

**Breakthrough Change Initiative: Vehicles and Equipment
Phase II: Opportunities and Recommendations**

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A. High Potential Opportunities	B. Recommendations/Alternatives	Analysis	Short-Term Outcomes	Projected Longer Term Outcomes	
			2005-2006	2007-2008	2009-2010
<p>#1 Procurement: The City uses historical repair costs to find the right balance between vehicle repair and replacement, which ranges from 5 to 15 years. Based on the past few years' repair costs, the City may be able to delay capital costs without incurring above average repair costs.</p> <p>1. Current situation analysis</p> <ul style="list-style-type: none"> • 7-year life cycle for emergency and pursuit vehicles (sedans) • 15-year life cycle on fire ladder trucks • 10-year life cycle on pumpers • 10-year life cycle on all other non-emergency vehicles • 5-year life cycle on Aid cars • 7-year life cycle on automated Garbage trucks • 10-year life cycle on most other Solid Waste equipment • Due to improved quality of newer vehicles and equipment, life cycles can be extended without adverse effects. <p>2. Criteria used</p> <ul style="list-style-type: none"> • Years in service • Mileage <p>3. Data Historical repair costs to project reasonable cost for extending life cycle</p> <p>4. Improvements to data collection Assure all data is entered for all city-owned vehicles</p> <p>5. Policy and legal implications Amend Fleet vehicle replacement policy</p>	Option #1:	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #2	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #3	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non- financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:

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<p>#2 Utilization: Reduce number of underutilized vehicles and equipment</p> <p>1. Current situation analysis</p> <ul style="list-style-type: none"> • Similar vehicles are owned by multiple departments. In some cases these vehicles are not fully utilized, and sharing may result in cost savings • May be more cost effective to lease infrequently used vehicles and equipment. • Some vehicles may not have utilization rates that support acquisition and maintenance. <p>2. Criteria used</p> <ul style="list-style-type: none"> • Opportunities for sharing were evaluated when vehicles had usage of less than 4,500 miles/year and 400 gallons of fuel/year. • In some cases special circumstances of use warrant continuation of current practice. <p>3. Data A combination of mileage and fuel usage data provides the best indicator of underutilization.</p> <p>4. Improvements to data collection Completion of SAP mileage report development</p> <p>5. Policy and legal implications</p> <ul style="list-style-type: none"> • Assigning clear authority and responsibility for shared usage and tracking expenses to funds. • Potential scheduling conflicts. • City does not provide insurance coverage for employees who use personal vehicle for City business. 	Option #1:	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	
			Cons:	Other:	Other:	Other:
				Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #2	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:
			Cons:	Other:	Other:	Other:
				Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #3	Pros:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:	Cost Savings: GF:
			Cons:	Other:	Other:	Other:
				Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:

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<p>#3 Utilization: Review cost/benefit of vehicles take home policies</p> <p>1. Current situation analysis</p> <ul style="list-style-type: none"> All Police-assigned vehicles may be taken home subject to take-home policy (w/in Pierce County or w/in 10 miles of City limits). No reimbursement practices. Informal policies (Fire, Public Works, General Services) suggest take-home vehicles are used by staff on 24-hour call-out. <p>2. Criteria used</p> <ul style="list-style-type: none"> Review geographic criteria. Review special equipment requirements. Operational requirements/service delivery. <p>3. Data</p> <ul style="list-style-type: none"> Data from Police take-home vehicles. Data from other take-home vehicles. <p>4. Improvements to data collection</p> <ul style="list-style-type: none"> Track outcomes from option chosen. Capture take-home mileage data. <p>5. Policy and legal implications</p> <ul style="list-style-type: none"> Would require change in current Police policy. Possible bargaining implications. 	Option #1:	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #2	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #3	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non- financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:

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<p>#4 Maintenance: Consolidate vehicle and equipment maintenance and/or facilities</p> <p>1. Current situation analysis Currently fleet repairs are taking place at multiple locations. There may be cost savings in combining maintenance activities or locations. High potential opportunities could involve saving the cost of a new building, realizing the economic value of an existing building when surplus, or achieving new operational efficiencies.</p> <p>2. Criteria used Efficiencies in maintenance practices and facilities use.</p> <p>3. Data Operating and business information from fleet service participants.</p> <p>4. Improvements to data collection All City fleets use available technology to track fleet information.</p> <p>5. Policy and legal implications</p> <ul style="list-style-type: none"> ▪ Possible bargaining implications ▪ Possible bond restrictions at Police campus. 	Option #1:	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #2	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #3	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:

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<p>#5 Maintenance: Review and adjust full service maintenance rates to ensure accuracy.</p> <p>1. Current situation analysis Rates are usually reviewed every six months; however, due to system conversion, they have not been reviewed for 18 months.</p> <p>2. Criteria used Rates should reflect actual expenses for each class of vehicle.</p> <p>3. Data Newly developed SAP report tracks actual costs.</p> <p>4. Improvements to data collection None.</p> <p>5. Policy and legal implications Review legal implications of retaining \$ in non-assigned fund.</p>	Option #1:	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #2	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non-financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes:
	Option #3	Pros:	Cost Savings: GF: Other:	Cost Savings: GF: Other:	Cost Savings: GF: Other:
		Cons:	Non- financial Outcomes:	Non-financial Outcomes:	Non-financial Outcomes: