

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

250



FROM: Purchasing and Fleet Services

SUBMITTAL DATE:
November 3, 2010

SUBJECT: APPROVAL OF FY 2011/12 FLEET SERVICES ISF RATE CHANGES


RECOMMENDED MOTION: That the Board of Supervisors:

Approve the proposed rate changes for Fleet Services as shown in Attachment A.

BACKGROUND: This Form 11 is for the purpose of setting Fleet Services rates for fiscal year 2011/12.

(Continued on Page 2)

FISCAL PROCEDURES APPROVED
 PAUL ANGIOLO, CPA, AUDITOR-CONTROLLER
 BY *George C. Tabora*
 GEORGE C. TABORA
 Departmental Concurrence



 ROBERT J. HOWDYSHELL, Director
 Purchasing and Fleet Services Dept.

FINANCIAL DATA	Current F.Y. Total Cost:	\$ N/A	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	FY 2011/12

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *Serena Chow*
Serena Chow

County Executive Office Signature

Dept't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: _____ District: ALL Agenda Number: **3.30** j

BACKGROUND (Continued)

Fleet Services continues to review vehicle utilization with a goal of reducing the number of vehicles in the fleet. Vehicle purchases decreased sharply in fiscal year 2010 with Fleet Services taking delivery of 41 new vehicles compared to more than 500 in fiscal year 2009. In addition, overall mileage for non patrol vehicles moved down sharply in fiscal year 2010. Trends for the foreseeable future include continued minimal orders for non patrol vehicles, a reduction in the non patrol fleet vehicle count, a continued decrease in non patrol mileage, an increase in maintenance costs as the average age of a fleet vehicle rises, and statistics showing more favorable vehicle utilization. These trends will help the County reduce overall fleet costs.

Fleet Services rates for fiscal year 2011/12 remain unchanged which means that Fleet Services is maintaining rates that are 10% less than rates set for fiscal year 2009. Reduced revenue due to lower rates and due to lower volumes is being offset through staff reductions, reorganization, and aggressive cost cutting.

ASSIGNED VEHICLE MAINTENANCE AND MOTOR POOL RENTAL RATES

Maintenance Mileage

We propose Maintenance Mileage rates for fiscal year 2011/12 remain unchanged. These rates are presented in Attachment A.

Motor Pool

We propose motor pool rates for fiscal year 2011/12 remain unchanged from FY 2011. Total vehicle rental is based on daily rate plus maintenance per mile plus fuel at current market rate.

OTHER SERVICES

Fuel – Fleet Services Sites

We propose the rate for Fuel Delivery – Fleet Services Sites remain unchanged at \$0.11 per gallon.

Fuel – Commercial

We propose the rate for Fuel Delivery – Commercial remain unchanged at \$0.05 per gallon.

Parts and Sublet Markup

We propose no change to Parts and Sublet markups of 20% and 10% respectively as these rates apply primarily to non Fleet Services vehicles.

Labor Rate

Fleet Services recovers the costs of maintaining fleet-owned vehicles through a fixed charge per unit and a charge per mile driven. Our mechanics also work on vehicles that are owned by other Departments and owned by tax-funded entities outside of the County. Fleet Services recovers these costs through charges for actual labor hours and charges for the parts and sublet work used plus a mark-up.

Therefore, we propose shop labor rates remain unchanged from FY 2011:

- The shop labor rate for Fleet Services-owned vehicles - \$41.85 per hour.
- The shop labor rate non Fleet Services vehicles - \$74.50 per hour.

Our shop labor rate for non Fleet Services vehicles of \$74.50 was compared with the following entities for reasonableness:

Entity	Rate	Unit
TLMA Transportation	\$60.83	Per hour
San Bernardino County	\$71 - \$94 Auto/Heavy Equipment	Per hour
San Diego County	\$108	Per hour
Santa Clara County	\$90	Per hour
Alameda County	\$60 - \$88 GSA/non GSA	Per hour
Fresno County	\$84 - \$86 Auto/Heavy Equipment	Per hour
UC Davis	\$85	Per hour
Stanford University	\$92	Per hour

Administrative Services

We propose the monthly Administrative Services rate for fiscal year 2011/12 remain unchanged at \$25.20 per vehicle.

Fixed Monthly Maintenance Charge

We propose the fixed monthly maintenance rate for fiscal year 2011/12 remain unchanged at \$30.60 per vehicle.

Automated Car Wash, Mobile Car Wash and Detailing

We propose the automated car wash rate for fiscal year 2011/12 remain unchanged at \$3 per wash.

Attachment A
Fleet Services Rate Structure
July 1, 2011

Assigned Vehicle Maintenance and Motor Pool Rental Rates

Vehicle Type	Vehicle Description	Motor Pool Coding	Assigned Maint per Mile	Motor Pool Rental Rates*	
				Per Hour	Full Day
1	Sub Compact Sedan	Sedan 01	.10	3.60	14.40
2	Compact Sedan	Sedan 02	.10	6.30	25.20
3	Intermediate Sedan	Sedan 03	.11	7.20	28.80
4	Mini Van	Van 01	.10	10.35	41.40
5	Full Size Van	Van 02	.12	13.05	52.20
8	Mini Pick Up	Truck 01	.11	8.10	32.40
9	1/2 Ton Pick Up	Truck 02	.11	10.80	43.20
10	3/4 Ton Pick Up	Truck 06	.14	11.25	45.00
11	4x4 Mini Pick Up	Truck 08	.12	8.55	34.20
12	4x4 1/2 Ton Pick Up	Truck 03	.13	11.03	44.10
13	4x4 3/4 Ton Pick Up	Truck 04	.13	13.28	53.10
14	4x4 Mini Utility	SUV 01	.13	9.90	39.60
15	4x4 Utility	SUV 02	.14	20.25	81.00
20	Patrol		.17	N/A	N/A
21	4x2 Utility (SUV)	SUV 03	.14	13.05	52.20
22	Full Size Sedan	Sedan 04	.11	8.55	34.20
23	Patrol SUV		.17	N/A	N/A
6	Diesel Bus		Actual WO	N/A	N/A
7	Mini Bus		Actual WO	N/A	N/A
16	Medium Truck	Truck 05	Actual WO	13.28	53.10
17	Heavy Truck	Truck 07	Actual WO	22.28	89.10
18	Motor Home		Actual WO	N/A	N/A
19	Special Purpose		Actual WO	N/A	N/A

*Motor Pool rate is based on daily rate plus maintenance per mile plus fuel at current market rate.

Other Services

Service	Rate	Unit
Fuel - Fleet Services Sites	.11	Per gallon markup
Fuel - Commercial	.05	Per gallon markup
Parts	20%	Mark up
Sublet	10%	Mark up
Shop Labor Rate - Fleet Services Vehicles	41.85	Per hour
Shop Labor Rate - Non Fleet Services Vehicles	74.50	Per hour
Administrative Services Rate	25.20	Per month per vehicle
Administrative Services Rate N O	5.00	Per billing per unowned
Maintenance - Fixed Monthly Charge	30.60	Per month per vehicle
Parking	10.00	Per month
Automatic Car Wash	3.00	Per wash
Vehicle Service Life - Standard	115,000	
Vehicle Service Life - Patrol	100,000	

Formulas

Recovery Rate	$\frac{\text{Vehicle Cost} + \text{Finance Cost} + \text{Equipment Cost}}{\text{Finance Period}}$
Monthly Fixed Rate	Recovery Rate + Administrative Services