

BOARD OF SUPERVISORS MINUTES WITH SUPPLEMENTAL TRANSCRIPT
(Where a supplemental transcript is available it is printed in bold type)

OFFICE OF BOARD OF SUPERVISORS
YAVAPAI COUNTY, ARIZONA

Prescott, Arizona

July 27, 2005

The Board of Supervisors met in special session on July 27, 2005, at 9:00 a.m.

Present: Carol Springer, Chairman; Thomas Thurman, Vice Chairman; Chip Davis, Member (late, via teleconference from Cottonwood); Bev Staddon, Clerk.

Also present: Jim Holst, County Administrator; Dave Hunt, Board Attorney/Assistant County Administrator; David Gartner, Fleet Management Director; Mike Danowski, Finance Director.

The following elected officials, department heads or other County staff participated in discussion: Steve Waugh, Sheriff; Carolyn A. Ladner, Assessor's Office; Scott Mabery, Juvenile Probation Director; Barbara Kile, Library District Director; Commander Andy Bacon, Sheriff's Office; Lynn Constabile, Elections Director; Billie Grobe, Adult Probation Director; Captain John Russell, Sheriff's Office; Phil Bourdon, Assistant Public Works Director; and Commander Scott Mascher, Sheriff's Office.

Clerk's note: A copy of these minutes with a supplemental transcript is available in the Office of the Clerk of the Board of Supervisors and is also available on the County website.

STUDY SESSION

S – BOARD OF SUPERVISORS

S1. Utilization of County vehicles.

Chairman Springer said the goal was to begin developing a vehicle utilization policy manual to assist department heads in the management of their department's vehicles. She reminded those present that in the 2005-2006 budget the Board had included the cost of vehicles for each department. She said the Board was also considering a policy regarding replacement of vehicles that would provide for turning them over more often than they had been in the past. Mr. Gartner said that in the past vehicles had been run for quite a long time and that it was costly because after a certain period of time the vehicles had no resale value. He said he was looking at rotating vehicles out faster and selling them for more money, and that with newer vehicles his staff would spend less time working on them and they would be on the road more often. He said that once a vehicle reached 80,000 miles or more it was necessary to start replacing transmissions and so on. Chairman Springer asked about the warranty on new vehicles. Mr. Gartner said it was generally three years or 36,000 miles but that in some cases there were County vehicles that were being driven nearly 60,000 miles per year which meant that the vehicle was out of warranty after about six months. Chairman Springer said it was her understanding from information Mr. Gartner had provided her that the average use for County vehicles was 12,000 to 15,000 miles per year. Mr. Gartner said that was correct. Chairman Springer said that in order for departments to manage their vehicles department managers would need information, and she asked Mr. Gartner what kind of information he would be providing to managers about the vehicles under their control. Mr. Gartner reviewed a spread sheet showing which vehicles were assigned to the various departments and pointing out that the spreadsheet included information about maintenance costs per mile and also replacement costs. He noted that the larger the vehicle, the more it cost to operate. He added that the driver assigned to any given vehicle could also have a great impact on the maintenance costs for the vehicle. Chairman Springer asked if anyone present had any questions about how to interpret the report that Mr. Gartner would be providing to departments. There was no response. At this point, Supervisor Davis joined the meeting and was present throughout the remainder of the meeting. Sheriff Waugh noted that the annual cost for vehicles included replacement costs and he asked if there would be a rollover in the departmental budgets if a vehicle was cycled every two years. Mr. Holst said that for the first year departments would not be charged for the cost of a new vehicle and that it was calculated into the mileage rate. He said he was not looking at carrying over any money from one year to the next. Mr. Gartner said departments were contributing toward the general purchase of vehicles and that they would receive replacement vehicles when they were due. Sheriff Waugh asked how to account for differences in the cost of vehicles. Mr. Holst said that would not happen and that mileage was built into replacement. Supervisor Thurman asked if this would create an incentive for departments to be frugal with their cars. Sheriff Waugh asked whether money that would be saved from not using a vehicle could be applied to upgrading equipment. He said it was difficult to manage a fleet and the money associated with that if one did not know from one year to the next how much money would be available for capital purchases.

