

CITY OF OAKLAND

FILED
OFFICE OF THE CITY CLERK
OAKLAND

AGENDA REPORT

TO: 2010 MAY 27 AM 10:48
Office of the City Administrator
ATTN: Dan Lindheim
FROM: Public Works Agency
DATE: June 8, 2010

RE: **Supplemental Report – On Action Items Discussed During the Annual Fleet Report**

SUMMARY

This supplemental report provides additional information requested by the Finance and Management Committee on November 10, 2009, concerning fleet reduction and options for replacing old vehicles.

FISCAL IMPACTS

During the FY 2009-11 budget, Council approved \$570,710.59 in vehicle replacement funding (\$350,000 in fund 4100 and \$220,710.59 in fund 7780).

BACKGROUND

At the November 10, 2009, Finance and Management Committee, staff was directed to return to discuss:

- A written response from the Police Department on the City Auditor's recommendation to reduce the fleet by 100 vehicles see *Attachment C*; and
- Options for replacing old vehicles (Leasing vehicles, etc.), presented by the Finance and Management Agency on January 26, 2010, see *Attachment B*; and
- PWA critical equipment replacement list and a possible financing/leasing mechanism, see *Attachment D*.

KEY ISSUES AND IMPACTS

Equipment Services Division Overview

The Equipment Services Division (ESD) of the Public Works Agency (PWA) is responsible for "cradle to grave" equipment services. This includes vehicle and equipment maintenance and repair, governmental and environmental compliance, vehicle and equipment specification development, acquisition and disposal, repair part acquisition, motor pool services, fuel for City-owned vehicles and equipment, and specialized services such as vehicle wash and outside vehicle/equipment rental.

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Public Works' ESD has a FY 2009-11 adopted operating budget of \$16,429,210, with 59 full-time equivalent staff positions (8 vacancies) assigned to the division. ESD is responsible for the maintenance of the City's active fleet, which is comprised of 1,639 vehicles and pieces of equipment that have a current total replacement value of approximately \$92,000,000 and an average age of 9.6 years. The ESD is also responsible for working with City agencies/departments to assess annual vehicle and equipment needs.

ESD's role in all fleet acquisition and reduction scenarios is to serve as an advisor and facilitator to its customers, i.e., user agencies/departments. The agency/department is in the best position to determine what type of equipment is best suited for applications required by their day-to-day operations. ESD provides advisory information to departments on what is available in the marketplace that may suit their needs, and by facilitating the acquisition of appropriate equipment by writing specifications and interfacing with the Purchasing Division and vendors. ESD also assesses whether a vehicle is being utilized as efficiently as possible; however, final utilization decisions are left with the user departments. ESD staff continues to evaluate vehicles and equipment for replacement/retention with an eye toward reducing costs.

Fleet Funding

The Equipment Fund supports the maintenance and replacement of the City's motorized fleet. The activities involved include determining fleet requirements; performing preventive maintenance and repairs; providing fuel; and disposing of surplus vehicles. Services are provided by the ESD.

The fleet age is currently 9.6 years, which is more than twice the average age for a similarly sized municipal fleet, as dictated by industry best business practices. ESD has recommended that a minimum of \$8.5 million annually be allocated for replacement funding, especially for the most critical areas of the fleet, i.e., marked and unmarked police vehicles, fire apparatus, parking enforcement vehicles, and specialty construction vehicles / equipment for tree and sewer maintenance and repair activities. \$570,710.59 has been approved for FY 2009-11.

Staff Recommendations:

- Implementation of the City's Auditor's Performance Audit of the Public Works Agency recommendation that the equipment fund be subdivided into two funds; one for new vehicle purchases and one for vehicle maintenance beginning FY 2011-13.
- Allocate an additional 10% of OPD's Equipment Fund charges to the new replacement fund beginning in FY 2011-12. In 2011-12, OPD's budgeted Equipment Fund charges are \$3.75 million, which means an additional \$375,000 would be allocated towards replacement.

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- Work towards allocating as much as \$8.5M annually for vehicle replacement annually starting with the FY 2011 -2013 budget.

Fleet Replacement Funding FY 2009-11, shown in *Exhibit I*:

EXHIBIT I

ORG	FUND	ACCOUNT	PROJECT	PROG	AMOUNT
30541	4100	57611	0000000	IN01	\$350,000.00
107110	7780	57611	C00800	PS11	\$91,222.97
107110	7780	57611	P187410	PS11	\$49,577.00
107110	7780	57611	P233610	PS11	\$79,910.62
TOTAL					\$570,710.59

Acquisitions (major) – FY 2009 – 2010, shown in *Exhibit II*, vehicle selection was based on:

- Grant funding parameters
 - Item 1 – State Water Control Board, Storm Water/Drainage
 - Item 2 – ORA Vehicle Additions
 - Item 3 – Measure Y
- Finance Committee approval
 - Item 4 – Approved November 10, 2009

