City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 6, 2006

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO 84: CITY VEHICLE FLEET SIZE AND GROWTH

This memorandum is provided in response to Councilman Krupika's request relating to the growth in the City fleet since 1997 and the possible impacts of a 10% to 20% reduction in fleet size.

It should be noted that the fleet is comprised of a great variety of types of vehicles and equipment with multiple uses. The following chart shows the FY 2005 actual vehicle fleet composition.

VEHICLE TYPE/CLASS DELINEATION	
Description	**Quantity**
Buses	4
Cruisers, Marked	188
Dump Trucks, Refuse Trucks, Sewer Maint. Trucks, Aerial Ladder Trucks	64
Sedans, Mid-Size (6-cyl)	62
Sedans, Small (4-cyl)	71
Sedans, Large (8-cyl)	55
Trucks, Pick-up & SUVs	183
Van, (mini-van, ½ ton, 3/4 ton)	106
Fire Engines/Pumpers	11
Medic Units	8
Special Operations/Support Units	4
Other Equipment:	
Excavators, Loaders	14
GO-4 (Parking Enforcement cart)	3
Miscellaneous Equipment (compressors, generators, sweepers, snow, lawn, rescue/extrication)	91
Motorcycles	15
Scooters, ATVs	9
Tractors, Fork Lifts	11
Trailers	49
Turf/Grass Maintenance, Chippers, Shredders	19
TOTAL	**967**

As the chart on the previous page illustrates, of the total of 967 vehicles, 193 are utility type or non-street tagged equipment including trailers, loaders, chippers, turf equipment, sweepers, generators, compressors, scooters, all terrain vehicles, tractors, forklifts, lawn, snow and rescue/extrication equipment. In addition, 98 pieces are categorized as buses, heavy trucks, medic units, special operations/support units, motorcycles and small parking enforcement vehicles.

The projected City fleet size for 2007 is 1,020 vehicles and other pieces of equipment, compared to a total of 759 in 1997. The City has experienced a growth of 236 vehicles, or 31.1%, in the last ten years of this 236 vehicle increase, 67.3% were for public safety vehicles. The process for additions to the fleet is that the department considering additions requests and justifies that addition through the operating budget process. This request is evaluated and recommended for approval or denial as part of that process. The following chart indicates the areas of fleet growth over the last ten years (1997-2007).

FLEET SIZE BY DEPARTMENT/AGENCY

Department	FY1997	FY2007 (Projected)	Change
ARHA*	n/a	25	N/A
City Manager	1	0	-1
Commonwealth Attorney	1	1	0
General Services	78	89	11
Health Department	4	5	1
Historic Alexandria	2	3	1
Human Services	33	35	2
ITS	0	2	2
Juvenile Court	4	5	1
Libraries	2	3	1
MH/MR/SA	32	39	7
Planning & Zoning	1	3	2
Police	214	324	110
Fire	136	185	49
Recreation	87	112	25
Sheriff	29	35	6
T&ES	135	154	19
TOTAL	759	1,020	236
PERCENT CHANGE			31.1%

* General Services did not begin maintaining ARHA vehicles until FY 2003.

As shown on the chart, the greatest area of growth in the last ten years, has been in the Police Department (110 vehicles), followed by Fire (49 vehicles), Recreation (25 vehicles) and the Department of Transportation and Environmental Services (T&ES - 19 vehicles). These departments have experienced corresponding increases in personnel and job responsibilities over the same period. For example increased maintenance of sidewalks and in parks and athletic fields has required additional vehicles. These four departments have 76% of the FY 2007 projected total of vehicles, compared to 75.4% of the FY1997 total. If the City considers implementing a 10% or

greater reduction in fleet size it would, of necessity, involve these departments and will have an impact on service delivery in the City. If a 10% reduction were applied across the board, the Police Department will loose 32 vehicles; Fire, 18 vehicles; T&ES, 15 vehicles; and the Department of Recreation, Parks and Cultural Activities, 11 vehicles.

In July of 2005, I initiated a number of City-wide process improvement teams. As a result, the Fleet Management Improvement Team was formed with the express purpose of analyzing current fleet operations, practices and composition, and recommending efficiencies or other improvements. This team has met regularly and proposed several efficiencies, one of which is the downsizing of the types of vehicles used for various activities resulting in significant savings (vehicle purchase costs and fuel savings) within the next few years (Attachment 1). In addition, as the next phase in City audits and efficiency studies, the Team will be working with an outside consultant to perform a comprehensive overview of the vehicle maintenance operations, vehicle size and number of vehicles. (This will include City, School and Fire vehicle maintenance.) The committee has proposed an annual review of the size of the fleet and the first evaluation will be conducted prior to the FY 2008 budget season. I am certain this process will produce additional efficiencies and savings for the City.

