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TO: Stephen Solowczuk, Chair  
Working Session

THROUGH: Robert E. Guenzel  
County Administrator

FROM: Frank Cambria  
Deputy County Administrator

DATE: May 19, 2005

SUBJECT: Summary of County Fleet

The current Washtenaw County fleet contains 245 vehicles, including trucks, vans, passenger vehicles, boats and motorcycles. The attached summary details department assignment, vehicle, usage, authorization for assignment, and personal vs. work-only use.

Of the 245 vehicles, six (6) vehicles are designated for both work and personal use. The remaining 239 vehicles are for work-only use. Assignment of vehicles is determined based on a number of considerations, including policy, employment agreement, cost effectiveness, union agreement, transport of non-County personnel, service or special utility usage.

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In addition, numerous vehicles are paid for through departmental or service revenue streams, including Building Services and Drain Commissioner. The vehicles assigned to Parks & Recreation are provided under Public Act 261, which establishes a County Parks & Recreation Commission and gives the Director discretion to assign vehicles as necessary. These vehicles are accounted for under "policy" assignment.

**Title: Facilities Management — Transportation Division**

Resolution Number: 86-0252

Effective Date: 9/3/86

Supersedes: 85-0391, 84-0155

I. ——— APPLICATION:

This policy shall govern the establishment and operation of the Facilities Management Transportation Division in Washtenaw County.

II. ——— INTENT:

The intent of the Board of Commissioners is to centralize the responsibility for the usage, acquisition/disposition, maintenance and monitoring of all County vehicles, and to ensure that the County's Transportation Division are managed in a cost-efficient manner.

III. ——— GENERAL POLICIES:

A. The Transportation Division shall be operated within an internal service fund of the County. As such, its revenues shall be derived from charges for services provided to County operated departments and agencies.

B. All vehicles owned by Washtenaw County and operated by any County department or agency shall be managed by the Transportation Division.

1. The Transportation Division and related organizational units shall be responsible for the acquisition, insurance, usage, inventory, inter-departmental leasebacks, repair/maintenance and related scheduling replacement, and eventual disposition of all Washtenaw County vehicles.

2. No vehicle shall be leased or borrowed from outside the County's central fleet, regardless of costs, without prior-written notice to the Risk Manager and consultation with the Transportation Division Manager.

~~3. The overall size of the County fleet shall be determined by the Board of Commissioners based upon the needs of the County. All requests for changes in the size or nature of the fleet shall be made through Facilities Management — Transportation Division.~~

~~C. All vehicles owned by the County shall be titled in the name of Washtenaw County.~~

~~1. The Transportation Division Manager shall be authorized to sign all titles for newly acquired fleet vehicles on behalf of the County. All titles shall be physically stored in the Finance Department and be under the direct responsibility of the Chief Accountant.~~

~~2. It shall be the responsibility of the Transportation Division Manager and the Risk Manager to ensure that all information on the titles (names, numbers, etc) is accurate and up to date.~~

~~D. The Transportation Division shall be under the direction of the Facilities Management Department Head.~~

#### ~~IV. SPECIFIC POLICIES:~~

##### ~~A. Inventory~~

~~An audit of the Transportation Division Inventory Control System shall be undertaken by the Transportation Division Manager and reviewed by the Facilities Management Department Head annually. The coordination of the Inventory Control System shall be the responsibility of the Transportation Division Manager.~~

##### ~~B. Fuel~~

~~1. The Transportation Division Manager shall be responsible for the County fuel control system. This shall include all fuel purchases, approval and recorded maintenance.~~

~~2. Only County owned vehicles driven by authorized County drivers on official County business shall be authorized to receive fuel from the County fuel system. The Transportation Division shall maintain a list of all authorized drivers.~~

##### ~~C. Maintenance~~

~~The maintenance and repair of all County vehicles shall be scheduled and performed by the Transportation Division. The Transportation Division Manager shall monitor all expenditures related to County owned vehicle maintenance and repair to ensure compliance with the budget guidelines.~~

#### ~~D. Assignment~~

~~Employees shall be assigned County owned vehicles when these vehicles are necessary to perform an assigned task or when it is economically and administratively in the County's best interest. This Policy shall apply to all County owned and operated vehicles in both general and non-general funded departments, unless specifically excluded.~~