EXHIBIT II

Item	Equipment ID	Quantity	Model year	Model ID	Equipment description
1	4161	1	2009	VAC-CON	Flusher Combo
2	On Order	2	2010	Crown Victoria	Black Unmarked
3	On Order	6	2010	Crown Victoria	Black/White PSO
4	On Order	2	2010	Altec	PWA Aerial Truck

Fleet Reduction

During this fiscal year, staff issued a memorandum to agency/department heads requesting relinquishment of the 100 least utilized light duty trucks and vans in the fleet. Staff also met with Public Works Agency managers to review underutilized specialty equipment. To date, staff has reduced the fleet by 119 vehicles. Most of those vehicles were antiquated and well beyond the useful lifecycle. Five low mileage vehicles were reassigned to the Parking Enforcement Unit, replacing problematic units. The anticipated savings was offset by the increase of operations and maintenance due to an over-aged fleet.

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City fleet utilization will be reviewed periodically with the objective of identifying underutilized vehicles. Ongoing adjustments will be made by reassigning or disposing the affected vehicles.

Auction Revenue

During the June 23, 2009, Finance and Management Committee meeting, the Committee requested that the ESD capture at least \$100,000 in auction revenue during FY 2009-10.

To date, five auctions have been held resulting in \$211,531.64 proceeds, shown in *Exhibit III*. Proceeds are currently deposited to Fund 4100 revenue account and used for balancing. Equipment Services does not have the authority to re-appropriate the funds.

EXHIBIT III

Date	Event	Proceeds
08/15/09	Auction	\$83,187.79
09/26/09	Auction	\$105,001.06
10/02/09	Salvage	\$950.00
12/11/09	Auction	\$2,092.50
01/30/10	Auction	\$20,300.29
TOTAL		\$211,531.64

Auction Documents, see *Attachment A*.

City CarShare

Staff was directed by the Committee to reduce the number of vehicles contracted with City CarShare from two to one. Staff renegotiated the contract to include only one vehicle for the exclusive use of City staff from 7:00 a.m. to 6:00 p.m. weekdays. The vehicle is available for general public use weekday evenings and weekends. Monthly costs include \$800 in prepaid hours and a \$250 administrative fee. The \$5.00 per hour and \$0.40 per mile cost for vehicle usage is deducted from the \$800 prepaid monthly hours. Usage patterns will be reviewed and shared with the Finance Committee at the next Annual Fleet Report (December, 2010).

SUSTAINABLE OPPORTUNITIES

Economic: As the fleet service provider, ESD supports the delivery of all emergency and non-emergency services in the City of Oakland. Efficient and effective management of the fleet includes working with the Purchasing Division in securing local vendors to provide goods and

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services in support of fleet maintenance and repair, thereby contributing to the health of Oakland's economy.

Environmental: Use of cleaner burning alternative fuels will reduce emissions of hazardous compounds that have been linked to increased rates of cancer and asthma. Cleaner burning fuels will also decrease greenhouse gasses, which most scientists agree are a major contributor to global warming.

Social Equity: A well managed, identifiable fleet of City vehicles and equipment can enhance the City's presence during delivery of services.


DISABILITY AND SENIOR CITIZEN ACCESS

Acceptance of this report does not have any impact on the Americans with Disabilities Act, the Older Americans Act, or other applicable laws.

ACTION REQUESTED OF THE CITY COUNCIL/AUTHORITY

Staff recommends that the City Council accept this report.

Respectfully submitted,



Vitaly B. Troyan, P.E.
Interim Public Works Agency Director
Reviewed by: Bruce Saunders, Assistant Director
Department of Infrastructure and Operations

Prepared by:
Napoleon Campbell, Acting Equipment Services Manager
Equipment Services Division

- Attachments: A – Auction Proceeds
B – Funding Options for City Fleet
C – Police Department Response
D - Critical Replacement Units

APPROVED AND FORWARDED TO THE
FINANCE MANAGEMENT COMMITTEE:



Office of the City Administrator

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Finance & Management Committee
June 8, 2010



First Capitol Auction, Inc.

50 Solano Ave.
Vallejo, Ca 94590
Phone: 707-552-0739
Fax#: 707-552-8613

Bond#: 14663700622

Commercial Liquidations & Appraisals

Settlement Statement for Code: OAK

Name: LORENE CARMICHAEL
Company: CITY OF OAKLAND / CENTRAL RECEIVIN
Address: 7101 EDGEWATER DRIVE
City: OAKLAND, CA 94621
Phone#: Work#: 510-615-5464
Fax#: 510-615-5473

