

CHAPTER 8

FLEET MANAGEMENT POLICY

CHAPTER HISTORY

References: Board of Directors meeting minutes of October 14, 2010; Engineering and Operations Committee meeting minutes of September 30, 2010 and March 31, 2010

SECTION 8.1 INTRODUCTION

The Rancho California Water District (District) operates a fleet of light duty vehicles and heavy equipment in order to deliver reliable, high-quality water, wastewater, and reclamation services to the District's customers and communities in a prudent and sustainable manner.

This Fleet Management Policy formalizes best practices and procedures for operating a responsive and cost-effective fleet management program. The policies set forth are intended to establish rules for procurement, operation, maintenance, and retirement of District vehicles, in order to improve overall fleet efficiency and reduce total lifecycle cost of vehicles.

8.1.1 Fleet management duties are assigned to the following positions for the Operations and Maintenance Division:

- Field Services Superintendent ("Fleet Manager")
- Field Services Foreman Fleet/Facilities
- Mechanics
- Field Services Manager

8.1.2 Fleet procurement duties are assigned to the following position for the Finance Division:

- Purchasing/Warehouse Supervisor

SECTION 8.2 FLEET MANAGEMENT RESPONSIBILITIES

8.2.1 Field Services Superintendent Responsibilities

- a. Oversee the District's entire fleet operations as Fleet Manager.
- b. Administer and evaluate all fleet program elements, changes, and cost controls.
- c. Coordinate with other department representatives to maximize the efficiency of the District's entire fleet inventory.
- d. For on-call employees using District vehicles, provide monthly reports summarizing the number of call-outs encountered by employee and assigned vehicle, which required the employee to drive to the reported incident.
- e. Oversee the fleet management operations and maintenance practices.
- f. Responsible for planning, coordinating, implementing, and enforcing the fleet management policies and practices.
- g. Review vehicle assignments, pool vehicle usage, vehicle requests, and vehicle replacement requests.
- h. Create a vehicle maintenance policy or schedule for each class of vehicle operated, and enforce the policies and schedules to ensure routine service is completed, as scheduled.
- i. Track parts warranties for all vehicles to achieve maximum savings on maintenance and repairs.
- j. Optimize the use of a computerized maintenance management system (CMMS) to automatically schedule preventive maintenance, and provide shop productivity and detailed repair history information.
- k. Monitor the efficient use of the District's vehicle fleet.
- l. Track Key Performance Indicators (KPI) and report periodically to the Field Services Manager.
- m. Ensure that each vehicle assigned to the department carries an insurance packet, which includes a copy of the proof of liability insurance, accident report form, and instructions.
- n. Investigate misuse and damage to vehicles and enforce recommendations of District policies and/or take corrective action.
- o. Provide annual vehicle inventory and justification for use/need for budget development purposes.
- p. Implement and enforce the vehicle replacement plan, based on the defined replacement guidelines.
- q. Monitor vehicle usage to optimize use according to the District's minimum use criteria.
- r. Make recommendations to the Field Services Manager to reassign vehicles to areas where vehicles can be used more effectively.
- s. Provide a vehicle use manual for each vehicle. This should be a department specific manual that includes:
 1. Proof of insurance statement.
 2. Vehicle rules or policies.
 3. Accident reporting procedures.
 4. Emergency contact telephone numbers.

8.2.2 Field Services Foreman Fleet/Facilities Responsibilities

- a. Supervise the fleet maintenance mechanic function.
- b. Schedule and coordinate fleet maintenance activities.
- c. Maintain and update documentation for each District-owned vehicle.
- d. Oversee the fleet vehicles and equipment to ensure that they are maintained in a sound, safe, and operable condition.
- e. Review the cost of service and repairs.

8.2.3 Mechanic Responsibilities

- a. Provide routine maintenance functions for all fleet vehicles.
- b. Rotate tires at appropriate intervals.
- c. Replace brake pads at appropriate intervals.
- d. Tune engines to comply with manufacturer's recommendations.
- e. Change oil and fluids at appropriate intervals.
- f. Perform predictive testing of fluids to identify potential problems.
- g. Perform Q/A testing of fuel and lubricants.
- h. Diagnose vehicle problems, including probable cause and appropriate repair.

8.2.4 Field Services Manager Responsibilities

- a. Recommend approval of all fleet purchases and budget expenditures, including vehicles and related capital equipment to the Director of Operations & Maintenance and General Manager.
- b. Approve all fleet policies, practices, and procedures.
- c. Coordinate with the Finance Division to ensure that adequate funds are available when vehicle replacements are necessary.

SECTION 8.3 FLEET INVENTORY MANAGEMENT

The following guidelines provide goals and best practices for the proper management of the District's fleet vehicles. Attainment of these goals should seek to minimize fleet capital and overall operating costs.

8.3.1 Vehicle Replacement Criteria

- a. During budget preparations, the Fleet Manager is to identify vehicles that require retirement and/or replacement.
- b. The general guideline for light fleet retirement is 12 years or 150,000 miles. This is a guideline only; consideration of condition, maintenance history, lifecycle costs, parts availability, and resale value shall be reviewed for each individual vehicle. Use of fleet management computer software, CMMS data, and other tools shall be employed to make rational decisions on the timing of replacements.
- c. Heavy equipment and special use vehicle replacements will be considered on a case-by-case basis, giving consideration to additional factors such as engine hour meter data, changing regulatory requirements, and business needs.
- d. Vehicles with high or low annual mileage shall be reassigned or pooled to modify their usage rate and maximize their useful life.

