



# Administrative Regulations

Number AR 4-5  
Issue 1

Subject: Operation, Acquisition, Maintenance, Refinement and Fueling of Fleet Assets

## I. PURPOSE

The purpose of this regulation is to establish uniform policies and procedures for the operation, acquisition, maintenance, retirement and fueling of the City's fleet vehicles and various equipment (e.g. generators, trailers, compressors, etc.), as well as the provision of vehicles and equipment on a temporary or emergency basis.

## II. SCOPE

This regulation is applicable to all City departments and offices responsible directly to the City Manager and all elective offices. All other departments are requested to comply in the interest of administrative uniformity.

## III. AMENDMENT

The City Manager may amend the procedures and content set forth in this regulation as required.

## IV. POLICY

The Department of Public Works, Fleet Services Bureau (Fleet Services), is responsible for the purchase, maintenance, retirement, and provision of vehicles, equipment and fuel for the City's fleet assets. All City Manager department and elective offices' vehicles and equipment are Fleet Services' assets, which are assigned to user departments. The mission of Fleet Services is to provide vehicle and equipment acquisitions, preventative maintenance, unscheduled repair, and fueling services to City departments so they can have safe, reliable, cost effective equipment and vehicles to accomplish their operational goals and purpose.

Every Department Director and the department's managers are responsible for the safe and effective operation of the fleet assets assigned to their department (user department) for the performance of specific programs and functions within their department. The user departments are required to comply with the maintenance, safety, and operational requirements set forth by Fleet Services, the City Manager-appointed Fleet Review Committee (FRC), the rules and regulations of the City of Long Beach, and state and federal law.

As appointed by the City Manager, the FRC will serve as a customer council for the City's fleet users. The FRC shall meet on a regular basis to monitor and approve certain fleet-related policies, procedures and activities. Examples of items for FRC consideration and recommendation include:

- Policies and strategies for the operation of Fleet Services;
- Annual rates charged to users for maintenance and repair, as well as replacement of fleet assets;
- Take-home vehicle annual assignments;
- Approval of fleet asset enhancements greater than \$10,000 and donations to ensure compliance with applicable Administrative Regulations, Citywide policies and Fleet policies.

V. PROCEDURES

A. Fleet Asset Information

1. The department head and managers of the user departments are responsible for the accounting of the fleet assets assigned to their departments. Current parking location, driver and charge point information must be tracked and provided to Fleet Services upon request. An annual verification of the fleet inventory will take place as part of the City's annual budget process and will be scheduled according to the direction of the City's Performance Management and Budget Bureau.
2. Per AR 4-2, take-home vehicle information, justification for vehicles with low annual mileage, and justification for long-term loaner/rental vehicles must be provided to Fleet Services each year. As part of the City's annual budget process, departments shall provide information relating to the categories mentioned above. The information reported will be reviewed by the FRC and incorporated into a consolidated report for the City Manager.
3. Per Financial Policies and Procedures 7-1, vehicles and equipment with a value greater than \$5,000 must be recorded in the City's Fixed Asset System. Fleet Services will process acquisitions, transfers, and retirements of fleet assets in the City's Fixed Asset Accounting System (FAACS). Fleet Services will also process registration and licensing forms and pay all fees with the State Department of Motor Vehicles (DMV). All fleet assets shall be procured by Fleet Services, whether through grant funds, donation, or purchase. With approval of Fleet Services, a user department may directly procure a fleet asset. This will ensure that critical asset information is input into the Fleet Services database, City's FAACS and/or registration with the DMV.
4. Public Information requests for Fleet Services records will be processed according to the California Public Records Act and the City's implementing regulations.

B. Operation of Fleet Assets

1. Official City Business: The use of City-owned vehicles and vehicle equipment for other than official City business is prohibited.
2. Use by City Employees/Elected Officials: Only the following people may use or ride in a fleet vehicle: City employees, City elected officials; agents (could include volunteers); approved independent contractors and approved non-City employees on official City business. Note: approval must be obtained (from Fleet Services/Risk Manager/Department Head) before a non-City employee rides in a Fleet vehicle on official City business.
3. Employees shall adhere to all DMV, OSHA and safety rules and regulations when operating any City vehicle and/or piece of City equipment.