Auction#: 090815

Auction date: 8/15/2009

Lot	Equip#	Description	Other	Transportation	BID	PIF
38	P	7543	BRUSH BANDIT 250XP TOWABLE CHIPPER		\$200.00	\$6,250.00 Y
40	P	7542	MORBARK MODEL 17 TOWABLE CHIPPER		\$133.33	\$3,500.00 Y
76	P	8941	TIGER 6610 SPECIAL W/SIDE MOUNT MOWER ATTACHMENT		\$200.00	\$10,000.00 Y
105	P	7319	INTERNATIONAL 175 SERIES B CRAWLER LOADER W/SCRAPER ATTA		\$200.00	\$6,500.00 Y
155	P	8509	1996 ZIEMAN 2 AXLE FLAT BED EQUIPMENT TRAILER W/WINCH UNK		\$200.00	\$1,700.00 Y
156	P	8505	1991 ZIEMAN 2 AXLE FLAT BED EQUIPMENT TRAILER W/WINCH 6529		\$200.00	\$1,800.00 Y
157	P	8513	1989 ZIEMAN 2 AXLE TILT FLAT BED TRAILER 5331		\$133.33	\$1,700.00 Y
159	PD	7163	1996 MOBIL TOP GUN M-9D SWEEPER TRUCK W/ATHEY SWEEPER 90		\$200.00	\$7,000.00 Y
160	PD	7108	1993 ISUZU NPR SWEEPER TRUCK 8613		\$400.00	\$1,000.00 Y
166	P	4218	1992 FORD F-SUPER DUTY DUMP TRUCK-DIESEL 6210		\$133.33	\$2,250.00 Y
216	P	4098	1990 FORD ECONOLINE 350 20 PASS MINI BUS/WHEELCHAIR ACCESS-			\$0.00
218	P	0167	1987 FORD 8000 FIRE ENGINE - DIESEL 0003		\$200.00	\$3,500.00 Y
219	P	0159	1986 INTERNATIONAL S2600 FIRE TRUCK-DIESEL 3460		\$200.00	\$2,500.00 Y
220	P	0164	1982 INTERNATIONAL 2600 FIRE ENGINE - DIESEL 3510		\$200.00	\$3,250.00 Y
221	P	160	1986 INTERNATIONAL S2600 FIRE TRUCK - DIESEL 4537		\$400.00	\$1,200.00 Y
226	P	4484	1984 CHEVROLET CP32842 STEP VAN-DIESEL 5186		\$400.00	\$1,300.00 Y
227	P	4480	1984 CHEVROLET CP30842 STEP VAN-DIESEL 4234		\$200.00	\$700.00 Y
590	P	4266	1992 FORD F-350 UTILITY BED PICKUP 7158		\$133.33	\$1,100.00 Y
597	P	4177	1992 FORD F-350 UTILITY BED PICKUP W/LIFT GATE 7175		\$133.33	\$1,000.00 Y
626	P	4202	1992 FORD F-350 CREW CAB UTILITY TRUCK 6842		\$100.00	\$600.00 Y
633	PD	5903	1992 FORD CROWN VICTORIA 9011		\$50.00	\$400.00 Y
645	P	1114	2001 FORD CROWN VICTORIA 9064		\$50.00	\$800.00 Y
680	P	4267	1992 FORD F-350 UTILITY BED PICKUP 7159		\$133.33	\$1,100.00 Y
690	P	1298	1992 FORD PASSENGER VAN 0087		\$200.00	\$1,000.00 Y
698	P	1914	2000 FORD CROWN VICTORIA 2324		\$50.00	\$1,200.00 Y
699	PD	0225	1992 FORD CLUB WAGON.VAN 8995		\$50.00	\$1,000.00 Y
702	P	1217	2002 FORD CROWN VICTORIA 6775		\$50.00	\$1,200.00
703	PD	3118	1991 CHEVROLET CAVALIER 4650		\$50.00	\$650.00 Y
754	PD	1327	2003 FORD CROWN VICTORIA 6415		\$50.00	\$500.00 Y
756	P	1331	2003 FORD CROWN VICTORIA 6419		\$50.00	\$1,300.00 Y
760	P	1919	2000 FORD CROWN VICTORIA 2333		\$50.00	\$750.00 Y
768	P	1003	2000 FORD CROWN VICTORIA 2251		\$50.00	\$750.00 Y
769	PD	4485	1984 FORD ECONOLINE 350 2446		\$50.00	\$100.00 Y
772	PD	1599	(PULLED) 1995 MERCURY VILLAGER 4792			\$0.00
780	PD	1696	(PULLED) 1994 FORD THUNDERBIRD 3675			\$0.00
793	PD	4610	1996 FORD F-250 PICKUP 4831		\$133.33	\$600.00 Y
872	PD	4196	1992 FORD F-350 UTILITY PICKUP 7179		\$50.00	\$950.00 Y
1001	PD	0276	1984 CHEVROLET CUSTOM DELUX FIRE TRUCK 0453		\$133.33	\$1,000.00 Y
1003	PD	4180	1992 FORD F-350 UTILITY PICKUP 7182		\$133.33	\$400.00 Y
1004	PD	0275	1984 CHEVROLET DELUXE 0445		\$133.33	\$1,000.00 Y
1005	PD	1224	2002 FORD CROWN VICTORIA 6780		\$50.00	\$400.00 Y
1006	DP	0274	1984 CHEVROLET CUSTOM DELUXE 0411		\$200.00	\$1,100.00 Y
1014	PD	1213	2002 FORD CROWN VICTORIA 6771		\$50.00	\$450.00 Y
1016	PD	4001	1980 FORD 600 BOX TRUCK 6817		\$100.00	\$400.00 Y
1027	PD	1023	2000 FORD CROWN VICTORIA 2271		\$50.00	\$600.00 Y
551	PD	1008	2000 FORD CROWN VIC 2256		\$50.00	\$800.00
695	P	3104	1991 CHEV CAVALIER 4073		\$50.00	\$600.00 Y
696	P	1063	2000 FORD CROWN VIC 2307		\$50.00	\$1,300.00 Y
697	P	3113	1991 CHEV CAVALIER 3506		\$50.00	\$500.00 Y
700	P	1207	2002 FORD CROWN VIC 6765		\$50.00	\$1,300.00 Y
701	P	3105	1991 CHEV CAVALIER 4032		\$50.00	\$700.00 Y
704	P	1222	2002 FORD CROWN VIC 6778		\$50.00	\$1,150.00 Y
705	PD	1175	1991 FORD AEROSTAR 8272		\$50.00	\$700.00 Y
771	PD	1221	2002 FORD CROWN VIC 6779		\$50.00	\$500.00 Y
776	PD	1121	2001 FORD CROWN VIC 9071		\$50.00	\$500.00 Y
778	PD	1046	2000 FORD CROWN VIC 2300		\$50.00	\$300.00 Y



