

CLARK COUNTY FLEET WORK SESSION

FEBRUARY 15, 2017



GOALS

- Provide background information about fleet
- Provide council information on prior fleet internal audits
- Brief council on a contract with outside fleet consultant



CLARK COUNTY FLEET

- 20 employees
- Responsible for 904 vehicles/equipment:
 - Public Works – 541
 - Sheriff's Office – 192
 - Community Development – 46
 - General Services – 40
 - Corrections – 30
 - All other departments – 55
- Located at 78th St. Operations Center



FLEET REPLACEMENT BUDGET 2017-18

- ❑ Replacement capital budget for 2017-18: \$7.4 million

- ❑ Breakdown among funds
 - Road Fund - \$4.3 million
 - General Fund - \$2.5 million
 - All other funds - \$569,000



MAINTENANCE BUDGET 2017-18

Parts, labor, fuel, admin, capital

- ❑ Maintenance budget for 2017-18: \$ 15.3 million

- ❑ Breakdown among funds
 - Road Fund: \$7.12 million
 - General Fund: \$5.97 million
 - All other funds: \$2.2 million

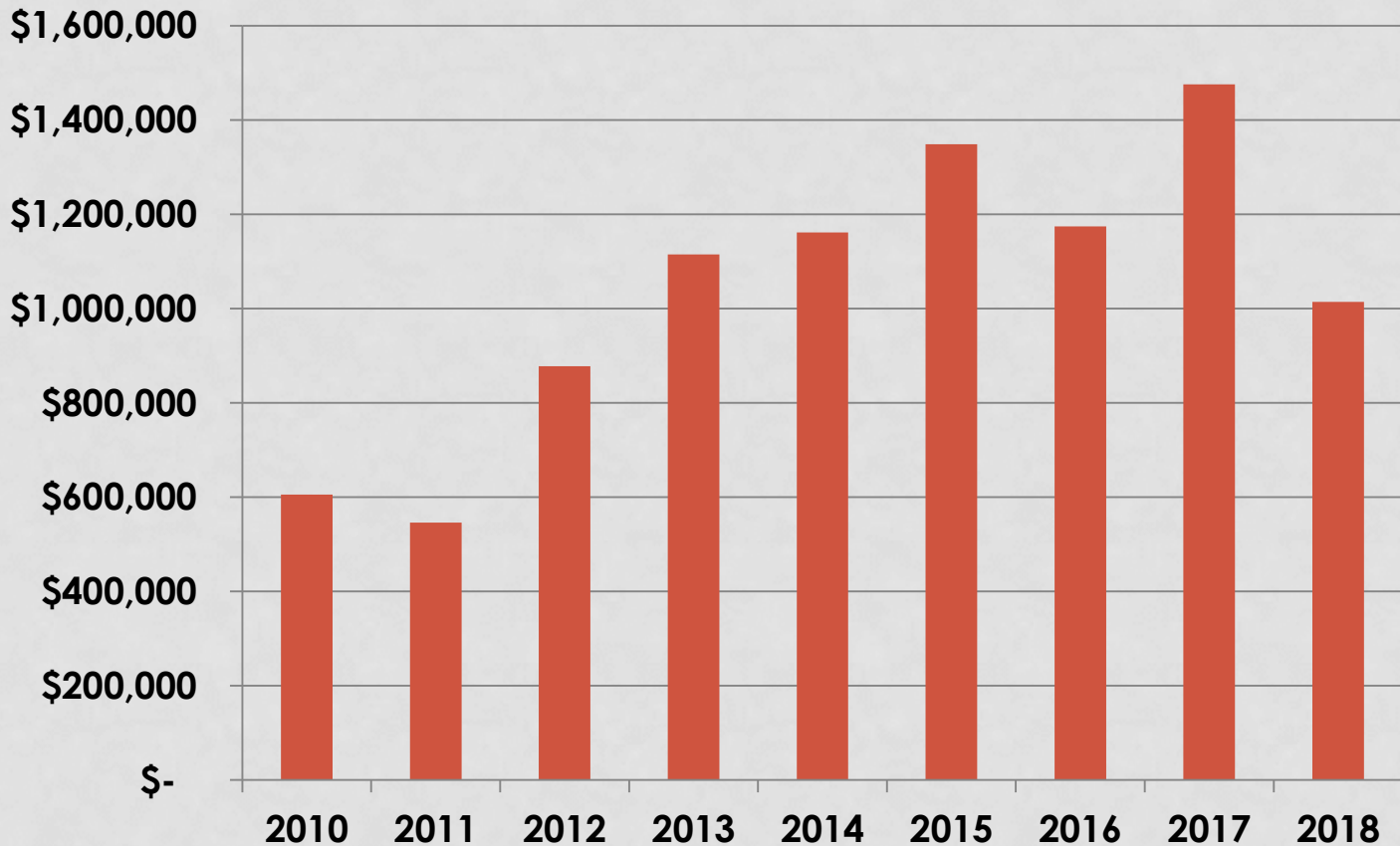


WHAT BRINGS US HERE TODAY

- Fleet costs have escalated
- In 2017-18 budget, place-holder decision package to reduce General Fund fleet costs by \$1 million, in conjunction with a study
- Consultant hired to review fleet operations and advise on best practices
 - Maximize ability to get the job done
 - Minimize costs

CAPITAL REPLACEMENT

General Fund



PRIOR FLEET AUDITS

Multiple audits

- 2004, 2012, 2013, follow up in 2014

Important issues

- Too many vehicles, including “rollovers”
- Low use of individually assigned vehicles
- Fleet’s low overall MPG
- Replacement decisions not based on full life-cycle cost
- Recent addition of professional fleet management staff

More...

PRIOR FLEET AUDITS

Policy lacks strategic elements

Prior audit recommendations

- Work with council to identify strategic direction
 - Vision for fleet, specific goals and targets
 - Required for success
- Adopt long-term ownership strategy to reduce fleet costs including:
 - Smaller vehicles, better mpg, consider hybrids
 - Fewer 4x4 vehicles
 - Evaluate take-home vehicle use
 - Increase maintenance intervals

More...

PRIOR FLEET AUDITS

Base purchase decisions on fitness for function

Prior audit recommendations

- Update vehicle replacement policy
 - Adopt best practices re: mileage, age, maintenance costs
 - Address gaps and inconsistencies
- Baseline vehicle for employee use should be compact or sub-compact, two-wheel drive
- Variation from baseline vehicle configuration should be justified in writing

More...

PRIOR FLEET AUDITS

Other recommendations

- Do not replace vehicles with lowest utilization
- Consider more pooled vehicles; too many vehicles are assigned to individuals
- Retire “rollover” vehicles – oldest fleet, typically higher maintenance costs
- Improve quality of management data
- Consider alternative forms of transportation
- Use service contracts



- Employee-owned fleet management consulting firm based in Rockville, Maryland
- More than 30 employees in 10 states
- More than 500 clients served since 2003
- Clients include federal, state and local governments and private companies with fleets ranging from fewer than 100 vehicles to more than 200,000 vehicles and other pieces of equipment

PROJECT SCOPE

1. Review selected fleet management practices
2. Fleet rightsizing plan
3. Fleet replacement plan
4. Cost charge-back rate review

PROJECT GOALS

- Inform both the council and county manager to address gaps in the current policy
- Incorporate best practices based on recommendations of the consultant
- Bend cost curve for replacement/repair expenses



NEXT STEPS

- Mercury will complete fleet study; all county departments will be included
- Schedule work session to review results