- ~~1. County vehicles shall only be used for official County business. The use of a County vehicle for personal business is prohibited. County vehicles shall not be driven home, except when specifically authorized. County vehicles kept at home overnight shall be stored in a garage or driveway and shall not be parked overnight on the street.~~
- ~~2. Employees shall have and maintain a valid Michigan operator's license in order to drive County owned vehicles. An annual check shall be performed to verify that such employees continue to maintain a valid driver's license. Employees shall be responsible for all parking and moving violations incurred while driving County vehicles and must report all violations committed while operating County owned vehicles to their Department Head and the Risk Manager within one work day of the citation.~~
- ~~3. Employees shall return all temporarily assigned County owned vehicles to their designated parking locations at the end of each working day. Permanently assigned vehicles may have specific restrictions.~~

#### ~~E. Permanently Assigned Vehicles~~

~~The Board of Commissioners shall assign, by resolution, permanent vehicles to specific staff members, departments or agencies based on documented need.~~

- ~~1. The use of assigned vehicles by departments or agencies, other than the assigned department, shall be authorized by the Transportation Division Manager.~~
- ~~2. Positions currently authorized by the Board of Commissioners to retain County owned vehicles on a permanent basis are the following:~~

~~County Administrator/County Controller  
Director, Facilities Management  
Deputy Director, Facilities Management  
Maintenance Supervisor, Facilities Management  
Sealer of Weights and Measures (Consumer Services)  
Weights and Measurer (Consumer Services)  
Director, Emergency Medical Services/Civil Preparedness~~

~~Building Inspector (Building Inspection Department)  
Judge, 14<sup>th</sup> District Court #3  
Sheriff and Command Unit  
Director of Parks and Recreation~~

- ~~3. The Sheriff shall submit to the County Administrator a quarterly report identifying specific detectives' vehicle assignments.~~
- ~~4. Use of County vehicles on a permanent basis by building inspectors shall be determined by the Code Enforcement Officer. New hires shall not use County vehicles.~~
- ~~5. County vehicles kept at home overnight shall be stored in a garage or driveway and shall not be parked overnight on the street.~~

***\*This policy will be replaced by a new policy entitled "County Vehicles"***

**Title: Fleet Procedure**

Governing Policy: Facilities Management — Transportation Division

Effective Date: 1/8/91

I. ——— Introduction

~~The procurement, operation and maintenance of County owned vehicles is the responsibility of the Fleet Services Division of the Facilities Management Department. The overall size of the County fleet is established by Board authorization. Accordingly, any addition to the Fleet requires Board authorization.~~

~~Revenue and expenditure transactions for the Fleet will be accounted for in the Facilities Management Transportation Fund (Fund #63320), an internal service fund.~~

~~The revenues necessary to operate the Fund will be derived from charges to user departments and entities for the procurement, use and maintenance of the vehicles assigned to them. These charges will be made monthly through account #96950 in the user's budget. Charges for vehicle use will be broken down into the following categories:~~

- ~~1. Lease~~
- ~~2. Gasoline~~
- ~~3. Maintenance and Repairs~~
- ~~4. Insurance~~

II. ——— Vehicle Procurement and Replacement

~~Before determining the vehicle lease charge (See section III for Lease Charge Formula) for a particular vehicle, a determination must first be made as to how the County procured the vehicle and whether or not replacement is intended. The following options are available.~~

- ~~A. The vehicle is presently part of the authorized fleet and scheduled for replacement using money from the Facilities Management Transportation Fund. The monthly vehicle lease charge will be based on the full lease formula.~~
- ~~B. A new vehicle is to be added to the fleet and it is intended that the vehicle will be replace using money from the Facilities Management Transportation Fund. If the vehicle is purchased using money from the Facilities Management Transportation Fund, the monthly vehicle lease charge will be based on the full lease formula. If the vehicle is purchased using money from a source other than the Facilities Management Transportation Fund, no monthly vehicle lease will be charged.~~
- ~~C. A new vehicle is to be added to the fleet and it is intended that money from the Facilities Management Transportation Fund will not be used to replace the vehicle. If the vehicle is purchased using money from the Facilities Management Transportation Fund, the monthly vehicle lease charge will not include the rate of vehicle cost increase (replacement cost). If the vehicle is purchased using money from a source other than the Facilities Management Transportation Fund, no monthly vehicle lease will be charged.~~
- ~~D. The vehicle has reached its projected life expectancy but will be retained as a recycled vehicle. The monthly vehicle lease charge will be based on the original salvage value plus any refurbishing costs, less the new projected salvage value, divided by the new vehicle life expectancy in months.~~
- ~~Recycled vehicles will be replaced with other recycled vehicles on a need/availability basis.~~
- ~~E. Utility vehicles such as dump trucks, trailers, specialized vehicles, etc. (non prime movers), may be leased using options A through D. Upon completion of the original life expectancy of the vehicle, it may be retained as a recycled vehicle.~~