4. Employees operating City vehicles and equipment must hold a current, valid, and appropriate DMV operator's license(s) for each vehicle or piece of equipment that they are assigned to use and operate (e.g., Class A, B, C, and special endorsements). Operation of City vehicles and/or equipment with a suspended or inadequate operator's license is expressly prohibited. Any employee in violation of this requirement may be subject to disciplinary action in reference to Civil Service Rules and Regulations, Article VII Personnel Actions and Appeals, Section 84, Subsection (1).
  5. Cell Phones and Driving – All employees shall comply with any and all City policies and State laws regarding cell phone use in vehicles.
  6. Per the Long Beach Municipal Code Chapter 8.68.160, smoking in a City vehicle is prohibited.
  7. Applying or displaying personal paraphernalia on fleet assets is prohibited. Personal paraphernalia shall include but not be limited to items such as: stickers, antenna balls, stuffed animals, signs, etc. No items shall obstruct the driver's view and/or impair the safe operation of the vehicle/equipment.
  8. Per AR 4-4, all City vehicles engaged in official City business shall have a City Seal displayed. Exemptions to policy must be approved by the City Manager. With the exception of emergency response vehicles, Fleet Services shall standardize city seals, vehicle numbers, and vehicle lettering/graphics. Any request for an exception to the standardization shall be made in writing from the requesting departments manager to the Fleet Services Manager.
  9. In the event a traffic or parking violation is incurred by an employee while driving a City vehicle, it is the responsibility of that employee to pay the fine and any administrative or late fees associated with the violation. Upon receipt, Fleet Services will forward the violation notice to the Administrative Officer of the appropriate department. If the department cannot determine which employee incurred the violation, the department will be responsible to pay for the fine and fees.
  10. Complaints from the public regarding the behavior of a City employee while driving a City vehicle will be reported to the Administrative Officer of the appropriate department. Serious complaints may be reported to the appropriate department head, as well as the City Manager and may result in the suspension of driving privileges.
  11. It is the responsibility of the vehicle/equipment operator and ultimately the user department to maintain a clean vehicle and/or piece of equipment. Departments may check with Fleet Services for a list of contract car washes and other vehicle/equipment cleaning alternatives.
  12. For "personally assigned" vehicles, please refer to the established policies and procedures, Administrative Regulation AR4-2.
- C. Vehicle and Equipment Maintenance
1. The department head and managers of the user departments are responsible to ensure that the fleet assets are made available upon request to Fleet Services for appropriate preventive maintenance and scheduled inspections required for maintenance, safety and regulatory compliance. Failure to comply may result in the confiscation of the fleet asset to achieve required maintenance.

2. Repairs for light-duty vehicles, with estimated costs exceeding \$1,000, shall be approved by the user department's supervisor or manager assigned as the responsible party of the vehicle, or the designated department fleet coordinator.
3. Repairs for heavy-duty vehicles, with estimated costs exceeding \$5,000, shall be approved by the user department's supervisor or manager assigned as the responsible party of the vehicle, or the designated department fleet coordinator.

D. Vehicle Breakdown or Accident

1. Fleet Services must be contacted immediately in the event of a fleet asset breakdown. Once in a safe environment, the employee should follow the vehicle breakdown or flat tire procedures, which are generally located in the glove box or on the windshield visor of the vehicle. Once contacted, Fleet Services will determine the repair strategy (e.g., mobile mechanic dispatch or tow to Fleet or vendor facility). If Fleet Services staff determines that a vehicle may be unfit for safe operation, the vehicle will be placed out of service in accordance with the City Safety Lockout Tag Out procedure and must not be operated until released by Fleet Services.
2. In the event of an accident involving a fleet asset, the employee should follow the accident reporting procedures, which are generally located in the glove box or on the windshield visor of the vehicle and Fleet Services should be contacted immediately. Within 48 hours, a copy of the Supervisor's Report of Incident should be forwarded to Fleet Services and the vehicle should be taken to the Fleet Services main garage for pictures and evaluation.
3. Fleet Services will be responsible for reporting any and all accident damages to the Risk Manager.
4. Accident damage will be assessed and repaired through Fleet Services. The cost of the repairs will be charged to the user department. If the accident is the fault of an outside party, Fleet Services will submit a billing statement to the Department of Financial Management. Upon payment by the outside party (or their insurance company), the amount paid will be credited back to the user department.
5. Worker's Compensation Coverage: City employees injured in fleet vehicles in the course and scope of their duties are covered by worker's compensation coverage. Worker's Compensation coverage does not apply if the employee was acting outside the course and scope of his/her employment at the time of the accident.