Vehicle Downsizing Program Estimated Costs Savings

Attachment 1

Targeted Monitor Group	Vehicle Description	2007 Potential Vehicle Cost Saving		2008 Potential Vehicle Cost Savin		2009 Potential Vehicle Cost Savin		2010 Potential Vehicle Cost Savin		2011 Potential Vehicle Cost Saving		2012 Potential Vehicle Cost Saving	
		Units	Down-size-saving	Units	Down-size Savings	Units	Down-Size Saving	Units	Down-Size Saving	Units	Down-size Saving	Units	Down-size Saving
A3	Med-Sized sedan -units down												
	to Compact sedans (4) cyl	18	$54,000	10	$25,000	5	$12,500	3	$6,000	5	$10,000	5	$7,500
	Maintenance and Fuel		$2,700		$1,575		$827		$521		$912		$957
	Subtotal		$56,700		$26,575		$13,327		$6,521		$10,912		$8,457
A4	Full Size Sedans V8 -												
	Downsize unit to Mid size-V6	10	$100,000	5	$50,000	5	$50,000	3	$28,500	5	$47,500	5	$47,500
	Maintenance and Fuel		$5,920		$3,108		$3,263		$2,056		$3,598		$3,778
	Subtotal		$105,920		$53,108		$53,263		$30,556		$51,098		$51,278
C3-C4	Full Size Vans V8												
	Down Size to Med-size V6	13	$19,500	5	$7,500	2	$3,000	2	$3,400	3	$4,500	2	$2,000
	Maintenance and Fuel		$9,880		$3,990		$1,676		$1,760		$2,771		$1,940
	Subtotal		$29,380		$11,490		$4,676		$5,160		$7,271		$3,940
B3	Large SUV V8												
	Downsize to Small SUV--V6	3	$18,000	3	$18,000	3	$18,000	2	$12,000	2	$12,000	1	$6,500
	Maintenance and Fuel		$90		$95		$99		$69		$73		$38
	Subtotal		$18,090		$18,095		$18,099		$12,069		$12,073		$6,538
6	Large Dump Trucks-2-Axles									0		0	
	Down Size to Single Axles	2	$30,000	2	$24,000	1	$12,000	1	$12,000		$0		$0
	Maintenance and Fuel		$1,002		$1,052		$552		$580		$0		$0
	Subtotal		$31,002		$25,052		$12,552		$12,580		$0		$0
	Potential Annual Savings		**$241,092**		**$134,320**		**$101,918**		**$66,886**		**$81,354**		**$70,213**
													$695,782

Assumptions

Vehicle Class	Cost Category	FY 07	FY 08	FY09	FY10	FY11	FY12
Compact	Purchase	$10,500	$11,500	$12,000	$13,500	$14,000	$15,000
	Maintenance & Fuel	$1,403	$1,473	$1,547	$1,624	$1,705	$1,791
Mid-Size	Purchase	$13,500	$14,000	$14,500	$15,500	$16,000	$16,500
	Maintenance & Fuel	$1,553	$1,631	$1,712	$1,798	$1,888	$1,982
Full Size	Purchase	$23,500	$24,000	$24,500	$25,000	$25,500	$26,000
	Maintenance & Fuel	$2,145	$2,252	$2,365	$2,483	$2,607	$2,738
Mid Size Van	Purchase	$13,500	$14,000	$14,500	$15,000	$15,500	$16,500
	Maintenance & Fuel	$1,872	$1,966	$2,064	$2,167	$2,275	$2,389
Full Van	Purchase	$15,000	$15,500	$16,000	$16,700	$17,000	$17,500
	Maintenance & Fuel	$2,632	$2,764	$2,902	$3,047	$3,199	$3,359
Small SUV	Purchase	$23,500	$25,000	$25,500	$26,000	$26,500	$27,000
	Maintenance & Fuel	$1,777	$1,866	$1,959	$2,057	$2,160	$2,268
SUVs	Purchase	$29,500	$31,000	$31,500	$32,000	$32,500	$33,500
	Maintenance & Fuel	$1,807	$1,897	$1,992	$2,092	$2,196	$2,306
Single Axle Trks.	Purchase	$95,000	$105,000	$110,000	$115,000	$0	$0
	Maintenance & Fuel	$7,569	$7,947	$8,345	$8,762	$0	$0
2-Axle Trucks	Purchase	$110,000	$117,000	$122,000	$127,000	$0	$0
	Maintenance & Fuel	$8,070	$8,474	$8,897	$9,342	$0	$0

Maintenance and fuel costs increase 5%

Definitions of Monitor Groups

A3 - Med-Sized Sedan
A4 - Full-Size Sedans V8
C3-C4 - Full Size Vans V8
B3 - Large SUV V8
6 - Large Dump Trucks - 2 Axles

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