### ~~III. Methodology for Computing Vehicle Expenses~~

~~The Charges for using a vehicle consist of:~~

- ~~A. Lease Charge: The monthly lease established to provide the capital base for the procurement of vehicles. The monthly lease charge will be determines by the use of the following formula:~~

~~C = the purchase of the vehicle plus any costs necessary to prepare the vehicle for use.~~

~~L = the estimated life expectancy of the vehicle in months.~~

~~S = the estimated salvage value of the vehicle~~

~~F = the rate of vehicle cost increase (reviewed annually).~~

~~M = the monthly lease charge.~~

~~Therefore~~

$$\frac{(C \times L \times F) + C - S}{L} = M$$

~~L~~

~~Example: A \$10,000 vehicle which is expected to have a 36 month life and a salvage value of \$1,500. For purposes of this example assume a 6% annual cost increase which translates to a factor of .005.~~

$$\frac{(10,000 \times 36 \times .005) + 10,000 - 1,500}{36} = \$286.11$$

~~36~~

~~Daily Rate: A vehicle may be leased from Fleet Management Services on a daily basis at the rate of \$15 per day plus gasoline.~~

- ~~B. Gasoline: Gasoline charges budgeted for each department or entity will be based on the number of gallons of gasoline used in the previous year, the current cost of gasoline purchased and the number of vehicles assigned to the department. The budget for gasoline is an advisory budget, with departments only being charged for actual gallons used. The actual charge per gallon will be cost of gasoline purchased plus 7 cents. This markup is to cover the expense of the gasoline fuel tanks maintenance, and computerized fuel dispensing equipment.~~
- ~~C. Maintenance and Repairs: These charges represent the cost of vehicle maintenance and repairs. The charges are fixed so as to cover the expenses of operating the central garage. The amount budgeted for each department will be based on the department's historical usage and is an advisory budget with the department only being charge for actual usage. The rates for the garage charges will be determined as follows:~~
- ~~1. "Flat Rate", the flat rate is the industry standard for a specific repair. The values of the flat rate will be determined by the Director of Facilities Management.~~

~~2. Outside contracted repairs and towing will be cost plus administrative fee.~~

~~3. Tires: Cost to purchase plus administrative fee.~~

~~4. All other parts: Cost to purchase plus administrative fee.~~

~~Administrative fees will be applied to parts and materials based upon the cost of handling and to provide for a contribution to the fixed cost of the garage operations in a manner similar to a private industry operation.~~

~~D. Insurance: This charge will be based on each department's prior year accident record. Each department's amount will be projected for the year by Risk Management and included as part of the total charge by Fleet Services.~~

#### ~~IV. Vehicle Life~~

~~The life expectancy of vehicles is dependent upon the type of vehicles and the usage the vehicle receives. It is the purpose of Fleet Services to maximize the utilization of the vehicles in the Fleet. Therefore, the life expectancy of a vehicle will be established by Fleet Services at the time the vehicle is put into service. This determination will be made in conjunction with the user but the final determination will be by Fleet Services as directed by the Controller for the maximum utilization of County resources.~~

~~Should a vehicle be retained past its original life expectancy it will be deemed a recycled vehicle and the monthly lease adjusted accordingly.~~

~~When a vehicle is returned to Fleet Management Services prior to the end of its life expectancy, it will be reassigned, if possible, and the charges transferred. If it cannot be reassigned, it will be sold. In the event the sale does not cover the balance due to Fleet Management, the department for whom the vehicle was procured originally must cover the shortage.~~

#### ~~V. Reserve for Purchases~~

~~The lease payments received by Fleet Services will be deposited in a separate organization within the Facilities Management Transportation Fund. The monies in this fund will be rolled forward each year for the purchase of replacement and new vehicles. This fund will be reviewed by the Finance Department and adjustments to the balances will be applied to reduce vehicle operational costs, as directed by the Controller.~~

**Title: County Vehicles**

Resolution Number:

***Accountability: Support Services – Facilities Management through County Administrator***

**COUNTY VEHICLES**

**I. Application:**

This policy shall govern the purchase, operation and maintenance of all County vehicles.