Chairman Springer said she thought one of the issues to be discussed was upgrading or downgrading vehicles and who should make that decision. She said that while this decision might also come to the Board of Supervisors, she felt that how to make changes in the type of vehicles used for any given job should be part of the policy. She said she thought it was important to look at use as well, noting that vehicles for the Sheriff's Office had been upgraded because they received rougher use. Sheriff Waugh agreed, saying he appreciated the support the Board had given his department. He said his only concern was how to determine what money was available for vehicles so he could look at whether it would be appropriate to purchase one more expensive vehicle or perhaps a couple of less expensive ones. Mr. Holst said that one of the things about moving the cost of vehicles into department's budgets was that if the money was in their budgets department heads would want to have some say about how the money is spent. He said if things were changed so that each department is managing its own fleet then the County would have 40 different fleets. Supervisor Davis said he thought it was appropriate for Mr. Gartner to work with 40 different departments to make sure the departments are receiving the right kind of vehicles to get the job done. He said that giving the Sheriff's Office more job appropriate vehicles it would cost more at the beginning but the County would save money in maintenance costs. Mr. Holst said he agreed, but that what the Sheriff was talking about was the money that might be left over. Supervisor Davis said the purchase price of a vehicle, the miles per gallon, what the maintenance costs would be, the retirement mileage and the resale value could be projected, and that if a vehicle came in above those projections it might be a sign of an abusive driver. He said if a department wanted to purchase a different vehicle at the end of the cycle it would change the cost of ownership. Chairman Springer asked Mr. Gartner how often he would provide reports to the department managers. Mr. Gartner said he could do a monthly report or a quarterly report, whatever would work best. Chairman Springer said if she was a department manager she would want a monthly report and she asked those present if they agreed. Those in the audience indicated that they did agree. There was brief discussion about the monthly reports, with focus on the fact that, for example, a report sent at the end of August would actually be for July. Mr. Gartner said this was necessary because much of the fueling of County vehicles occurred at outside vendors rather than at Fleet Management's fueling facilities and that it was a billing issue. Supervisor Davis said it would be possible to break out different reports for mileage and maintenance, and he noted that maintenance was "real time." Chairman Springer said she guessed the question for managers was whether they wanted one report or multiple reports, and she said she would prefer just one report. There seemed to be general agreement with that idea. Chairman Springer asked Mr. Gartner to define maintenance, to explain what type of maintenance schedules he had for vehicles and to explain how department managers are involved in maintenance. Mr. Gartner said that maintenance was comprised of things like regular oil changes, checking the transmission and engine, checking and replacing belts, hoses and tires, and so on. He said his department used to have every vehicle come in every 3,000 miles for routine maintenance but that this practice had changed based on what kind of use a vehicle was receiving and that if a vehicle was being used only for fairly easy highway miles it might be on a maintenance schedule of every 5,000 miles. He said that a computer tracked mileage and that his staff notified a department by phone if a vehicle needed to have maintenance. Chairman Springer asked if there should be some formal notification of the need for maintenance. Supervisor Davis said if there was going to be monthly report information could also be included about which vehicles need maintenance. Chairman Springer said that was a good idea and she asked if that would work well for department managers. Those in the audience appeared to be in favor of this idea. Ms. Ladner asked if departments would still receive phone calls from Fleet Management, saying that this method of notification worked very well for the Assessor's Office. Chairman Springer said that perhaps calls could be made if a vehicle did not show up for maintenance. Mr. Hunt suggested email notification. Chairman Springer said that once managers had the information regarding which vehicles need maintenance it was up to them to contact Fleet Management to set up an appointment. Supervisor Davis said if the department managers were reading the reports they would call Fleet Management and schedule an appointment, and that they could schedule maintenance on days when the vehicle would not be needed. Chairman Springer asked about car washes and interior cleaning. Mr. Gartner said that, generally, whenever a vehicle is in his shop it is washed and cleaned before being sent back out to the department. He said he had been paying an outside vendor to go around to the different County facilities to wash vehicles, and that it could pretty much be handled without having people go to car washes all over the County. In response to a question from Chairman Springer, Mr. Gartner said the outside vendor cost about \$5,000 per year. Chairman Springer asked if it was feasible for the County to have its own car washing facilities with one in the Prescott area and one in the Verde. Mr. Gartner said he had not researched costs for that, but knew it would be expensive to start up. Sheriff Waugh noted that Yavapai College has a contract with a car wash, and said that in his previous career he had contracts with car washes all over the county. Mr. Gartner said it would be possible to set up accounts with car washes, but that he had been trying to handle washing with free labor from the jail. Supervisor Thurman said he thought the idea of contracting for car washing could get a

