
INTEROFFICE MEMORANDUM

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SUBJECT: STANDARDIZATION SPECIFICATIONS AND REPLACEMENT SCHEDULE
FINANCING
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The standardization team met to develop standard specifications and replacement schedule and financing options that the County will adopt as the standard for the purchase of all vehicle types for the County. The standardization team would like for the executive committee to present these standard specifications and replacement schedule and financing to the Board of County Commissioners for their approval as a County standard on how we purchase vehicles.

Fleet Standardization Committee

Replacement Schedule and Financing Ideas:

➤ **Replacement Schedule**

- Needs to be a 10-year schedule for **all** categories of vehicles.
- Preliminary replacement date should be based on estimate of vehicle life (i.e. 3 years for enforcement class patrol sedan, 10 years for Class 8 – 6x4 tractor, etc.)
- Replacement cost should be based upon estimate of the cost of the vehicle for the year it will be replaced (i.e. future replacement cost).
- Estimate of total cost of County-wide vehicle replacement should be calculated to allow for planned funding.

➤ **Replacement Decision**

- Committee consisting of a representative from Fleet, Finance, and the operating department/office should meet prior to the budget process.
- Committee should review the vehicles considered for replacement.
- Consensus should be reached on which vehicles should be replaced, taking into consideration not only age, but condition, maintenance cost, usage, replacement cost, and funding availability.
- Vehicles due for replacement at a later date could be substituted on the schedule using the above criteria for vehicles that may not need to be replaced using the same criteria.
- Once consensus on a vehicle replacement list has been reached, a committee list or report should be distributed to the operating department/office, Fleet, and Finance that contains the list of vehicles to be replaced along with a criteria matrix as defined above.

➤ **Replacement Funding**

- It is the goal of Finance to have the Central Services Fund act as the funding of replacement vehicles for the County. **No new vehicles** should be purchased out of this fund.
- The cost of replacing the current inventory of vehicles will be estimated in the 10-year schedule using an index or inflationary rate on top of the current cost of the vehicle.
- The future replacement cost will also consider the salvage value of the current vehicle and this amount will be subtracted from the future replacement cost.
- Replacement charges (intergovernmental rents) to operating funds should be based on the future replacement cost (including inflation and less salvage value) of the vehicle and not the cost of the current vehicle in the inventory.

- New vehicles are to be considered an increase in the services of the County and should be requested out of operating funds. Once new vehicles have been approved, replacement charges (“intergovernmental rents”) will be paid to the Central Services Fund for its subsequent replacement.
- The budget package requesting the new vehicle will include the full cost of the vehicle plus all applicable intergovernmental rents and charges associated with the vehicle.

Fleet Replacement Process

STEP 1

Create a 10-year replacement schedule based on the average life-cycle of each category of vehicle with estimated total County replacement cost for each year.

STEP 2

Prior to the beginning of the budget process, the fleet replacement committee (Fleet, Finance, and the operating department) should review the list of scheduled replacements for that budget period.

STEP 3

Based on the age, condition, maintenance cost, usage, and available funding, committee consensus should be reached upon which vehicles should be replaced, moved up, pushed back, added, or dropped from the schedule.

STEP 4

The committee will prepare cost estimates for the replacement of the current budget vehicles and determine the subsequent replacement cost for each vehicle to include inflation and salvage value.

STEP 5

The committee should prepare a report of their recommendation and the associated costs to Fleet Services, the Finance Department, and the operating department and be entered into the respective department’s budget request.

STEP 6

Following the departmental request for vehicle replacements, it will be subject to the review of the Executive Budget Committee and the Board of County Commissioners for inclusion into the adopted budget.

Issues for Discussion/Resolution

- How should the replacement schedule be smoothed out?
- How should the future replacement cost be determined?
 - Inflationary index?
 - Based on past history of cost growth for vehicle categories?
- How should the salvage value be calculated?
 - An estimate of what the resale value would be?
 - A review of past resale values for vehicle categories?
 - Some sort of index/guide?
- How should internal vehicle transfers be handled (i.e. Sheriff car becomes Assessor car)?
- What if future replacement cost or salvage value is too high/too low?