- e. The Fleet Manager shall consult with the Field Services Foreman and review all available information prior to making final recommendations to the Field Services Manager.

8.3.2 Vehicle Assignments

- a. The Fleet Manager shall oversee the utilization and operation of the District's fleet. Vehicles may be assigned to an individual employee or made available in a pooled arrangement to maximize efficiency and minimize overall fleet costs. The Fleet Manager shall make recommendations for the structure of assignments to the Field Services Manager.
- b. Pool vehicles will be made available through a systematic checkout procedure.
- c. Assigned vehicles may be temporarily reassigned or used as a pool vehicle on an as-needed basis.

SECTION 8.4 VEHICLE ACQUISITION AND DISPOSAL

The following guidelines provide goals to optimize the District's fleet expenditures, based on actual business needs.

8.4.1 General Use Vehicles

General use vehicles shall be for the use of office and field staff for administrative purposes, both within the District and off-site for approved uses. Standard vehicle general specifications are as follows:

- 1) Body style shall be mid-size sedan or sport-utility vehicle (SUV). Exterior color shall be white.
- 2) The vehicle shall have a six-cylinder gasoline engine with automatic transmission.
- 3) The vehicle shall be equipped with air conditioning, AM/FM radio, cruise control, tilt steering wheel, power steering, and standard wheels and tires. The spare tire shall be a full-size wheel and tire (no space saver spares).
- 4) Typical safety features shall include ABS brakes, rear window defrost, daytime running lights, and driver and passenger side airbags.
- 5) Four-wheel drive may be specified for SUVs, based on expected use.

8.4.2 General Field Service and Construction Inspection

The standard vehicle approved for general field service use for the District shall be a full size rear-wheel drive pickup truck. Standard vehicle general specifications are as follows:

- 1) Body style shall be fleet side bed, regular cab, and long-wheel base. Exterior color shall be white.
- 2) The vehicle shall have an eight-cylinder gasoline engine with automatic transmission.
- 3) The vehicle shall be equipped with air conditioning, AM/FM radio, power steering, and standard wheels and tires. The spare tire shall be a full-size wheel and tire (no space saver spares).
- 4) Typical safety features shall include ABS brakes, daytime running lights, and driver and passenger airbags.
- 5) Payload capacity shall be ½ ton or ¾ ton. Payload capacity will be determined by the Fleet Manager for each expected use.

8.4.3 Special Use Field Service

The standard vehicle approved for special use shall be a cab/chassis truck. Standard vehicle general specifications are as follows:

- 1) Body style shall be standard cab, dual rear-wheel, rear-wheel drive, standard wheelbase. Cab exterior color shall be white.
- 2) The vehicle shall have an eight-cylinder turbocharged diesel engine with automatic transmission.
- 3) The vehicle shall be equipped with air conditioning, AM/FM radio, power steering, and standard wheels and tires.
- 4) Gross Vehicle Weight Rating (GVWR) shall be 13,000 to 19,500 lbs. GVWR will be determined by the Fleet Manager for each expected use.

8.4.4 Four-Wheel Drive Option on Field Service Vehicles

For emergency preparedness (e.g., operations during times of natural disaster), the goal for each appropriate field department is to have one four-wheel drive general field service vehicle. The Fleet Manager will determine the need for four-wheel drive on special use field service vehicles (i.e., cab/chassis trucks with GVWR of 13,000 lbs. and above) on a case-by-case basis with regard to normal and emergency operations, and will document the justification for this need during each annual budget process.

8.4.5 Vehicle Specifications for Procurement

The Fleet Manager shall provide generic vehicle specifications to the Purchasing/Warehouse Supervisor so that multiple manufacturers can be considered. It shall be the Purchasing/Warehouse Supervisor's responsibility to solicit proposals for fleet purchases from all manufacturers who meet the required vehicle specifications.

8.4.6 Vehicle Surplus and Disposal

Vehicle surplus declaration and disposal shall be the responsibility of the Finance Division.

SECTION 8.5 FUELING POLICIES

8.5.1 Use of Commercial Fuel Contracts

All District vehicles shall use the fueling facilities designated by the Fleet Manager.

8.5.2 Use of Regular Unleaded Gasoline

Unless specifically prohibited by manufacturer warranty or recommendations, all District vehicles operating on gasoline shall use regular unleaded gasoline. The Fleet Manager will identify any gasoline-fueled vehicles that will use a grade other than regular unleaded.

SECTION 8.6 MISCELLANEOUS

8.6.1 Insurance

The District is self-insured under ACWA/JPIA. The District Safety Officer is the primary contact with ACWA/JPIA for fleet-related issues.

8.6.2 Privately-Owned Vehicles Used for District Business

- a. District vehicles are the preferred choice for business transportation. If the use of a District-owned vehicle (individually assigned or District pool vehicle) is not practicable and/or such a vehicle is not available, privately-owned vehicles may be used with prior management approval.
- b. Employees authorized to use privately-owned vehicles during the course of official District business shall be reimbursed at rates periodically determined by the Finance Division.
- c. Claims for reimbursement shall be limited to only that mileage used during the conduct of authorized, official District business.

8.6.3 Vehicle Operator Safety

Vehicle operator safety and related issues are covered in Policy Nos. 4-11 and 4-12 of the Safety, Health, and Environmental Policy and Procedures Manual.