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Phone#: Work#: 510-615-5464
Fax#: 510-615-5473

Auction#: 090815

Auction date: 8/15/2009

Lot	Equip#	Description	Other	Transportation	BID	PIF
779	PD 1743	1997 FORD CROWN VIC 1271		\$50.00	\$100.00	Y
784	PD 1021	2000 FORD CROWN VIC 2269		\$50.00	\$500.00	Y
788	PD 1214	2002 FORD CROWN VIC 6770		\$50.00	\$500.00	Y
792	P 1004	2000 FORD CROWN VIC 2252		\$50.00	\$600.00	Y
820	PD 1210	2002 FORD CROWN VIC 6766		\$50.00	\$500.00	Y
827	P 4289	1992 FORD F-250 0975		\$50.00	\$1,000.00	Y
835	PD 3123	1991 CHEV CAVALIER 3546		\$50.00	\$400.00	Y
837	PD 3705	1997 FORD CONTOUR 3427		\$50.00	\$800.00	Y
840	P 4200	1992 FORD CLUB WAGON 2509		\$50.00	\$1,100.00	Y
842	P 4421	1994 DODGE RAM 2040		\$50.00	\$550.00	
848	PD 1130	2001 FORD CROWN VIC 9080		\$50.00	\$600.00	Y
851	PD 4292	1992 FORD F-250 0977		\$50.00	\$1,600.00	Y
1021	PD 1208	2002 FORD CROWN VIC 6764		\$50.00	\$100.00	Y
F46	8814	TOWABLE HYDRO BLASTER		\$200.00	\$1,500.00	Y
F52	8910	DITCHWITCH WALK BEHIND TRENCHER		\$50.00	\$375.00	Y
F53	8741	SIMPSON PRESSER WASHER			\$75.00	Y
F54	9085	UPRIGHT PORTABLE MANLIFT		\$133.33	\$450.00	Y
F91		STAINLESS STEEL TANK			\$50.00	Y
F92		ENGINE HOIST			\$100.00	Y
F93		FORKLIFT BOOM EXTENSION		\$50.00	\$575.00	Y
F97	7576	CRAFTCO TOWABLE CRACK SEALER		\$133.33	\$2,600.00	Y
F143		HALON 1211 FIRE EXTINGUISHER			\$125.00	Y
F155	2463	EVIDRUDE BOAT MOTOR			\$275.00	Y
F161		PALLET OF REFLECTOR KITS			\$250.00	Y
F164		PALLET OF TIRES			\$100.00	Y
Total Bids				\$7,649.9	\$97,675.00	
Less 7% Commission					(\$6,837.25)	
Less Transportation					(\$7,649.96)	
Net to Seller					\$83,187.79	



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Name: LORENE CARMICHAEL
Company: CITY OF OAKLAND / CENTRAL RECEIVIN
Address: 7101 EDGEWATER DRIVE
City: OAKLAND, CA 94621
Phone#: Work#: 510-615-5464
Fax#: 510-615-5473