**II. General Policies:**

- A. The County Administrator shall develop procedures to manage the fleet of vehicles owned by the County. These procedures will be communicated to the Board of Commissioners. Any changes to these procedures shall be communicated to the Board of Commissioners at the next scheduled regular meeting.**
- B. The County fleet shall be operated out of an internal service fund with revenues derived from charges for services provided to County-operated departments and agencies.**
- C. Unless otherwise authorized, County vehicles shall only be used for official County business.**
- D. Any employee operating a County-owned vehicle must possess a valid Michigan driver's license of a level that is in accordance with the operational requirements of the vehicle assigned (e.g., Commercial Drivers License & Chauffeur's license).**
- E. When operating a County-owned vehicle, the employee must, at all times, operate the vehicle in compliance with all applicable laws and regulations.**
- F. Positions allowed permanently authorized vehicles shall be determined by the County Administrator with communication to the Board of Commissioners.**

- G. The County Administrator shall maintain an inventory control system to monitor the use of County vehicles.**
- H. All vehicles owned by the County shall be titled in the name of the County.**
- I. Facilities Management shall be responsible for the maintenance of County vehicles.**
- J. The County shall purchase alternative-fuel vehicles when such vehicles are available and appropriate based on determined usage.**

## **I. Requesting a County-owned Vehicle**

- A. Any employee or department requesting assignment of a County-owned vehicle must submit a written request with supporting documentation to the Washtenaw County Operations Supervisor. Supporting documentation could include: description of a programmatic change necessitating the assignment of a County-owned vehicle; proof of excess mileage; and/or any other documentation that would provide evidence of eligibility per the below criteria.
- B. The Deputy County Administrator, Director of Strategic Planning & Budget, and the Facilities Management Director, in collaboration with the requesting department's Director, will review the request.
- C. The Operations Supervisor will notify the requesting department's Director of the approval status of the request within 2 weeks of submittal.

## **II. Employee Eligibility**

The following criteria will be used to determine an employee's eligibility to be assigned a County-owned vehicle for use during the course of discharging his/her duties:

- Any employee who incurs an average work mileage in excess of 1,000 miles per month; and/or
- Whose job requires the transport of non-County personnel; and/or
- Whose job requires the use of a service or specialty vehicle; and/or
- Whose union contract calls for vehicle assignment.

In all instances, County-owned vehicles are to be utilized for official County business only. Written approval from the County Administrator or the Deputy County Administrator must precede the personal use of a County vehicle. Misuse of a County vehicle is grounds for disciplinary action and/or loss of vehicle privileges.

The following criteria will be used to determine an employee's eligibility to utilize a County-owned vehicle on a take-home basis:

- Any employee who has been determined to be subject to "on-call" status.
- Any employee who has been provided this resource by union contract or by an employment agreement.

### **III. Procedures Governing the Use of County-owned Vehicles**

#### **A. Removal of vehicle assignment**

1. The Operations Supervisor shall review vehicle usage annually.
2. Any vehicle that is not used a minimum of 12,000 miles per year will be reviewed by the Operations Supervisor for possible removal from the County fleet, except for service and specialty-type vehicles.
3. Any employee or department that does not meet the eligibility requirements as set forth in this document will be subject to review and potential removal of vehicle assignment(s).
4. Misuse of County-owned vehicles (e.g., personal usage or other procedural disregard) shall subject the employee to disciplinary action and loss of vehicle privileges.

#### **B. Moving violations**

1. Any moving or parking violations and subsequent fines incurred while operating or using a County-owned vehicle are the responsibility of the employee.
2. All moving violations are to be reported to the employee's direct supervisor and the County Risk Manager within 48 hours.

#### **C. Accident**

1. The employee shall call the police, and/or other emergency responders (as needed) immediately.
2. The employee shall call his/her supervisor. If the supervisor is not available, the employee shall contact an alternate person in his/her office.
3. The employee shall contact the Help Desk at (734) 222-3737 to report any accident, who will then convey the information to the Operations Supervisor and the Risk Manager.

4. The employee shall give the other driver his/her name, license number, and an office phone number.
5. Under no circumstances should the employee discuss who is at fault with the other driver.
6. The driver shall complete the Driver Report of Vehicle Damage form, which is available on the County's website (under "Employment" then "Vehicle Safety") or in the information packet located in the vehicle's glove box, and submit to his/her supervisor with a copy to the Washtenaw County Risk Manager within 48 hours.

