

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 08/15)

Fiscal Year 2016-17	Business Unit 3340	Department California Conservation Corps	Priority No. 002
Budget Request Name 3340-002-BCP-BR-2016-GB		Program 2360 – TRAINING & WORK PROG	Subprogram 2360010 – BASE & FIRE CTRS

Budget Request Description
 Vehicle Replacement Plan

Budget Request Summary

The California Conservation Corps (CCC) is requesting a three-year increase in annual expenditure authority of \$812,000 in the Collins Dugan Reimbursement Account in Fiscal Year (FY) 2016-17, FY 2017-18, and FY 2018-19, to annually replace approximately thirty (30) vehicles in its fleet. This would enable the CCC to (1) meet its operational needs, (2) minimize health and safety concerns related to crew transportation, and (3) continue its vehicle replacement plan to replace its aging fleet with newer, more fuel efficient vehicles that are compliant with State Administrative Manual Management Memo (SAM MM) 12-05. In addition, the CCC's vehicle replacement plan is consistent with Executive Order (EO) B-2-11, as well as, SAM MM 13-02 and SAM MM 13-04.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date

For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance.

FSR SPR Project No. Date:

If proposal affects another department, does other department concur with proposal? Yes No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By Teresa Cook <i>Teresa Cook</i>	Date 1/4/2016	Reviewed By <i>[Signature]</i>	Date 1/04/2016
Department Director Amanda Cameron for Bruce Saito <i>Amanda Cameron for Bruce Saito</i>	Date 1/4/2016	Agency Secretary <i>[Signature]</i>	Date 1/4/16

Department of Finance Use Only

Additional Review: Capital Outlay ITCU FSCU OSAE CALSTARS Dept. of Technology

BCP Type: Policy Workload Budget per Government Code 13308.05

PPBA Original Signed by Amanda Martin	Date submitted to the Legislature 1-8-16
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Analysis of Problem

A. Budget Request Summary

The California Conservation Corps (CCC) is requesting a three-year increase in annual expenditure authority of \$812,000 in the Collins Dugan Reimbursement Account in Fiscal Year (FY) 2016-17, FY 2017-18, and FY 2018-19, to annually replace approximately thirty (30) vehicles in its fleet. This would enable the CCC to (1) meet its operational needs, (2) minimize health and safety concerns related to crew transportation, and (3) continue its vehicle replacement plan to replace its aging fleet with newer, more fuel efficient vehicles that are compliant with State Administrative Manual Management Memo (SAM MM) 12-05. In addition, the CCC's vehicle replacement plan is consistent with Executive Order (EO) B-2-11, as well as, SAM MM 13-02, and SAM MM 13-04.

B. Background/History

Modeled after the Civilian Conservation Corps of the 1930's, the CCC is comprised of young adults 18-25 and veterans to age 29 working on conservation projects on public lands in cities and rural areas. Through their service, corpsmembers gain work experience, advance their education and learn about careers while helping to enhance California's natural resources and its communities. Corpsmembers complete over 2,000 conservation projects annually, ranging from restoring fish and wildlife habitat to installing energy and water efficient improvements, building trails, and improving forest health. As one of the state's premier emergency work forces, the CCC responds to fires, floods, pest infestations, earthquakes, and oil spills.

Typical weeks begin and end with physical fitness activities, academic and technical training as corpsmembers pursue educational, and career development goals. Corpsmembers also contribute their time to community volunteer projects on weekends. After successfully completing a year of service, corpsmembers are eligible to receive a scholarship toward continuing education or training.

Corpsmembers are selected for participation without regard to their prior employment or educational experience and come from diverse backgrounds. Many have limited work experience and about 30 percent do not have high school diplomas. Over 120,000 young adults have participated in the CCC since it was founded in 1976.

The Corps' motto, "Hard work, low pay, miserable conditions... and more!" makes no attempt to understate the program requirements.

In 2007, the CCC contracted with Mercury Consulting to assist in developing a plan to operationally balance our fleet. It was recommended that the CCC revise, reduce and align its fleet towards current operations and size, and to reduce the complexity of its fleet make up. Additionally, they noted that the CCC has a significantly aging fleet and it was recommended that the CCC begin developing plans to replace excessively old or other non-cost effective vehicles. Mercury also followed with the recommendation to establish a long term vehicle replacement budget and cycle.

Shortly thereafter in 2007, the CCC convened a Fleet Advisory Committee to implement the recommendations from the Mercury Report. The committee developed a reduction and realignment plan that as of June 2012 was completed with the Department of General Services (DGS) Office of Fleet and Asset Management (OFAM).

