



City of Marina Council Meeting Consideration

of

Vehicle Acquisition & Fiscal Report FY 2013-14





Agenda

- ❖ Introduction - Background
- ❖ Aging
- ❖ Replacement of Vehicles
- ❖ Process and Assumptions
- ❖ Recommendations
- ❖ Conclusion - Council direction



Introduction

- ❖ As of July 2013, 58 vehicles
- ❖ Complete inventory taken
- ❖ Servicing 6 departments
- ❖ Estimated cost to replace all vehicles approx. \$4 million dollars.

Table 1 - SUMMARY (Linked to Sheets 1 t

A	B	C
Departments	Vehicle Count	2013 Est. Replacement Cost
1 - Administration	3	\$ 93,076
2 - Airport	1	\$ 30,000
3 - Fire	10	\$ 1,903,600
4 - Parks & Rec	2	\$ 53,335
5 - Police	28	\$ 1,333,000
6 - Public Works	14	\$ 591,146
Subtotal	58	\$ 4,004,157



Aging

- ❖ 60% of all vehicles are Nearing "At" or Beyond "Useful Life"

Table 4 - Number and % of Vehicles Beyond "Useful Life"		
Useful Life	# of Vehicles	% of Total
Within Useful Life > 5 yrs.	23	40%
Nearing "At" or Beyond "Useful Life" 0 to ≤ 5 yrs.	21	36%
Beyond Useful Life ≤ (1)	14	24%
Linked to Sheet B - ©	Total	58
		100%



Replacement

- Next five years:

- ❖ Approximately 72% of vehicles requested for replacement. (42 ÷ 58 = 72%)
- ❖ Replacement cost approximately \$3.6 million over five years.

Table 2 - Estimated Replacement Costs Each Fiscal Year						
	F	G	H	I	J	K
Departments	FY 13/14 Cost \$	FY 14/15 Cost \$	FY 15/16 Cost \$	FY 16/17 Cost \$	FY 17/18 Cost \$	Grand Total Next Five Fiscal Years (Columns F, G, H, I, and J)
1 - Administration	\$ -	\$ -	\$ 34,992.10	\$ -	\$ 21,287.50	\$ 56,280
2 - Airport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 - Fire	\$ 51,200	\$ 59,200	\$ 418,000	\$ 1,216,000	\$ 159,200	\$ 1,903,600
4 - Parks & Rec	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 - Police	\$ 358,000	\$ 347,000	\$ 235,000	\$ 56,000	\$ 337,000	\$ 1,333,000
6 - Public Works	\$ 58,000	\$ -	\$ 35,000	\$ -	\$ 173,000	\$ 266,000
Subtotal	\$ 467,200	\$ 406,200	\$ 722,992	\$ 1,272,000	\$ 690,488	\$ 3,558,880



Replacement

- ❖ Vehicles of Concern in current Fiscal Year (13/14)
- ❖ Eleven of fourteen vehicles “Beyond” their “Useful Life” are Police vehicles.

② Number and % of Vehicles Beyond "Useful Life" (Linked to Departmental Sheets 1 through 6)									
	A	B	C	D	E	F	G	I	
7	"Useful Life" Criteria	Admin	Airport	Fire	Parks & Rec	Police	Public Works	# of Vehicles	% of Vehicles
8	Within Useful Life >5 yrs.	3	1	2	2	3	12	23	40%
9	Nearing At or Beyond Useful Life 0 to ≤5 yrs.	0	0	5	0	14	2	21	36%
10	Beyond Useful Life ≤(1)	0	0	3	0	11	0	14	24%
11	Total	3	1	10	2	20	14	50	100%



Report Process & Assumptions

- ❖ Age of the vehicle = Current year – Purchase year.
- ❖ Estimated Life (Useful Life), based on type of vehicle
- ❖ Excessive Mileage.
- ❖ Subjective description of vehicle's condition by the Public Work's lead mechanic.
- ❖ Department recommendations on vehicle replacement.



Report Process & Assumptions

Vehicle Replacement Criteria

Table 7 - Vehicle Replacement Criteria		Before		Dept. w /Exceptions 2013			
V-Type	Description	Mileage (Odometer)	Years	Yrs.	Yrs. Incr <Decr>	Dept.	
V-1	Truck with Utility body	100,000	20	12	<8>	Fire	V-1
V-2	Sweeper	100,000	20	10	<10>	Police	V-1
V-3	Dump Truck	100,000	20				
V-4	Flat Bed	100,000	15				
V-5	Aerial Lift Truck	100,000	20				
V-6	Tractor	25,000	25				
V-7	Pick up	100,000	20	10	<10>	*Police	V-7
V-8	Van	100,000	15				
V-9	Passenger Van	100,000	15				
V-10	Front Line Patrol Vehicle (Police)	100,000	5				
V-11	Standard Unmarked Vehicle (Police)	100,000	7				
V-12	Fire Engine (Front Line)	N/A	15	12	<3>	Fire	
V-13	Reserve Fire Engine (Retired 15 yr. old Front Line Fire Engine)	N/A	10	8	<2>	Fire	
V-14	Admin Sedan	100,000	7				
V-15	SUV	100,000	20	10	<10>	Fire	V-15
V-16	Motorcycle (Police)	80,000	5	7	<13>	Police	V-15
V-17	Compact Pick up	100,000	20	5	<15>	Police	V-15