Replacement Example

Replacing an 2001 Enforcement Class Patrol Sedan:

- **Cost of replacement sedan in 2004: \$24,000**
- **Determining the future replacement cost of the 2004 patrol sedan in 2007:**
 - Current replacement cost = \$24,000
 - Inflation rate of automobiles per year = 2.0%
 - Life-cycle of Enforcement Class Patrol Sedan = 3 years
 - Future replacement cost = $\$24,000 \times 1.06 = \$25,469$
- **Determining the salvage value of the 2004 patrol sedan in 2007:**
 - Estimated salvage value of 2004 patrol sedan = \$3,000
- **Determining the net future replacement cost of a 2007 patrol sedan:**
 - Estimated future replacement cost = \$25,469
 - Less the estimated salvage value = \$3,000
 - Net future replacement cost = \$22,469
 - Estimated IG rents = \$7,490

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Standardization

The standardization committee shall adopt standard specifications and replacement schedule and financing options that the County will adopt as the standard for the purchase of all vehicle types for the County.

The County issued a Request for Information (RFI) using the specifications listed below:

Specifications

Enforcement Class Patrol Sedan

- 4-door sedan
- V8 engine, minimum 230 HP
- Automatic Transmission with overdrive
- High altitude use package
- 3.27:1 ratio limited slip differential
- Heavy duty police package
- Rear wheel drive

Special Service Patrol Sedan

- 4-door sedan
- V6 or V8 engine, minimum 200 HP
- Automatic transmission with overdrive
- High altitude use package (if available)
- Front or rear wheel drive
- Limited slip differential if rear wheel drive equipped, 3.27:1 or 3.29:1 ratio
- Police package

Special Service/Staff Sedan/Coupe

- 4-door sedan or 2-door coupe
- V6 or V8 engine, minimum 190 HP
- Automatic transmission with overdrive
- High altitude use package (if available)
- Front or rear wheel drive
- Limited slip differential if rear wheel drive equipped, 3.27:1 or 3.29:1 ratio
- Police package

Special Service Full-Size 4 x 4 Utility

- V8 engine, minimum 250 HP/5.0 liter
- 4-door model
- 4-speed Automatic transmission with overdrive
- Limited slip differentials, 3.73:1 ratio
- Automatic front hubs

- Push button 4-wheel drive
- Heavy-duty towing package
- Transmission cooler

Special Service Mid-Size 4 x 4 Utility

- V6 engine, minimum 190 HP/4.3 liter
- 4-door model
- 4- speed Automatic transmission with overdrive
- Limited slip differentials, 3.73:1 ratio
- Automatic front hubs
- Push button 4-wheel drive
- Heavy-duty towing package
- Transmission cooler

4 x 4-¾ Ton Pickup Truck

- Class 2 light truck, 6,001 – 10,000 GVW
- V8 engine, minimum 250 HP/5.0 liter
- 4-speed Automatic transmission with overdrive
- Limited slip differentials
- Automatic front hubs
- Heavy-duty towing package
- Transmission cooler

4 x 4-1 Ton Cab and Chassis

- Class 3 heavy truck, 10,001 – 14,000 GVW
- V8 engine, minimum 300 HP/6.0 liter or turbo diesel equivalent
- 4-speed Automatic transmission with overdrive
- Limited slip differentials
- Automatic front hubs
- Heavy-duty towing package
- Transmission cooler

All Wheel Drive Mid-Sized Passenger Van

- V6 engine, minimum 190 HP/4.3 liter
- 4- speed Automatic transmission with overdrive
- 7-passenger minimum

All Wheel Drive Mid-Sized Cargo Van

- V6 engine, minimum 190 HP/4.3 liter
- 4- speed Automatic transmission with overdrive
- Minimum GVWR 5600 pounds

Full-Sized Passenger Van

- V8 engine, minimum 300 HP/6.0 liter
- 4- speed Automatic transmission with overdrive
- 15-passenger minimum
- Minimum GVWR 9600 pounds
- Rear wheel drive
- Limited slip differential

Full-Sized Cargo Van

- V8 engine, minimum 300 HP/6.0 liter
- 4- speed Automatic transmission with overdrive
- Minimum GVWR 9600 pounds
- Rear wheel drive
- Limited slip differential

Class 4-4 x 2 Heavy Truck

- 14,001 – 16,000 GVWR
- Diesel engine
- Turbo charged
- Allison automatic transmission
- Water cooled
- Limited slip differential

Class 5-4 x 2 Heavy Truck

- 16,001 – 19,500 GVWR
- Diesel engine
- Turbo charged
- Allison automatic transmission
- Water cooled
- Limited slip differential

Class 6-4 x 2 Heavy Truck

- 19,501 – 26,000 GVWR
- Diesel engine
- Turbo charged
- Water cooled
- Allison automatic transmission
- Limited slip differential

