

## Vehicles and Equipment Team

**Opportunity #1 Procurement:** Extend life-cycle of vehicles.

**Preferred Option:** Extend all fleet vehicles' life-cycles one year (not including Fire's engines, trucks and medic units). Reserve 25% of the savings to cover potentially higher repair costs.

**Alternative #1:** Extend half the fleet vehicles' life-cycles one year (not including Fire's engines, trucks and medic units). Reserve 25% of the savings to cover potentially higher repair costs.

**Alternative #2:** Extend all fleet vehicles' life-cycles two years (not including Fire's engines, trucks and medic units). Reserve 80% of the savings to cover potentially higher repair costs.

Option (Preferred bold)	Cost Savings Per Biennium					
	2005-06		2007-08		2009-10	
	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>
<b>1-Yr. all-fleet</b>	<b>\$250,236</b>	<b>\$78,755</b>	<b>\$333,648</b>	<b>\$105,007</b>	<b>\$333,648</b>	<b>\$105,007</b>
1-Yr. half-fleet	\$125,118	\$39,378	\$166,824	\$52,504	\$166,824	\$52,504
2-Yrs. all-fleet	\$92,234	\$29,127	\$122,979	\$38,836	\$122,979	\$38,836

---

## Vehicles and Equipment Team

**Opportunity #2 Utilization:** Review cost/benefit of vehicle take-home policies.

**Preferred Option:** Continue take-home practice, but implement a reimbursement for the portion of commutes beyond 15 miles from Police HQ (approximately 10 miles beyond City limits). Use the IRS rate of \$0.405 per mile for reimbursement (an option would be to use the \$0.66 per mile reimbursement that would represent the full-cost of a service lease plus fuel). This option assumes the purchase of a 52,000 square-foot parcel, paving, striping, fencing and security for parking vehicles not taken home (\$1.35 million amortized over 20 years).

**Alternative #1:** Continue the take-home practice, but implement a full reimbursement (\$0.66 per mile) for all miles commuted from the Police HQ. This option also assumes the purchase of a 52,000 square-foot parcel for parking vehicles.

**Alternative #2:** Eliminate take-home practice. This option also assumes the purchase of a 52,000 square-foot parcel for parking vehicles.

Option (Preferred bold)	Cost Savings Per Biennium					
	2005-06		2007-08		2009-10	
	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>
<b>Partial reimburse</b>	<b>\$0 - 106,110</b>	<b>\$0</b>	<b>\$0 - 212,220</b>	<b>\$0</b>	<b>\$0 - 218,585</b>	<b>\$0</b>
Full reimburse	\$0 - 594,000	\$0	\$0 - 1,188,000	\$0	\$0 - 1,223,640	\$0
End take-home	\$483,975	\$(1,000,000)	\$967,950	\$0	\$1,002,947	\$0

**Note:** For partial and full reimbursement options, General Fund savings have been identified as ranges, actual figures will depend on the number and residence location of officers continuing to take vehicles home.

---

## Vehicles and Equipment Team

**Opportunity #3 Maintenance:** Consolidate vehicle and equipment maintenance and/or facilities.

**There are no recommended options for this opportunity.**

**Alternative #1:** Move the Fire Department’s light, non-emergency fleet maintenance to Fleet Operations.

**Alternative #2:** Move Fire Department fleet shop to Fleet Operations under current organization structure (TFD mechanics would still report through the Fire Department, but the TFD garage would move to Fleet Operations’ facility).

**Alternative #3:** Move Fire Department fleet shop to Fleet Operations and consolidate the organizations.

Option (No Preferred)	Cost Savings Per Biennium					
	2005-06		2007-08		2009-10	
	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>
Light maintenance	\$(14,050)	\$0	\$(43,100)	\$0	\$(44,393)	\$0
Combine facility	\$(132,840)	\$(500,000) <sup>1</sup>	\$(145,680)	\$2,650,000 <sup>2</sup>	\$(150,050)	\$0
Consolidate org.	\$699,725	\$(500,000) <sup>1</sup>	\$(134,550)	\$2,650,000 <sup>2</sup>	\$(138,587)	\$0

<sup>1</sup> Sum of \$1 million savings – Cavanaugh; \$1 million added cost for parking parcel; \$500 thousand added cost for covered parking.

<sup>2</sup> Avoided costs related to the \$4.15 million TFD bond.

## Vehicles and Equipment Team

**Opportunity #4 Maintenance:** Review and adjust full-service maintenance rates to ensure accuracy.

**Preferred Option:** Adjust maintenance rates as appropriate for future savings, with pro-rated 2003-2004 adjustments reimbursed to originating funds.

**Alternative #1:** Adjust maintenance rates as appropriate for future savings, keeping 2003-2004 adjustments in Fleet operating fund for maintenance-related expenses. (Maintenance funds cannot be used for capital vehicle purchases).

**Alternative #2:** No adjustment in maintenance rates, keep funds in Fleet operating fund.

Option (Preferred bold)	Cost Savings Per Biennium					
	2005-06		2007-08		2009-10	
	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>	<u>GF</u>	<u>Other</u>
<b>Adjust rates/fund</b>	\$485,112 <sup>1</sup>	\$55,926	\$418,296	\$45,674	\$418,296	\$45,674
Adjust rates/Fleet	\$313,722	\$34,256	\$418,296	\$45,674	\$418,296	\$45,674
No rate change	\$0	\$0	\$0	\$0	\$0	\$0

<sup>1</sup> \$179,100 one-time savings; \$306,112 on-going savings.

---

## Vehicles and Equipment Team

### Savings Summary from Recommendations

<b>Savings from Recommendations</b>						
<b>Opportunity</b>	<b>2005-2006</b>		<b>2007-2008</b>		<b>2009-2010</b>	
	<b>General Fund</b>	<b>Other</b>	<b>General Fund</b>	<b>Other</b>	<b>General Fund</b>	<b>Other</b>
1. Procurement	\$250,236	\$78,755	\$333,648	\$105,007	\$333,648	\$105,007
2. Utilization	\$106,110	0	\$212,220	0	\$218,585	0
4. Maintenance	<u>\$485,112</u>	<u>\$55,926</u>	<u>\$418,296</u>	<u>\$45,674</u>	<u>\$418,296</u>	<u>\$45,674</u>
<b>Total Savings</b>	<b>\$841,458</b>	<b>\$134,681</b>	<b>\$964,164</b>	<b>\$150,681</b>	<b>\$970,529</b>	<b>\$150,681</b>

**Note:** No recommendations are provided for Opportunity #3. Utilization savings are presented at the maximum of the identified savings ranges.