*Animal Control Truck heavy usage

Unmarked Patrol
Frontline Pursuit



Recommendations

1. As resources permits, Annual appropriations to fund vehicle replacement

- ❖ General Fund Balance.
- ❖ Funding Source for FY 13/14 & FY 14/15

Table 2 - Estimated Replacement Costs Each Fiscal Year						
	F	G	H	I	J	K
Departments	FY 13/14 Cost \$	FY 14/15 Cost \$	FY 15/16 Cost \$	FY 16/17 Cost \$	FY 17/18 Cost \$	Grand Total Next Five Fiscal Years (Columns F, G, H, I, and J)
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4 - Parks & Rec	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 - Police	\$ 358,000	\$ 347,000	\$ 235,000	\$ 56,000	\$ 337,000	\$ 1,333,000
6 - Public Works	\$ 58,000	\$ -	\$ 35,000	\$ -	\$ 173,000	\$ 266,000
Subtotal	\$ 467,200	\$ 406,200	\$ 722,992	\$ 1,272,000	\$ 690,488	\$ 3,558,880



Recommendations

(1. continued)

As resources permits, Annual appropriations to fund vehicle replacement

- ❖ Respective year's revenue resources.
- ❖ Effective FY 15/16, columns H, I, J.

Table 2 - Estimated Replacement Costs Each Fiscal Year						
	F	G	H	I	J	K
Departments	FY 13/14 Cost \$	FY 14/15 Cost \$	FY 15/16 Cost \$	FY 16/17 Cost \$	FY 17/18 Cost \$	Grand Total Next Five Fiscal Years (Columns F, G, H, I, and J)
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3 - Fire	\$ 51,200	\$ 59,200	\$ 418,000	\$ 1,216,000	\$ 159,200	\$ 1,903,600
4 - Parks & Rec	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 - Police	\$ 358,000	\$ 347,000	\$ 235,000	\$ 56,000	\$ 337,000	\$ 1,333,000
6 - Public Works	\$ 58,000	\$ -	\$ 35,000	\$ -	\$ 173,000	\$ 266,000
Subtotal	\$ 467,200	\$ 406,200	\$ 722,992	\$ 1,272,000	\$ 690,488	\$ 3,558,880



Recommendations

2. Allocate on-going revenues for annual appropriation of about \$400,000 to fund on-going vehicle replacement program.

Annual charge for Replacement (Column D)

Table 1 - SUMMARY (Linked to Sheets 1 through 6)				
A	B	C	D	E
Departments	Vehicle Count	2013 Est. Replacement Cost	Annual Charge of Rpl	Target Funds on Hand
1 - Administration	3	\$ 93,076	\$ 6,631	\$ 67,430
2 - Airport	1	\$ 30,000	\$ 1,500	\$ 7,500
3 - Fire	10	\$ 1,903,600	\$ 102,673	\$ 1,068,653
4 - Parks & Rec	2	\$ 53,335	\$ 3,266	\$ 7,611
5 - Police	28	\$ 1,333,000	\$ 240,943	\$ 1,002,300
6 - Public Works	14	\$ 591,146	\$ 32,318	\$ 293,606
Subtotal	58	\$ 4,004,157	\$ 387,331	\$ 2,447,101



Recommendations

3. As resources permits, annual update/maintenance of

- ❖ Program Report and Spreadsheet
- ❖ To Reflect current status of vehicles each fiscal year.

Table 1 - SUMMARY (Linked to Sheets 1 through 6)					Table 2 - Estimated Replacement Costs Each Fiscal Year					Grand Total Next Five Fiscal Years (Columns F, G, H, I, and J)
A	B	C	D	E	F	G	H	I	J	
Departments	Vehicle Count	2013 Est. Replacement Cost	Annual Charge of Rpl	Target Funds on Hand	Departments	FY 13/14 Cost \$	FY 14/15 Cost \$	FY 15/16 Cost \$	FY 16/17 Cost \$	FY 17/18 Cost \$
1 - Administration	3	\$ 93,076	\$ 6,631	\$ 67,430	1 - Administration	\$ -	\$ -	\$ 34,992.10	\$ -	\$ 21,287.50
2 - Airport	1	\$ 3,000	\$ 1,500	\$ 7,500	2 - Airport	\$ -	\$ -	\$ -	\$ -	\$ -
3 - Fire	10	\$ 1,903,600	\$ 102,673	\$ 1,068,653	3 - Fire	\$ 51,200	\$ 59,200	\$ 418,000	\$ 1,216,000	\$ 159,200
4 - Parks & Rec	2	\$ 53,335	\$ 3,266	\$ 7,611	4 - Parks & Rec	\$ -	\$ -	\$ -	\$ -	\$ -
5 - Police	28	\$ 1,333,000	\$ 240,943	\$ 1,002,300	5 - Police	\$ 358,000	\$ 347,000	\$ 235,000	\$ 56,000	\$ 337,000
6 - Public Works	14	\$ 591,146	\$ 32,318	\$ 293,606	6 - Public Works	\$ 58,000	\$ -	\$ 35,000	\$ -	\$ 173,000
Subtotal	58	\$ 4,004,157	\$ 387,331	\$ 2,447,101	Subtotal	\$ 467,200	\$ 406,200	\$ 722,992	\$ 1,272,000	\$ 690,488
										\$ 3,558,880