Auction#: 090926

Auction date: 9/26/2009

Lot	Equip#	Description	Other	Transportation	BID	PIF
36	P 7124	TENNANT 4300 SWEEPER		\$200.00	\$1,700.00	Y
37	P 7102	TENNANT 4300 SWEEPER		\$200.00	\$3,600.00	Y
38	P 7105	TENNANT SIDEWALK SWEEPER GRIME BUSTER		\$133.33	\$1,900.00	Y
39	P 7104	TENNANT SIDEWALK SWEEPER GRIME BUSTER		\$133.33	\$1,700.00	Y
40	P 7107	TENNANT 7400 SWEEPER		\$200.00	\$3,100.00	Y
148	P 7174	2001 FREIGHTLINER FL70 SWEEPER TRUCK - DIESEL 6809		\$200.00	\$17,000.00	Y
148	P 7176	2001 FREIGHTLINER FL70 SWEEPER TRUCK - DIESEL 1910		\$200.00	\$17,000.00	Y
150	P 7131	2000 FREIGHTLINER FL70 SWEEPER TRUCK - DIESEL 5217		\$200.00	\$16,000.00	Y
151	P 7128	2000 FREIGHTLINER FL70 SWEEPER TRUCK - DIESEL 5208		\$133.33	\$13,000.00	Y
152	P 7129	2000 FREIGHTLINER FL70 SWEEPER TRUCK - DIESEL 5205		\$200.00	\$11,000.00	Y
184	P 4039	1990 FORD F-700 2 AXLE DUMP TRUCK - DIESEL 5524			\$0.00	
185	P 4037	1990 FORD F700 2 AXLE DUMP TRUCK - DIESEL 2607	\$200.00		\$1,600.00	Y
204	P 4174	1990 FORD CARGO 8000 DUMP TRUCK W/LOADER BUCKET - DIESEL 1	\$200.00		\$1,200.00	Y
208	P 4208	1992 FORD F-800 STAKESIDE FLATBED TRUCK - DIESEL 3899	\$200.00		\$4,000.00	Y
211	P 4217	1992 FORD F800 ASPHALT TRUCK W/COMPRESSOR - DIESEL 3898	\$200.00		\$500.00	Y
218	P 4511	1995 FORD F-SUPER DUTY-DIESEL 7449	\$200.00		\$3,400.00	Y
219	P 4222	1992 FORD 2 AXLE DUMP TRUCK-DIESEL 6214	\$200.00		\$1,000.00	Y
232	P 4098	1990 FORD ECONOLINE 350 20 PASSENGER MINI BUS W/WHEEL CHAI	\$200.00		\$300.00	Y
612	P 4194	1992 FORD F-350 UTILITY PICKUP W/LIFT GATE 7180			\$0.00	
613	P 4460	1994 FORD F-250 PICKUP W/DUMP BED 9363	\$50.00		\$950.00	Y
614	P 1134	2001 FORD CROWN VICTORIA 9084	\$50.00		\$1,600.00	Y
656	PD 4258	1992 FORD ECONOLINE 250 CARGO VAN 2133	\$50.00		\$750.00	Y
657	PD 1035	2000 FORD CROWN VICTORIA 2283	\$50.00		\$600.00	Y
709	PD 1115	2001 FORD CROWN VICTORIA 9055	\$50.00		\$900.00	Y
715	P 4197	1992 FORD F-350 UTILITY PICKUP W/LIFTGATE 7178	\$50.00		\$900.00	Y
716	P 1026	2000 FORD CROWN VICTORIA 2274	\$50.00		\$1,400.00	Y
729	PD 4804	1988 CHEVROLET 2500 PICKUP W/PRESSURE WASHER 2966	\$50.00		\$550.00	
739	PD 1599	1995 MERCURY VILLAGER 4792	\$50.00		\$600.00	Y
740	P 1240	2002 FORD CROWN VICTORIA 6796	\$50.00		\$1,200.00	
745	PD 0014	1994 FORD EXPLORER SUV 4X4 1804	\$50.00		\$600.00	Y
746	PD 1131	2001 FORD CROWN VICTORIA 9081	\$50.00		\$1,300.00	Y
747	PD 1248	2002 FORD CROWN VICTORIA 6802	\$50.00		\$1,300.00	Y
748	PD 4227	1992 FORD F-250 PICKUP W/DUMP BED 6691	\$50.00		\$750.00	Y
749	PD 1235	2002 FORD CROWN VICTORIA 6793	\$50.00		\$1,100.00	Y
751	P 4237	1992 FORD F-250 TRUCK 6685	\$50.00		\$450.00	Y
752	PD 1034	2000 FORD CROWN VICTORIA 2282	\$50.00		\$650.00	
754	P 1036	2000 FORD CROWN VICTORIA 2284	\$50.00		\$1,200.00	
1014	PD 4195	1992 FORD F-350 UTILITY PICKUP 7177	\$50.00		\$250.00	Y
1018	PD 4239	1992 FORD F-250 EXT CAB UTILITY TRUCK 6687	\$50.00		\$300.00	Y
1021	P 4221	1992 FORD F-SUPER DUTY PICKUP W/DUMP BED- DIESEL 6213	\$50.00		\$500.00	Y
F144	7103	TENNANT RIDER ON SWEEPER (MISSING PARTS			\$25.00	Y
F146		PALLET OF MOTORCYCLE TIRES			\$75.00	Y
F164	7574	1998 PBLOA TOWABLE TAR POT P.B. LOADER 0882			\$500.00	Y
F165	7575	1998 PBLOA TOWABLE TAR POT P.B. LOADER 0881			\$500.00	Y
Total Bids				\$4,249.8	\$116,650.00	
Less 6.3% Commission					(\$7,348.98)	
Less Misc. Expenses					(\$50.00)	
Less Transportation					(\$4,249.99)	
Net to Seller					\$105,001.06	