little complicated, and that there were some cars that might need to be washed every day. Mr. Gartner said that was true, and that he had the vendor going around on weekends to wash cars when they were not in use. Supervisor Thurman said he also did not want to see employees spending time to go wash a car. Mr. Gartner said he had people who could pick up and deliver vehicles so that employees would not have to lose time doing such things. Supervisor Davis said if there was a wash rack near the Sheriff's facility trustees could wash Sheriff's vehicles while deputies are filling out reports. Chairman Springer said that was a good idea. She asked if everyone felt it would be a good idea to look into the issue of washing cars, but for now to leave things as they were. Supervisor Davis said he thought contracting out was the way to go, and that it would be a nightmare for the County to have its own car-washing facilities. He said there could also be vouchers for car washes if that was appropriate. Supervisor Thurman said he wanted to return to the discussion on how long to keep vehicles. He said that after 100,000 miles it was not possible to get much for a vehicle and that he felt the County should get rid of vehicles at 80,000 or 90,000 miles. Mr. Gartner said that where he really ran into problems was keeping vehicles with 100,000 to 130,000 miles on them, and that it was possible to maintain a vehicle with 40,000 miles for about \$500 per year. Supervisor Thurman asked if that applied to heavy equipment like dump trucks or whether such equipment was out of that loop. Mr. Gartner said he thought heavy equipment was different because of its use, and that there was a great deal of time spent equipping some vehicles with tool boxes and the like. He said it cost about \$7,000 to equip each Sheriff's vehicle. Supervisor Thurman asked if the equipment on Sheriff's vehicles could be taken off and put on other vehicles. Mr. Gartner said he tried his best to reuse equipment but that if one did not stick to a standard model there could be a problem. He said he tried to get two or three vehicles' use of a light bar. Supervisor Thurman asked if it was better to spend more money on a diesel engine for heavy equipment. Mr. Gartner said that diesel engines generally had more longevity, and that he had begun purchasing diesel motors for vehicles that need the power to haul things and that he expected to get many more miles out of that type of vehicle. Supervisor Thurman said he had seen some County vehicles that were overloaded. Mr. Gartner said that went back to purchasing the right kind of vehicle for the job. Chairman Springer asked what department managers should be responsible for with regard to damage to vehicles. Mr. Gartner said that aside from damage related to vehicular accidents, there was damage to undercarriages because of the kind of terrain vehicles were being driven on, or things like backing into a pole. He said one could also look at things like a door handle being broken off. Chairman Springer said she thought that department managers needed to know if they had employees who were abusing vehicles. Mr. Gartner said the gray area had to do with things like brake use, and that if a vehicle was costing more to operate than it should it was important to go into the records because sometimes it was just a case of the vehicle being a lemon, but that generally tire costs and brake costs along with fuel miles per gallon were the best indicators of how someone was driving. Mr. Holst said what had been discussed was that any damage to a vehicle that was determined not to be someone else's fault should be a damage charge to the department. Mr. Gartner said sometimes parking lot damage happened and that it was not the County driver's fault, and that generally the cost that would be charged to the department would be damage determined to be the fault of the County driver. Mr. Mabery noted that the County had insurance on all its vehicles and he asked if the damage costs would go toward the deductible or whether it would be the total cost of the damage. There was brief discussion regarding including the cost of insurance in the costs charged back to each department, during which Supervisor Davis asked if it would be possible to take the annual cost and establish a number for each vehicle owned by the County. Mr. Holst said he thought so. Supervisor Davis said one thing he was looking at was at what point did the cost of operating a County vehicle exceed 37 cents per mile, making it less expensive to encourage employees to just use their own vehicles and be reimbursed for mileage. Mr. Holst said at some point it might be necessary to look at the cost of keeping track of all the information. There appeared to be general agreement to include insurance costs in the report that Mr. Gartner would be providing to department managers. Mr. Holst noted that information would show deductibles but that it would not tell much about actual damage. Supervisor Davis said there could be an annual review to determine where problems exist with regard to vehicle damage and that if department managers were not dealing with the issue of abusive drivers then the Board could deal with the managers. Chairman Springer said that Sheriff Waugh had asked her about the possible of purchasing extended warranties as one way to deal with the replacement issue. Mr. Gartner said that, generally, extended warranties cost more than they were worth. Chairman Springer said she would like to talk about how department managers request additional vehicles. She said that she would like to see it done as part of the budget process. Ms. Kile asked if Chairman Springer was talking about new vehicles or about loaner vehicles. Mr. Gartner said he thought the process of asking for a new vehicle was similar to that of asking for an additional employee. Chairman Springer said if no one present had any objection, the policy could include a provision that requests for additional vehicles be made during the budget process. Commander Bacon said the only problem he could see with that was that sometimes the Sheriff's Office received vehicles through grants, which he said did not always come around at budget