E. Acquisition of Fleet Assets

1. An annual fleet asset purchase plan is formulated based upon standardized vehicle life cycles and vehicle condition. An annual replacement plan is reviewed and approved by the FRC prior to the beginning of each fiscal year. Proposed replacement purchases shall be reviewed and approved by departments prior to the actual purchase. Adjustments to the replacement plan can occur during the course of the fiscal year due to unexpected anomalies in the condition of the fleet asset resulting in acceleration and deferral of planned purchases, accident damage, changes in operational use or regulatory requirements, budget enhancements, or other extenuating circumstances.
2. The Fleet Services Manager shall have the authority without the approval of the FRC to request replacement of vehicles/equipment that meet and/or exceed one or more of the following criteria (see Exhibit "A") with concurrence of Financial Management/Budget Bureau.

- X number of miles
- X years old
- Total loss caused in an accident
- Beyond economical repair

The City Manager reserves the right to deny or suspend the replacement of vehicles/equipment by written notification to the Fleet Manager and Financial Management/Budget.

3. Fleet Services is responsible for the purchase of all fleet assets, including grant-funded and lease-purchased fleet assets. Per Financial Policy and Procedure 5-1, grants that involve the acquisition or maintenance of fleet assets should be reported to Fleet Services upon the initiation of the grant application, utilizing the Grant Application Data Form (GADF). Per Financial Policies and Procedures 3-6, lease-financed fleet asset acquisitions must be pre-approved by the FRC in conjunction with a financing evaluation by the Department of Financial Management.
4. Fleet Services is responsible for the preparation of technical specifications, coordinating the purchasing process, and monitoring the delivery and acceptance of fleet assets, as well ensuring that fleet assets are in compliance with all current regulatory requirements (e.g., South Coast Air Quality Management District, California Air Resources Board, California Regional Water Quality Control Board, Highway Patrol, Department of Motor Vehicles, etc.). User department approval is required prior to the bid process for all technical specifications, terms and conditions, with the exemption of mandated safety and/or regulatory requirements.
5. When required by regulation, the annual replacement plan will include the purchase of alternative fuel vehicles (e.g., compressed natural gas, liquefied natural gas, hybrid electric, electric, propane, or other viable technologies). In addition, whenever feasible and affordable, the purchase of alternative fuel vehicles will be recommended. Department approval of the recommended alternative fuel vehicle purchase will be requested. The department may deny the recommendation based on insufficient form or function of the proposed alternative fuel vehicle.
6. Fleet Services will determine the cost for enhancements, upgrades, downgrades and reassignments upon request by user departments or the Budget Office. In general, the costs for fleet assets will include acquisition, outfitting (purchase and installation of non-stock equipment which excludes radios and computer equipment), capital replacement and operating and maintenance costs.
7. Capital replacement costs can be excluded when the fleet asset is not intended for replacement in the future. This circumstance is common for grant-funded or lease-purchased fleet assets.
8. The acquisition and capital replacement costs for reassigned fleet assets will be determined based on the capital replacement funds collected up to the date of reassignment, the cost to replace the asset and the remaining useful life of the vehicle.
9. The FRC reviews and approves all fleet asset enhancements, reassignments and alterations to vehicles and equipment with a cost greater than \$10,000. All requests for the aforementioned changes should be submitted by memorandum to the Fleet Services Bureau Manager for FRC review and approval.
10. Departments requesting enhancements should submit a Fleet Services Vehicle Enhancement Request that indicates the intended use of the fleet asset or equipment,

justification for the change, the recommended source of funding for the action requested, auxiliary equipment requested, and expected on-going operational costs to be reviewed by Fleet Services so as to ensure appropriate costs associated with the requested fleet asset or equipment. All FRC approved mid-year changes will be included in the subsequent year department budget as well as Fleet Services budget. Enhancements requested through the annual budget process will be reviewed and approved by the FRC. Fleet Services will process this request through the Budget Office.

11. On a case-by-case basis, as approved by the FRC, expected grant match costs for the grant-funded purchase of a fleet asset may be collected through a monthly capital replacement charge to the department. This capital collection is likely when a recurring grant funding of a fleet asset is expected.