Table 3 - Number of Vehicles by Fleet Age

Useful Life Age Ranges	# of Vehicles	% of Vehicles
1 - 5 yrs.	18	31%
6 - 10 yrs.	24	41%
11 - 15 yrs.	8	14%
16 - 20 yrs.	6	10%
20+ yrs.	2	3%
Total	58	100%

Linked to Sheet B - ①

Table 4 - Number and % of Vehicles Beyond "Useful Life"

Useful Life	# of Vehicles	% of Total
Within Useful Life > 5 yrs.	23	40%
Nearing "At" or Beyond "Useful Life" 0 to ≤ 5 yrs.	21	36%
Beyond Useful Life ≤ (1)	14	24%
Total	58	100%

Linked to Sheet B - ①

1 - ADMINISTRATION																			
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
Asset ID	Major Component	Vin/Serial Number	License Number	Replacement Criteria	Fuel Type	Purchase Year	Purchase Cost	Estimated Useful Life (years)	Age	Age Status	Retire Mileage	Mileage	Mileage Status	2013 Est. Replacement Cost	Est. Useful Life	Annual Charge of Rpl	Target Funds on Hand	FY 13/14 Cost \$	FY 14/15 Cost \$
357	1999 Chevy Malibu	1G1ND52J6XY166363	1013646	V14	Gas	1999	\$ 16,375	20	14	Maintain	100,000	55,333	Maintain	\$ 21,288	6	\$ 1,064	\$ 14,901	\$ -	\$ -
359	2003 Ford Expedition	1G1ND52J6XY166363	1146659	V15	Gas	2003	\$ 26,317	20	10	Retire	100,000	151,388	Retire	\$ 34,992	10	\$ 1,750	\$ 17,496	\$ -	\$ -
360	2009 FORD ESCAPE HYBRID	1G1ND52J6XY166363	1198390	V15	Hybrid	2009	\$ 28,305	20	4	Maintain	100,000	11,584	Maintain	\$ 36,797	16	\$ 1,840	\$ 7,359	\$ -	\$ -
3	Vehicle Count						\$71,597							\$ 93,076		\$ 4,654	\$ 39,757	\$ -	\$ -
														Total Repl. Est.					

VEHICLE REPLACEMENT CRITERIA

- Confirmed vehicle inventory & condition with all departments
- Criteria Used to determine replacement year
 - Mileage
 - Age (purchase year minus current year)
 - Condition (mileage, wear, and mechanical conditions)
 - Priority Vehicles due for Replacement in the next five fiscal years.
- Criteria used to determine Cost Estimates
 - Estimates provided by department
 - Original Purchase price multiplied by 130%
 - In the absence of an Original Purchase price, 2013 MSRP used.
 - Police and Fire estimates have been adjusted with the addition

Number and % of Vehicles Beyond "Useful Life"

Within Useful Life > 5 yrs.	3	100%
Nearing "At" or Beyond Useful Life 0 to ≤ 5 yrs.	0	0%
Beyond Useful Life ≤ (1)	0	0%
Total Count	3	100%



Recommendations

4. Develop Vehicle Policy for acquisition, maintenance, and replacement.
 - ❖ Seek funding possibilities (i.e., Grants, special revenues, public facility improvement fund PFIS)
 - ❖ Vehicle purchases based on a cost benefit analysis includes life cycle costs associated with specific vehicle related to intended use.
 - ❖ As technology matures consider the purchase of hybrid, passenger carrying vehicles.



Recommendations

(4. continued) Develop Vehicle Policy for acquisition, maintenance, and replacement.

- ❖ Continue to consult with Marina's mechanic to aid decisions involving vehicle retention or replacement.
- ❖ Consider a rotation of vehicles –less mileage vehicle reassigned to driving assignments with higher mileage required.
- ❖ Consider a software program for vehicle log-in at pump and for maintenance (updates for Insurance, Inventory and Finance purposes).



Recommendations

5. Other Considerations Pending

- ❖ Consider cost benefit of extended warranties, i.e., 5 year.
- ❖ Fleet manager position
- ❖ Incorporate fueling software system. Consider saving costs on Fuel.
(Currently buying expensive diesel fuel at Shell station.)
- ❖ Research GSA pricing for vehicles.
- ❖ Research out-of-county apparatus reimbursement costs for fire department.



Conclusion

- ❖ Council to receive Report
- ❖ (Adopting Resolution No. 2013-XX)
- ❖ Council to provide further direction
- ❖ Thank you





THANK YOU!

**Honorable Mayor
and
Members of the Marina City Council**