JUNK LIST
10-02-09

OPD CARS :

VEHICLE NO.	YEAR	MAKE	MODEL	VIN	MILEAGE	License Plate	Title	Plate #	Condition	Comments	Sent to central stores
1183	1991	CHEVY	CAVALIER	1G1JCB4G2M7113343		Y				\$50.00	
1238	2002	Ford	CROWN VICTORIA	2FAPP71W52X106794	89,577	Y	CA62127107	E1130298		\$50.00	
1589	1996	Ford	FMD ESCORT SEDAN 4DR	3FASP13J7TR106678	68,402	Y	CA17072663	E011236		\$50.00	
1696	1994	Ford	FMD THUNDERBIRD	1FALP6245RH203675	145,527	Y	CA05312204	1QTE293		\$50.00	
1661	1998	Ford	FMD ESCORT SEDAN	1FAPP13PXWW118685	24,189	Y		E050196		\$50.00	
1867	1988	Chevy	CHV CELEBRITY 1988	1G1AW81WXJ6206809	89,202	Y	CA1093944	E933876		\$50.00	
3016	1990	Ford	FMD ESCORT SEDAN	1FAPP9894LT132656	20,586	Y	ET03740977	E203738		\$50.00	
3292	1992	Ford	FMD ESCORT WAGON	3FAPP15J5NR163838	60,429	Y		E343578		\$50.00	
3293	1992	Ford	FMD ESCORT WAGON	3FAPP15J7NR163839	57,027	Y	ET19515497	E343609		\$50.00	
3720	1997	Ford	FMD CONTOUR SEDAN	1FALP65ZVXK164195	90,436	Y	CA24188265	E020448		\$50.00	
3722	1997	Ford	FMD ESCORT SEDAN	1FALP13P0VW287888	59,300	Y	CA24652751	E020481		\$50.00	
3803	1998	Ford	FMD ESCORT	1FAPP13P7WW118689	31,277	Y	CA30810452	E1001516		\$50.00	
3810	1998	Ford	FMD ESCORT WAGON	3FAPP15P7WR270990	85,125	Y	CA35253660	E1004655		\$50.00	
3818	1998	Ford	FMD ESCORT WAGON	3FAPP15P6WR272200	72,921	Y	CA35253688	E1004652		\$50.00	
3869	1989	Ford	FMD ESCORT SEDAN	1FAPP9897KW220789	69,328	Y	JU3157620	E493650		\$50.00	
4456	1994	Ford	FMD F-250 PICKUP DUMP	2FTHF25H4RCA51907	118,649	Y	CA04874590	E376830		\$50.00	
4623	1995	Dodge	DGE RAM2500 PICKUP	1B7JC26T3SS356443	60,511	Y	CA25030620	E050103		\$50.00	
4735	1997	Ford	FMD F-250 PICKUP 4X2	1FTFF27M0VKD69451	91,139	Y		E1006751		\$50.00	
		Chevy	Chevy Van	CGL258U159198						\$50.00	

A & B VEHICLE PROCESSING, INC.
8717 G STREET
OAKLAND, CA 94621

28298

DATE 10/8/09

16-1606-1220

to: \$950.00

1.4100.30541.45119.0000000

120

THE
DEPT

City of Oakland
Nine Hundred Fifty and No/100

\$950.00

DOLLARS

CITY NATIONAL BANK
San Leandro
510-347-3410
1100 San Leandro Blvd., Ste. 100
San Leandro, California 94577

Richard J. Garcia

028298 122016066 4441017740



First Capitol Auction, Inc.

