



CITY OF KIRKLAND
Department of Public Works
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MEMORANDUM

To: Kurt Triplett, City Manager

From: Tim Llewellyn, Fleet Supervisor
Kathy Brown, Public Works Director

Date: April 5, 2016

Subject: SURPLUS OF EQUIPMENT RENTAL VEHICLE/EQUIPMENT

RECOMMENDATION:

It is recommended that the City Council approve the surplus of the Equipment Rental vehicles/equipment identified in this memo and thus remove them from the City's Equipment Rental Replacement Schedule.

Approval of the consent calendar will authorize these vehicle surplus actions.

BACKGROUND DISCUSSION:

The surplus of vehicles and equipment which have been replaced with new vehicles or equipment, or which no longer meet the needs of the City, is consistent with the City's Equipment Rental Replacement Schedule Policy. Under this policy, if approved by City Council, vehicles or equipment are sold or disposed of in accordance with the Kirkland Municipal Code, Chapter 3.86, Sale and Disposal of Surplus Personal Property.

The criteria for replacement are reviewed annually for each vehicle by Fleet Management prior to making a recommendation. Among the replacement criteria considered are the following:

- wear and tear on the engine, drive train, and transmission
- condition of the structural body and major component parts
- the vehicle's frequency and nature of past repairs
- changes in the vehicle's mission as identified by the Department which it serves
- changes in technology
- vehicle right-sizing
- the impact of future alternative fuels usage
- specific vehicle replacement funding accrued

The decision to replace a vehicle requires the consensus of the Fleet Management staff (currently representing more than 120 years of experience among its six members) and the Department which it serves. Vehicles should be replaced close to the point to where major repairs and expenses occur in order to maximize their usefulness without sacrificing resale value with consideration given to the vehicle's established accounting life.

The accounting life of a vehicle is the number of years of anticipated useful life to City operations. It is determined by historical averages and replacement cycles of actual City vehicles. The accounting life provides a timeline basis for the accrual of vehicle Replacement

Reserve charges, at the end of which there should be sufficient funds in the Replacement Reserve Fund to purchase a similar replacement vehicle. The accounting life is a guideline only, and the actual usage of vehicles typically vary from averages.

The City of Kirkland standard accounting life for a vehicle, which is also consistent with the industry standard, is 8 years or 80,000 miles, whichever comes first. This life is also supported by FleetAnswers.com which recently published Municipal Vehicle Replacement Trends. Among cities, the average age of replacement for cars is 6.7 years, for class 1-5 trucks it is 7.7 years, and for police vehicles it is 4 years. The City's standard for Fire Engines/Pumpers and for Fire Ladder/Aerial apparatus is 18 years.

The following equipment is recommended for surplus with this memo:

<u>Fleet #</u>	<u>Year</u>	<u>Make</u>	<u>VIN/Serial Number</u>	<u>License #</u>	<u>Mileage</u>
PU-93	2009	Ford Escape	1FMCU92749KC57045	50228D	81,250

For 7 years, PU-93 has been assigned as the Public Works underground utility locate vehicle. PU-93 recently experienced a transmission failure coupled with rear differential problems. Since the vehicle has achieved the replacement standard of 80,000, it is no longer cost effective to conduct the repairs.

Cc: Erin Devoto, Deputy Director
Ray Steiger, P.E., Operations Manager