**D. Vehicle fueling**

1. County-owned vehicles are to be fueled only by using a County-issued fuel credit card (accepted at most service stations).<sup>1</sup>
2. All vehicles are to use 87 octane fuel only. The only exceptions are vehicles requiring diesel fuel and vehicles requiring natural gas.
3. All natural gas vehicles are to be fueled at the County-owned fuel pump located at 2155 Hogback whenever possible.

**E. Fuel Card Rules And Regulations (as listed on applicant form)**

1. The card shall be used for the purchase of 87 octane unleaded fuel (no use of premium or mid-grade fuels is permitted) and window washer fluid.
2. A card bearing the driver's name shall be issued to each driver.
3. Employees shall be issued a four-digit PIN to be used with the card.
4. Employees shall be accountable for all charges made to the card.
5. Employees shall be charged a fee of ten dollars (\$10) to replace a lost card.
6. All lost or stolen cards are to be reported immediately to the Help Desk at (734) 222-3737.
7. Misuse of the card shall subject the employee to disciplinary action and/or loss of vehicle privileges.
8. Fuel cards are to be used for fueling of County-owned vehicles only.

**F. Vehicle Replacement**

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<sup>1</sup> The use of credit or procurement cards adds taxes to the purchase of fuel from which the County is exempted through the use of fueling card. Should a credit or procurement card be used to purchase fuel, the employee responsible for the purchase shall also be responsible for the taxes on that purchase.

1. Vehicle replacement shall occur in accordance with all applicable Washtenaw County policies.
2. Vehicles shall be replaced at the end of their useful life. The Operations Supervisor will determine this endpoint by considering the age, mileage, and condition of the vehicle.
3. Vehicles shall be replaced with the type of vehicle that is appropriate for the job requiring its use. Appropriateness shall be decided by the Operations Supervisor in collaboration with the requesting department's Director.
4. The cost of the vehicle, maintenance cost, and resale value shall be considered during replacement decisions.

<b>IV. 2005 County Vehicle Standards</b>
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A. Passenger car – midsize, 4-door sedan

- 6 passenger, cloth seating
- 6-cylinder engine
- Automatic transmission
- Front wheel drive

B. Light truck

- 3 passenger, cloth seating
- 8-cylinder engine
- Automatic transmission
- Regular cab
- 2 wheel drive
- 8 foot bed

C. Light Transport Vehicle – mini van

- 8 passenger, cloth seating
- 6-cylinder engine

- Automatic transmission
- D. Medium transport vehicle – full size van
  - 15 passenger, cloth seating
  - 8-cylinder engine
  - Automatic transmission

**V. 2005 Service and Specialty Vehicles**

- A. Service vehicle
  - Plumber's truck
  - Electrician's truck
  - Fleet service truck
  - Snow plow truck
- B. Specialty vehicles
  - Dump truck
  - Patrol vehicle
  - Sheriff transport vehicle
  - Emergency Management vehicle
  - Wheel chair lift van

**VI. Fleet Services' Accountability**

The mission of Fleet Services is to ensure proper, efficient, and safe operation of all County vehicles. Fleet Services is responsible for the following:

- Purchase and disposal of all fleet vehicles and equipment;

- Installation and maintenance of all fleet required equipment, such as radios, specialized lighting, and specialized equipment;
- Preventative maintenance on all fleet vehicles;
- Quotes for vendor service;
- Repairs on fleet vehicles;
- Implementation and management of fleet standards;
- Administrative tasks such as registration, departmental charge-back, and tracking of fleet usage;
- 24-hour emergency road-side assistance, to be accessed via the Help Desk at (734) 222-3737 during business hours and via the Operations Supervisor (whose contact information shall be provided in every vehicle) after hours.

## **VII. Departmental Charge-back**

- A. Fleet Services shall charge departments on a monthly basis on a straight-line depreciation schedule for each vehicle in service of that department. This charge shall be calculated using the following formula:

(Vehicle Purchase Price + Additional Equipment - Salvage Value)

Expected Length of Service in Fleet

- B. Fleet Services shall charge departments for regular preventative maintenance services and incidental repairs as needed. Parts and materials shall be provided at cost. An hourly “shop charge” shall be charged to departments in order to assign Fleet Services’ overhead (e.g., labor, tools, equipment) equitably across departments according to use. The Operations Supervisor shall review the shop charge annually for accuracy and appropriateness.
- C. Fuel costs shall be charged directly to departments via fuel card accounting system.