50 Solano Ave.
Vallejo, Ca 94590
Phone: 707-552-0739
Fax#: 707-552-8613

Bond#: 14663700622

Commercial Liquidations & Appraisals

Settlement Statement for Code: OAK

Name: LORENE CARMICHAEL
Company: CITY OF OAKLAND / CENTRAL RECEIVING
Address: 7101 EDGEWATER DRIVE
City: OAKLAND, CA 94621
Phone#: Work#: 510-615-5464
Fax#: 510-615-5473

Auction#: 091211

Auction date: 12/11/2009

Lot	Equip#	Description	Other	Transportation	BID	PIF
58	P 4039	1990 FORD F700 2 AXLE DUMP TRUCK - DIESEL 5524		\$200.00	\$1,200.00	Y
32	P 4194	1992 FORD F-350 UTILITY PICKUP W/LIFT GATE 7180		\$50.00	\$1,300.00	Y
Total Bids				\$250.00	\$2,500.00	
Less 6.3% Commission					(\$157.50)	
Less Transportation					(\$250.00)	
Net to Seller					\$2,092.50	

FIRST CAPITOL AUCTION, INC.
707-552-0739
PO BOX 1594
BENICIA, CA 94510

WESTAMERICA BANK
NO. 20 SOLANO SQUARE
BENICIA, CA 94510
90-4021/1211

11524

12/30/2009

PAID TO THE ORDER OF CITY OF OAKLAND

\$ **2,092.50

Two Thousand Ninety-Two and 50/100*****

DOLLARS

CITY OF OAKLAND/CENTRAL RECEIVING
LORENE CARMICHAEL
7101 EDGEWATER DRIVE
OAKLAND, CA 94621

VOID AFTER 120 DAYS

AUTHORIZED SIGNATURE

EMD

12/09 AUCTION PROCEEDS

⑈011524⑈ ⑆121140218⑆ 0103063061⑈

1,4100.30541,45119.000000,1N01



First Capitol Auction, Inc.

50 Solano Ave.
Vallejo, Ca 94590
Phone: 707-552-0739
Fax#: 707-552-8613

Bond#: 14663700622

Commercial Liquidations & Appraisals

Settlement Statement for Code: OAK

Name: LORENE CARMICHAEL
Company: CITY OF OAKLAND / CENTRAL RECEIVIN
Address: 7101 EDGEWATER DRIVE
City: OAKLAND, CA 94621
Phone#: Work#: 510-615-5464
Fax#: 510-615-5473

Auction#: 100130

Auction date: 01/30/2010

Table with columns: Lot, Equip#, Description, Other, Transportation, BID, PIF. Contains auction items such as 1992 FORD F-800 2 AXLE DUMP TRUCK, 1996 FORD F-250 PICKUP, etc.

CITY OF OAKLAND
AGENDA REPORTFILED
OFFICE OF THE CITY CLERK
OAKLAND

2010 JAN 13 PM 6:09

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Finance and Management Agency
DATE: January 26, 2010
RE: **Informational Report on Funding Options for the City's Fleet**

SUMMARY

The Equipment Services Division of the Public Works Agency estimates that \$8.5 million is needed annually to replace vehicles in the City's fleet, but less than 6% of that amount is budgeted for each fiscal year. At the November 10, 2009 Finance and Management Committee, staff was asked to explore potential financing options for the City's fleet; this report provides details on the options considered and the feasibility of each.

FISCAL IMPACT

This is an informational report. There is no fiscal impact.

BACKGROUND

In the annual fleet report provided to the Finance and Management Committee on November 10, 2009, the Equipment Services Division (ESD) of the Public Works Agency reported that \$8.5 million annually would be required to fully fund the City's fleet replacement needs, but only \$570,710 has been budgeted. Given the City's current fiscal crisis, identifying another source of funding for equipment replacement is a challenging task.

KEY ISSUES AND IMPACTS

Staff has explored the following options for fleet financing:

- Leasing
- Grant funding
- General Obligation (GO) Bonds
- Parcel tax

Leasing

In 2002, the City used leasing as a way to replace a number of police vehicles. The lease contract was tied to the Equipment Fund (Fund 4100). This means that payments on the lease service had to be made from the fund, requiring appropriate budget allocations. For the most part, such budget allocations necessitate transfers from the General Purpose Fund (the Police and Fire Departments are the main vehicle users in the City). Additional funding transfers from the

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Finance and Management Committee
January 26, 2010

General Fund are simply not feasible in the current fiscal environment without reducing funding for other programs.

Moreover, Fund 4100 has developed a negative fund balance of approximately \$18 million. Should the City consider a leasing program (and identify General Fund resources to support lease payments), creditors are very unlikely to fund a lease contract without a positive fund to back it up. Staff does not recommend borrowing against the General Purpose Fund (GPF) for a fleet replacement lease given the anticipated deficit in the GPF budget.

Grant Funding

The Equipment Services Division of the Public Works Agency (ESD) explored potential grant funding options. On May 5, 2009, the City Council approved Resolution No. 81972 C.M.S., authorizing the City Administrator to apply for, accept and appropriate up to \$500,000 in grant funds under the Clean Cities FY09 Petroleum Reduction Technologies Projects for Transportation Sector Area Interest #4. The grant solicitation was part of a larger effort headed jointly by the Bay Area Air Quality Management District (AQMD), the San Francisco Clean Cities Coalition, and the East Bay Clean Cities Coalition. Staff was notified in August 2009 that the Bay Area was not awarded grant funding. Staff continue to monitor for AQMD grant opportunities, but at this time, none are available.