#### F. Receipt of and Donation of Fleet Assets

1. Fleet assets that are offered as a donation to the City must have Fleet Services approval before any City department accepts the donated fleet asset. City Council approval for the receipt of a donation is optional although it may be desirable to acknowledge a donation due to its size, uniqueness, or some other compelling factor.
2. Departments that want to donate a City fleet asset to another public agency must submit a memorandum to the FRC indicating the fleet asset for donation, the fair market value of the asset, the public purpose of the donation, and the intended recipient of the donation. If approved by the FRC, the department must receive City Attorney and City Manager approval to proceed with a request to the City Council.

#### G. Vehicle and Equipment Retirement

1. Fleet assets may be retired when they have exceeded their useful life and have been approved for replacement, have been deemed un-repairable due to collision or major breakdown (e.g., totaled), or have been determined to be surplus (e.g., no longer required to provide City services or programs). The City Manager reserves the right to deny or suspend the retirement of vehicles/equipment by written notification to the Fleet Manager and Financial Management/Budget.
2. All fleet assets must be retired by Fleet Services. Fleet Services can sell fleet assets through live or internet auction, or can salvage an asset.
  - (a) On a case-by-case basis, as approved by the City Attorney, a fleet asset can be sold for fair market value, original purchase price, or salvage value.

#### H. Missing or Stolen Fleet Assets

1. In the event that a fleet asset is missing or stolen, a Police report and Supervisor's Report of Incident form should be forwarded to Fleet Services. Fleet Services will submit the paperwork to retire the asset from FAACS.

I. Provision of Temporary Vehicles and Equipment

1. In the event that a fleet asset will be out of commission or unavailable for an “extended period of time”, a rental vehicle may be requested from Fleet Services. A rental vehicle requires department approval and may be provided until such time that the repairs are completed. For vehicles in the Fleet maintenance shop for “preventative maintenance”, a loner vehicle will be issued if available. Loner vehicles are used primarily for vehicles in the Fleet maintenance shop for preventative maintenance. Rental vehicles may be provided for such circumstances as: out of the City seminars, major vehicle repairs, vehicle accident damage, etc. Any rental costs, fuel, or normal preventive or repair maintenance costs for the loaner/rental vehicle will be charged to the user department. Damage or accident repairs will also be charged to the user department during the loan/rental assignment.
2. User department requests for a long-term rental/loan (over a month or greater than the repair period) should be submitted by memorandum to the Fleet Services Bureau Manager for FRC review and approval. The memorandum should indicate the purpose of rental/loan, vehicle and auxiliary equipment requested, funding source, and term of rental/loan period. An annual review and approval of any long-term rental/loan will be coordinated in conjunction with the annual budget process.
3. In the event of an emergency (e.g., natural disaster, civil unrest, or terrorist activity) or special event, the provision of vehicles or special equipment (e.g., heavy-duty cranes, bulldozers, dump trucks, etc.) will be coordinated by Fleet Services. Any associated cost for the rental, lease, or purchase of equipment will be charged to the user department.

J. Fleet Equipment Charges

1. User departments will reimburse Fleet Services for all costs and associated overhead for services, fuel or materials provided for assigned fleet assets and/or special requests.
2. Estimated annual fleet equipment charges will be prepared by Fleet Services during the annual budget process. Estimated annual charges by equipment including capital replacement, lease charges, maintenance, commercial (outside vendor), fuel and other miscellaneous charges will be submitted to each department for review and approval. All mid-year vehicle enhancements approved by FRC will be included in the department’s subsequent fiscal year base budget provided that the Budget Office recommends the requested action.
3. Actual costs, including overhead, will be billed on a monthly basis to user departments. Monthly billing reports by vehicle and bill item will be forwarded to specified department fleet coordinators or other designated department staff.
4. It is the responsibility of the user department to inform Fleet Services of changes in billing charge points.

K. Customer Service

1. An annual customer service survey will be distributed to departmental fleet coordinators.

L. Equipment Fueling

1. The City's fuel system for unleaded, diesel, aviation, propane and liquefied natural gas is operated and maintained by Fleet Services. The fuel system is only for use by City fleet assets, unless a fueling agreement is approved by the City Council.
2. Fleet Services strictly controls the distribution of fuel to avoid product theft, as well as to monitor the usage of fleet assets for scheduling of preventive maintenance and vehicle retirement.
3. Fuel keys for access to the City's fuel stations will be assigned to authorized users of fleet assets. It is the user department's responsibility to safeguard fuel keys against misuse or misappropriation.
4. Lost fuel keys should be reported to Fleet Services immediately for deactivation and replacement. Repeated loss of fuel keys may result in loss of fueling privileges and charges to the user department.