

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY *[Signature]*
 RUSSELL S. DOMINSKI 1-16-13

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

148



FROM: Purchasing and Fleet Services Dept.

SUBMITTAL DATE:
 October 28, 2013

SUBJECT: APPROVAL OF FY 2014-2015 FLEET SERVICES ISF RATES; All Districts,
 [\$10,772,140], 100% User Department Budgets

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the proposed rates for Fleet Services as shown in Attachments A.
2. Approve the waiver of Board Policy B-28 for the use of restricted net assets to offset operating costs, in the amount of \$1,598,749.

BACKGROUND:

Summary

This Form 11 is for the purpose of setting Fleet Services rates for fiscal year 2015.

(Continued on Page 2)

Departmental Concurrence

[Signature]
 Robert J. Howdysshell, Director
 Purchasing & Fleet Services Dept.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 10,772,140	\$ 10,772,140	\$ N/A	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ N/A	\$ N/A	\$ N/A	
SOURCE OF FUNDS: All County Departments/Agencies				Budget Adjustment: N/A	
				For Fiscal Year: 2015	

C.E.O. RECOMMENDATION:

APPROVE

BY: *[Signature]*
 Serena Chow

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- Positions Added
- Change Order
- A-30
- 4/5 Vote

Prev. Agn. Ref.:

District: ALL

Agenda Number:

3-43

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: APPROVAL OF FY 2014-2015 FLEET SERVICES ISF RATES**

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BACKGROUND:

Summary (continued)

Fleet Services rates for fiscal year 2015 are based on cost and volume of service provided. Rate methodology conforms to accepted accounting practice, state and federal guidelines, and Board of Supervisors policy. A guide to the Fleet Services rate development process and model used to calculate individual rates was submitted for review as part of the rate process.

ASSIGNED VEHICLE MAINTENANCE AND MOTOR POOL RENTAL RATES

Maintenance Mileage

We propose Maintenance Mileage rates for fiscal year 2015 remain unchanged from fiscal year 2014 rates. These rates are presented in Attachment A.

Motor Pool

We propose motor pool rates for fiscal year 2015 remain unchanged from fiscal year 2014. 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 2014:

- 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:

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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 2015 remain unchanged at \$25.20.

In fiscal year 2015, Fleet Services will waive 75% of Administrative Service Charges projected at \$908,334. Attachment B provides an illustration of how much departments may save based on a percentage of fiscal year 2013 actual charges. In fiscal years 2013 and 2014, 100% of administrative charges were waived. Fleet Services is no longer in a financial position to waive 100% of this charge.

Fixed Monthly Maintenance Charge

We propose the fixed monthly maintenance rate for fiscal year 2015 remain unchanged at \$30.60 per vehicle.

In fiscal year 2014, 33.7 percent of this charge was waived. In fiscal year 2015, vehicle maintenance cost and other costs will escalate sharply. Fleet Services proposes to decrease its net assets by \$690,415 to absorb these costs rather than pass them to other County departments. Therefore, there will be no change in fixed maintenance rates over fiscal year 2014 rates but no portion of this charge will be waived.

Automated Car Wash

We propose the automated car wash rate for fiscal year 2015 remain unchanged at \$3 per wash.

Impact on Residents and Businesses

Fleet Services provides County Departments and Agencies vehicles acquisition and lease services, maintains a central car pool, as well as maintenance, fuel, and other related vehicle services to provide safe and cost effective vehicle operations for County functions. There is no direct impact on residents and businesses.

ATTACHMENTS (if needed, in this order):

Attachments A – Fleet Services Proposed Rate Structure

Attachment A
Fleet Services Rate Structure
As of July 1, 2014

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
Automatic Car Wash	3.00	Per wash
Vehicle Service Life - Standard	115,000	
Vehicle Service Life - Patrol	100,000	