fleet) Replacement Policy

approved by

Eric Levitt

effective date

Sept 2, 2019

A. PURPOSE

This policy establishes standard procedures for the replacement of all vehicles and equipment (Fleet) owned and operated by the City of Alameda to provide consistency among departments, ensure the safety and reliability of the City's Fleet, and compliance with the City's goals to reduce vehicle miles traveled and greenhouse gas emissions from transportation.

B. GUIDELINES AND PROCEDURES

AFS, a unit of the Public Works Department, is responsible for the vehicle and equipment ("fleet") replacement program. The Fleet Supervisor, Finance Director, Public Works Director, and City Manager are responsible for ensuring this policy and procedure is implemented.

1. Replacements to the Fleet

The replacement program is based on the City of Alameda Fleet Replacement Criteria (Appendix A), which considers the useful life of vehicles and equipment in terms of age, mileage (or hours), and usage. An inventory of the fleet, replacement schedule, costs, and rates shall be maintained by the Fleet Supervisor and updated as part of the process to adopt a biennial budget.

Vehicles and equipment scheduled for replacement are also reviewed and analyzed for safety history and operating performance to determine if a vehicle or equipment may be replaced later. In addition, vehicles and equipment are reviewed to determine if the minimum use guidelines discussed later in this Policy are met.

At the request of the Department Head, Alameda Fleet Services will provide available data on the recent annual maintenance costs for individual vehicles and equipment. Upon request of the Department Head and along with a recommendation from Alameda Fleet Services, the City Manager may approve early replacement of a vehicle or piece of equipment to ensure that operation needs are met. To accommodate budget limitations, the City Manager may also decide to replace vehicles and equipment later than scheduled based on performance and maintenance records.

Electric Vehicles

The City will replace existing compact and sedan vehicles with Alternative Fuel Vehicles (AFV).

Given Alameda Municipal Power's provision of 100% clean electricity, this typically will be accomplished with electric vehicles. With regard to police pursuit vehicles, until electric vehicles are feasible, hybrids will serve as a substitute for purchase. These AFVs will be purchased from the Original Equipment Manufacturer (OEM) as new, versus converting existing or custom building units.

When EVs become more common in the light duty truck market, the City will replace light duty trucks at the end of their useful life with EVs. Every July 1, the City Manager will in writing confirm with the Public Works Director whether the supply of EV light-duty trucks is sufficient for these purchases to begin.

Where AFS or departments seek exceptions to the EV portions of this policy, these exceptions must be submitted in writing to the City Manager, and the City Manager's decision will be in writing.

With more and more fleet EVs, the City will have to expand its EV charging infrastructure. When unanticipated savings (or revenue) comes into the Fleet Equipment Replacement Fund of Facility Maintenance/Replacement Fund, such revenue can be used to fund installation of expanded EV charging infrastructure. However, where funds do not exist, the City Manager's Office and/or Departments will be responsible for funding the EV charging infrastructure improvements necessary to support a replacement vehicle.

Vehicle Size

The determination of vehicle size is based on the following general categories of employees:

- Full size: Police Officers, Fire command (e.g. Ford Interceptor Utility Hybrid)
- Mid size: selected Police and Fire positions (e.g. Ford Interceptor Utility Hybrid)
- Department or division heads where trunk space or other special need are approved (e.g. Crossover, Wagon or Hatch-back vehicle with small 6 cylinder engine. Hybrid or Electric Vehicles options when feasible.
- Compact: All other staff and pool cars (e.g., Nissan Leaf (EV), Toyota Prius, (Hybrid). Ford Focus with 4 cylinder engine). Electric vehicle or Hybrid Options should be used when feasible.

While vehicles and equipment will generally be replaced with the same size unit, unless otherwise approved by the City Manager, the following exceptions will apply:

- passenger vehicles (includes mid - and full size) will be replaced with compact vehicles (includes electric, Hybrid and 4-cylinder);
- sport utility vehicles will be replaced with passenger vehicles;
- pick-up trucks, vans, and specialized trucks will be evaluated on a case-by-case basis to ensure the replacement vehicle meets but does not exceed the intended use of the vehicle when considering payload capacity, bed length, four wheel drive, and amenities such as pick-up shell, lift gate, tool compartments, safety equipment, etc.

Department requests to replace an existing vehicle with a larger one (e.g. from mid-size to full-size) or a different classification (e.g. from auto to pickup) should provide a reasonable

justification for the upgrade to the City Manager for approval. The requesting department will be required to fund the additional purchase costs associated with the upgrade.

Trade-ins and reuse

In order to manage maintenance costs and restrict the growth of the fleet, vehicles and equipment that are replaced will be sold at an auction or “traded in” and their salvage value returned to the Vehicle and Equipment Replacement Fund if eligible. The Housing Authority will auction and trade in vehicles independent of the City, as it is its own entity under State law and cannot mix its finances with City funds. In addition, the replacement of vehicles and equipment acquired from other agencies (such as the United States Navy), or through donations, grants, etc., which have not paid into the vehicle replacement fund will be considered an addition to the City fleet (as discussed in Section B below) and will require approval from the City Manager as a request for a new vehicle or equipment. Furthermore, every effort should be made to re-use add-on equipment when a vehicle is replaced. Examples of this include tool compartments and safety equipment.