time. He said he thought there would be times when a department might need to approach the Board outside the budget process regarding vehicles because of grants, and he asked that consideration be given to that when drafting the policy. Supervisor Davis said he did not have a problem with that request and that things happened. Supervisor Davis asked if there should be a set cost per vehicle in the event there are departments that may want to get new vehicles that will not be driven very much. Mr. Gartner said he thought it was a good idea to establish some criteria with regard to that. Chairman Springer said she thought department managers would need to look at that in terms of what an employee does and what kind of vehicle is needed. She said that some employees just use a County vehicle once in a while and others are required to be in a vehicle all day. She said she wondered if managers could say that an employee needs a vehicle because the job justifies it, but that on the other hand there might be times when an employee could use a pool vehicle or their own personal vehicle. Mr. Gartner said he had been looking at a policy from an outside agency that provided that unless a certain number of miles were put on a vehicle it was better to just pay employees to use their own vehicles. He said the level was set at 12,000 miles per year or a vehicle being used 20 days per month. Chairman Springer explained that she and Mr. Gartner had talked with a private citizen who had been the fleet manager for GTE, and that the GTE policy was that in order to be able to have a vehicle a department had to show a need for 12,000 miles per year or that the vehicle would be used at least once a day. She asked if anyone had a problem with that. Ms. Constabile said that the Elections Department heavily used vehicles four times per year for elections, but not during other times of the year. Chairman Springer said that in such cases, pool vehicles could be used. Supervisor Thurman said he thought most people realized that if there was no pool vehicle available a person should use his own vehicle and be reimbursed for it. Chairman Springer said the idea, then, was that if a vehicle was being used less than 12,000 miles per year or was not being used on a daily basis the department manager would have the option of allowing employees to use their own vehicles and be reimbursed for mileage. She asked what the reimbursement rate was. Mr. Danowski said the County adhered to the state reimbursement rate and that it was 37.5 cents per mile. He added that there was already a policy in place authorizing department managers the discretion to allow an employee to use his own vehicle. Mr. Holst said if there was going to be a policy on vehicle assignments that established a threshold of 12,000 miles that department managers would need to authorize the use of private vehicles. He said that in the past departments were encouraged to always use County vehicles and that it would be a change to say that County vehicles should be used only when they can be well utilized. He said he could look at how it works for six months and then look at it for the budget process next year. Ms. Grobe said that sometimes her employees will use loaner vehicles if the department's vehicles are all being used or if one is in the shop. She asked if departments would be charged for using loaners. Mr. Gartner said yes. Mr. Holst said that as soon as there was some history on the use of loaners he would know more. He said he believed that Mr. Gartner should track the use of loaners but not charge departments for something that was not included in their budgets. Captain Russell asked which account mileage was paid from. Mr. Danowski said it came out of the Travel account in each department's budget. Supervisor Davis asked how many miles a year the fleet traveled. Mr. Gartner said it was approaching seven million miles per year. There was brief discussion about creating a line item for mileage, with Chairman Springer saying it should also be a separate item in the vehicle reports that go to department managers. Mr. Danowski said that he, and not Mr. Gartner would have that information, but that he could break mileage out in a separate line item so that department managers would receive that information on a monthly basis. Supervisor Davis said it appeared the Board would set criteria for County vehicle use of 12,000 miles per year or 20 days per month, but that the cost of operating the fleet was generally about 23 cents per mile at the present time. Mr. Holst said not all costs were currently built into the per mile cost. Chairman Springer said she would like to talk about criteria for take home vehicles, with the exclusion of the Sheriff's Office from the first part of the discussion. She said it was her personal view that in both the public and private sectors employees were expected to get themselves to work. She said she had a problem with employees using County vehicles and County gas to commute to work. She noted that the Board had a list of employees who have personal County vehicles and were taking them home. Mr. Holst said the current policy was that no one takes a County vehicle home on a regular basis unless it is approved by the Board. Chairman Springer asked if there should be different criteria for an employee who has been assigned one vehicle. Mr. Holst said he did not know that there really needed to be any personally assigned vehicles for anyone. Supervisor Thurman said there was a logistics issue with regard to Public Works vehicles. Chairman Springer said the Constables took their vehicles home and that she guessed that was part of their job. Discussion returned briefly to vehicle damage and how it is reported, with Mr. Gartner saying he had set a \$150 limit on the damage reports he had been submitting to the Board. He said there was debate over whether damage is part of the cost of doing business or whether it is the driver's fault. Discussion turned once again to the issue of take home vehicles. Mr. Bourdon said that some of the vehicles being taken home by Public Works employees had to do with response time. Chairman Springer agreed, saying she believed there were times when Public Works