Class 7-4 x 2 Heavy Truck

- 26,001 – 33,000 GVWR
- Diesel engine
- Turbo charged
- Water cooled
- Allison automatic transmission
- Limited slip differential

Class 8-6 x 4 Heavy Straight Truck

- 33,001 or greater GVWR
- Diesel engine
- Turbo charged
- Minimum horsepower, 275
- Water cooled
- Allison automatic transmission
- Double reduction rear end
- Limited slip differential

Class 8-6 x 4 Tractor

- 33,001 or greater GVWR
- Diesel engine
- Turbo charged
- Minimum horsepower, 350
- Water cooled
- Allison automatic transmission
- Double reduction rear end
- Limited slip differential

4-Cubic Yard Front End Loader

- Minimum horsepower, 183
- Operating weight 37,500
- Diesel engine
- Turbo charged
- Water cooled
- Limited slip differentials

- Ride control
- Fully enclosed ROPS cab with factory air conditioning/heater
- Third hydraulic valve for operation of reversible plow
- Fourth hydraulic valve with on/off control for operation of Midland shouldering machine
- Balderson quick attach coupler
- Air suspension seat
- Hollywood mirrors, left and right
- Rearview mirror
- Ether start kit
- 110 volt block heater
- 4-cubic yard bucket with bolt on cutting edges
- Signal lights
- Work light package, front and rear
- Roof mounted amber strobe light
- Power train guard
- Crankcase guard
- 4 speed forward and 3 speed reverse, single control, automatic transmission with kick down feature
- Full hydraulic wet disk brakes with separate system for front and rear
- Parking brake
- Cab shall meet all OSHA and MSHA requirements
- 25 amp keyed 12 volt converter
- Fully hydraulic steering
- Center point frame articulation steering
- Options
 - 4-cubic yard bucket with teeth and Balderson quick attach
 - 14-foot reversible plow with Balderson quick attach
 - Six tire chains
 - Operators manual
 - Service manual
 - Parts manual

Sweeper

- Minimum horsepower, 230
- 2-speed rear axle
- 55 mph capacity
- GVWR 32,000
- Diesel engine
- Turbo charged
- Water cooled
- Limited slip differentials
- Main Broom will be 34" min. in diameter, 58" min. in length, full floating and hydraulic drive
- Side broom will be 44" min. in diameter, free floating with side oscillation, adjustable lift and tilt, hydraulic drive

- 10' maximum sweeping path
- 4.5 cubic yard hopper with scissor type elevation mechanism
- 10' minimum dump height
- Air suspension seats
- 350 gallon water tank

Motorgrader

- Minimum horsepower, 185
- Operating weight 36,000 with ROPS and rear rippers
- Diesel engine
- Turbo charged
- Water cooled
- Locking/unlocking differentials
- Fully enclosed ROPS cab with factory air conditioning/heater
- Balderson quick attach coupler
- Rear rippers
- Air suspension seat
- Hollywood mirrors, left and right
- Rearview mirror
- Ether start kit
- 110 volt block heater
- 14 moldboard with bolt on cutting edges
- Signal lights
- Work light package
- Power train guard
- 8 speed forward and 3 speed reverse powershift transmission with direct drive
- Full hydraulic wet disk brakes
- Parking brake
- Cab shall meet all OSHA and MSHA requirements
- 25 amp keyed 12 volt converter
- Fully hydraulic steering
- Center point frame articulation

Skid Steer Loader

- Minimum horsepower, 65
- Operating weight 7,500
- Diesel engine
- Turbo charged
- Water cooled
- Locking/unlocking differentials
- Fully enclosed ROPS cab with factory air conditioning/heater
- Quick attach coupler
- Rearview mirror
- Dump height 8' minimum
- Work light package

- Hydraulic pump GPM, 20 gallons minimum
- Hydraulic power rating, 30 hp minimum

The solicitations were evaluated on the following criteria.

- Safety
- Engine Performance
- Versatility
- Job Compatibility
- Accessibility for Service Work
- Quality of design and Workmanship
- Ergonomics
- Dealer, Service and Parts Support
- Manufacturer and Dealer, established reputation and longevity
- Visibility
- Maneuverability
- Accessibility for Operator Service Work

Vendors were required to bring in their equipment for demonstration at no cost to the County. The purpose of the demonstration is to observe the equipment in an operational environment and to verify its capability, suitability, and adaptability vis-à-vis the performance requirements stipulated in the Solicitation. After the demonstrations staff will make a final recommendation at which time an Invitation to Bid will be issued to the equipment manufacturer that was set as the standard.