Last fiscal year, Council authorized the Police Department (OPD) to use \$700,000 from the annual funding it receives from the State of California's "Citizen's Options for Public Safety" Grant (COPS Program) and from the U.S. Department of Justice Edward Byrne Memorial Justice Assistance Grant (JAG Program) to fund the purchase of 19 replacement marked police vehicles. In March 2009, OPD notified ESD staff that it had received significantly less money than projected from both the COPS grant and the JAG grant, necessitating that OPD reduce the number of replacement vehicles it agreed to fund from 19 to 6.

The federal government is in discussions about the possibility of there being a second stimulus package that could include funding for working assets. As the City considers its funding needs, support for fleet replacement could be forwarded to the City's lobbyists for a new stimulus funding request.

Staff continues to research and look for grant funding, but so far have not identified any new grant funding opportunities.

General Obligation (GO) Bonds

Staff has researched the possibility of issuing GO Bonds to generate funding for the fleet replacement project. There are strict guidelines and requirements governing the issuance of GO Bonds, one of which is that they cannot be used to fund working capital, such as vehicles and equipment. In addition, repayments of any bonds would take resources away from the City's General Fund – as explained under "Leasing" above – and would lead to reductions in programs and services.

Parcel Tax

Staff considered the option of putting a parcel tax before the voters to generate \$8.5 million per year. However, given the current economic climate and other pressing needs for which the City may need to raise funds through a parcel tax, the voters may not support an additional tax to fund the City's fleet.

Staff will continue to research the City's options for financing replacement of the City's fleet and will provide Council with an update as part of the mid-cycle budget review process.

SUSTAINABLE OPPORTUNITIES

There is no impact to economic, environmental or social equity opportunities following actions under this report.

DISABILITY AND SENIOR CITIZEN ACCESS

There is no impact to disability or senior citizen access following actions under this report.

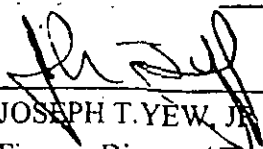
RECOMMENDATION(S) AND RATIONALE

Staff recommends Council's acceptance of this informational report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that Council accept this informational report.

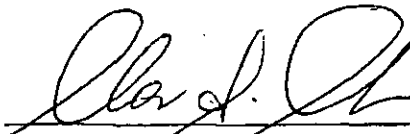
Respectfully submitted,



JOSEPH T. YEW, JR.
Finance Director/ Treasurer

Prepared by:
Kip Walsh, Administrative Services Manager II
Finance & Management Agency

APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE:



Office of the City Administrator

Item: _____
Finance and Management Committee
January 26, 2010

This is in response to the question raised by the Finance & Management Committee regarding "A written response from the Police Department on the City Auditor's recommendation to reduce the fleet by 100 vehicles."

The Oakland Police Department (OPD) disagrees with the City Auditors recommendation to reduce its fleet by 100 vehicles, and would further add that a fleet reduction by any number of vehicles will effectively cripple OPD's crime reduction efforts and severely impact officers' ability to respond to calls for service.

Below are additional concerns with the recommendation:

- Problem Solving Officers (PSOs) not funded through Measure Y need to have their own secured vehicles.
- OPDs current schedule is flexible and staggered over a 24 hour period which allows for more efficient deployment of field officers to cover peak periods when calls for service are high.

Additionally, overlapping line-ups do not allow for a complete rotation of cars. OPD has several patrol squads and other special patrol teams that operate in their own vehicles because scheduling does not allow for the cars to be shared.

Critical Equipment Replacement Needs as of May 2010

Attachment D

Vehicle Type	Active	Useful Life	Average Age	Critical Units	Replacement Cost	Comments
OFD Pumpers	30	15	11	2	\$ 900,000.00	2 units > 18 yrs old
OFD Ladder/Aerial	10	20	12	2	\$ 1,900,000.00	2 units > 20 yrs old
OPD Marked Patrol (Non Measure Y)	227	3	6	56	\$ 2,156,000.00	56 units > 7 yrs old
Parking Enforcement Vehicles	70	7	11	29	\$ 725,000.00	29 units > 13 yrs old
PWA Sweepers	21	5	4	11	\$ 2,750,000.00	11 units > 5 yrs old
PWA Sewer Flusher	5	10	9	3	\$ 825,000.00	3 units > 10 yrs old
PWA Rodder	3	7	9	3	\$ 405,000.00	3 units > 9 yrs old
PWA Lift/Aerial Truck	20	10	11	4	\$ 440,000.00	4 units > 17 yrs old
PWA Patcher Truck	4	10	7	3	\$ 420,000.00	3 units > 9 yrs old
Total Cost to Replace Critical Equipment					\$ 10,521,000.00	