needed to work with the Sheriff's Office to replace signs or to deal with other issues that needed immediate response. She said what the Board was trying to accomplish on this day was to create a basis that Mr. Gartner could use to begin drafting a policy that could then be sent out to all department managers for review. Mr. Danowski asked if vehicles that did not meet minimum standard use requirements would be subject to reassignment to other departments. Chairman Springer said she believed that was part of the management process. Supervisor Davis asked if the Board would review the list of take home vehicles at some point. Chairman Springer said yes. She said she wanted to discuss the issue of take home vehicles in the Sheriff's Office, adding that she was aware Sheriff Waugh was working to produce an internal policy regarding this issue. Commander Mascher said staff was in the process of identifying what the department was trying to do with regard to the vehicle issue. He said that currently there was a blanket policy for first and second responders, and that staff was also looking at individual assignments to see if employees really needed to take a vehicle home. Commander Mascher said that the ability to teleconference, as Supervisor Davis was doing on this day, was also being considered as a way to help reduce the need for vehicles and that renting vehicles for out-of-state travel instead of taking County vehicles was also being considered. He told the Board that the department was trying to look at the big picture, and that Sheriff Waugh had said the department would be committed to really managing its vehicles. He added that the Sheriff's Office was committed to working with the Board on this issue. Chairman Springer said one question that had come up was the ability to get a handle on the number of unmarked vehicles. She said she would like to know who is driving those vehicles and whether they are being taken home. She said there was also a question about people who are not patrol officers and who are not required to be in a vehicle as part of their full-time job requirements who are taking vehicles home, and whether those people should have individual vehicles or use pool vehicles. Commander Mascher said staff was looking at the issue of unmarked vehicles and at people who check on at home and then drive into the office, and that staff would be meeting later on this day to look at everything. Chairman Springer asked him when he expected to have his data collected on the vehicle issue. Commander Mascher said he believed he would have something sometime in August, and that the Sheriff's Office wanted to look at what would be best for the public, the budget and the County. Chairman Springer asked Mr. Gartner if he could have a draft policy, excluding the Sheriff's Office, if the Board held another study session on this issue toward the end of August. Mr. Gartner said yes.

There being no further business to discuss, the meeting was adjourned.

ATTEST:

_____ Clerk _____ Chairman