2. Budget Request - Replacements and Additions

With each two-year operating budget cycle, Alameda Fleet Services will compile a list of vehicles and equipment to be replaced based on the Fleet Replacement Criteria found in Appendix A. To be eligible for replacement, vehicles and equipment must be depreciated and funds placed in the Vehicle Internal Service Replacement Fund. Vehicles and equipment acquired by the City from other agencies (such as the United States Navy), or through donations, grants, etc., that have not paid into the Vehicle Internal Service Replacement Fund. Will be considered new purchases (see 2 below).

Requests for new purchases of vehicles and equipment shall be submitted to the Public Works Department using the attached vehicle request form during the budget process. The Public Works Department will either approve the request as submitted or recommend a different vehicle type, make, and/or size, in collaboration with the requesting Department Head. This will be based on industry reports, track record, purchase price, and City standards and to ensure consistency with the City's fleet inventory. The form, with AFS' recommendation, will be forwarded to the requesting Department Head and the Finance Director for consideration during the budget cycle. All additions to the City Fleet inventory must be approved by the City Manager's Office. New vehicles and equipment approved through the budget will be acquired using the same process as replacement vehicle acquisitions.

Vehicle and equipment replacement outside the budget cycle require special authorization from the City Manager's Office and are subject to the same requirements of this policy.

3. Specifications

After approval of a purchase and in consultation with client departments, specifications will be developed by AFS. The specifications should address quality of the vehicle, warranty support, life cycle costing and ease of maintenance. Within the guidelines, standard specifications will be used whenever feasible to facilitate maintenance programs and streamline the bidding process. Whenever possible, specifications should be prepared that enable local auto dealers to

participate in the bidding process.

4. Purchase

All vehicles/equipment will be purchased in accordance with this policy and Administrative Instruction Number 5 ("Purchasing Policy"). Arrangements may be made for any necessary modifications or ancillary equipment. The purchase order must be approved by the Fleet Supervisor, Public Works Director, Finance Director, and City Manager. Or, in the case of the Housing Authority, by the Finance Manager.

In accordance with the City's Purchasing Policy, a vehicle purchase or lease shall be let by formal or informal bid, according to the stated threshold amounts in the Purchasing Policy, with selection based on the lowest responsible and responsive bidder and City Council award required if cost exceeds \$75,000. Vehicles may also be purchased by piggybacking on another agency's purchase agreement or through cooperative purchasing. Award of vehicle purchases or leases to a single vendor through either piggybacking or cooperative purchasing in excess of a cumulative total of \$75,000 a fiscal year period must be approved by the City Council.

Alameda Fleet Services will receive the vehicle, prepare it for service, obtain certified weight certificate, when required, and submit all documentation to the Finance Department.

The Finance Department will submit the required documentation to register each vehicle in the name of the "City of Alameda" with the State Department of Motor Vehicles, and obtain the Registration, Owner's Certificate (CA Vehicle Title) and License Plate. Finance will transmit the Registration to Alameda Fleet Services and request it be placed in the vehicle. Finance will also retain the Vehicle Title in a secure location and transmit the License Plate to Alameda Fleet Services to be installed on vehicle. The Housing Authority will maintain its documentation on site and register its vehicles independently.

5. Fleet Size and Minimum Use Guidelines

Alameda seeks to have the right number—and no more—of vehicles and pieces of equipment sufficient to deliver on the City's programs and projects. This helps ensure the City is reducing its expense, reducing vehicle miles traveled inside of Alameda, and limiting congestion and greenhouse gas emissions.

To ensure an appropriate number of vehicles and equipment are owned and operated by the City, this policy establishes the following minimum use guidelines:

- Vehicles shall be driven a minimum of 2,500 miles or 75% of the annual work days (220 base work days) in a fiscal year.
- Equipment shall be operated a minimum of 50 hours or 75% of the annual work days (220 base work days) in a fiscal year.

Each budget cycle, all City vehicles and equipment will be monitored and compared against

these guidelines to preliminarily determine if their continued use is necessary. The Fleet Supervisor has full authorization stated in this policy to obtain vehicle use data (e.g.: Fuel Records, Vehicle mileage logs). This will include the installation of an on board vehicle telematics devices into all existing and new vehicles and equipment when feasible.

The Public Works Fleet Supervisor will notify those departments with vehicles and/or equipment that do not meet these guidelines and request a written explanation for their continued use. After receiving a recommendation from the Public Works Department, the City Manager may approve the continued use of vehicles and equipment based on the nature of the work performed by the Department, a cost comparison of other options (e.g. use of pool cars, personal vehicles, rental vehicles/equipment) or other appropriate factors. If the City Manager does not approve the continued use, the vehicle or equipment will be recommended for surplus or reassigned. Funds from surplus these vehicles may be eligible for EV conversions or installation of EV charging stations.