The CCC began to replace and right size its fleet after a FY 2010-11 Budget Change Proposal (BCP) approved expenditure authority of \$2.91 million to purchase 34 crew carrying vehicles (CCVs) and 20 passenger vans, and \$1.43 million to purchase an additional 22 CCVs in FY 2011-12. The vehicle replacement plan timeframe proposed in the FY 2010-11 BCP was delayed due to Executive Order B-2-11 requiring departments to reduce its fleet size. In addition, unanticipated cost increases for the CCVs per specifications as finalized with assistance from the DGS Procurement Division increased the price of the CCVs from \$65,000 to \$100,700 per vehicle. Of the total 76 vehicles approved, the CCC was only able to purchase 40. CCC received \$2.0 million in expenditure authority for FY 2012-13, plus expenditure authority from a re-appropriation from the two prior proposals to purchase the remaining 36 vehicles. The CCC continued to move forward to eliminate aged, worn out vehicles in FY 2013-14, spending \$1.15

Analysis of Problem

million for the replacement of two pick-up trucks and the addition of eighteen pick-up trucks, three 15-passenger vans, and seven mini-vans for expansion crews funded through Propositions 39 and 40; and in FY 2014-15, spending \$1.06 million for twenty three pick-up trucks, five 15-passenger vans, two stakeside trucks, one hybrid sedan, and five mid-size SUVs. The CCC has met the requirements of EO B-2-11. This request continues the CCC's phased approach which is consistent with EO B-2-11, as well as, OFAM guidelines identified in SAM MM 13-01, SAM MM 13-02, and SAM MM 12-05.

This proposal allows the CCC to continue with its replacement plan fleet that allows the CCC to perform its mission without excessive and unreasonable operational costs or service interruptions.

Resource History

(dollars in thousands)

Expenditures	2010-11	2011-12	2012-13*	2013-14	2014-15	Total
Authorized	\$2,910	\$1,430	\$2,000	--	\$1,060	\$7,400
Actual	\$2,432	\$1,430	\$2,427	--	\$1,060	\$7,349

* Per FY 2012-13 BCP, actual expenditures include \$427,000 funded by a re-appropriation from the remaining balances in FY 2010-11 authority.

C. State Level Considerations

Vehicle Fleet Requirements. In January 2011, Governor Brown issued EO B-2-11 requiring State departments to analyze their vehicle fleets and develop a plan to relinquish non-essential and inefficient-cost vehicles and equipment. EO B-2-11 also prohibited departments from purchasing new vehicles until they have relinquished these vehicles pursuant to the plan approved by DGS. This request is consistent with the DGS approved baseline vehicle count and with the CCC's replacement plan focused on those vehicles that have reached the allowable threshold for replacement as follows:

- SAM MM 13-01 (State Fleet Asset Oversight) addresses DGS OFAM's oversight of all mobile assets that departments wish to acquire or replace for over 30 consecutive days. It also establishes the criteria in which specific asset items are under OFAM approval authority or are delegated directly to departments but are still reportable.
- SAM MM 13-02 (State Fleet Annual Acquisition Plan) addresses vehicle replacement requirements that are substantiated and in compliance with EO B-2-11, including; vital and necessary to provide mission critical services; needed to protect the health, safety or security of the public; and/or will result in significant cost savings to the state.
- SAM MM 13-04 (Zero-Emission Vehicle Implementation Plan) addresses EO B-16-12. Starting in 2015, departments must have 10 percent of its light duty vehicle purchases be Zero Emission Vehicles (ZEV) and 25 percent by 2020. These thresholds are limited to purchases that are less than 8,500 lbs. Gross Vehicle Weight Rating does not apply to procurements of 10 vehicles or less annually.
- SAM MM 12-05 (Maximizing Alternative Fuel Use and Reducing Petroleum Consumption in the State Fleet) reinforces the obligation that each State department maximizes the use of alternative fuels and reduces petroleum consumption within their respective vehicle fleet. With the approval of this plan, the CCC would purchase trucks with alternative fuel capabilities, if available, from the statewide vehicle contract. Because of newer technology, the new trucks will have significantly better fuel efficiency.

Analysis of Problem

D. Justification

This request will fund the continuation of the CCC's vehicle replacement plan. The CCC will purchase thirty vehicles annually for three years at an average cost of \$27,067 each, allowing the CCC to replace vehicles that have reached their useful life and are not in compliance with current fuel efficiency requirements.

The CCC recommends that all crew support trucks being purchased under this request be equipped with four wheel drive capability, and all 15-passenger vans be in the medium duty category. The nature and location of the CCC's regular revenue generating reimbursement project and emergency response work requires regular travel on rugged roads, as well as off road, in a variety of weather conditions. In addition, the CCC manages its fleet in such a manner as to rotate vehicles among the various statewide CCC centers as necessary to effectively complete its mission, while maximizing the longevity of the vehicles. Approval to purchase the recommended vehicles will allow CCC crews to safely travel to worksites.

The CCC relies heavily upon crew support trucks, large passenger vans, and Crew Carrying Vehicles (CCVs) on a daily basis to transport corpsmember crews, project materials, tools and other equipment to and from project sites, as well as when responding to natural disasters, in a safe and energy efficient manner. Travel distances can increase significantly when all available CCC crews, regardless of location, are called to respond to natural disasters.

The current CCC fleet is significantly older than industry standards recommend. The normal useful life of a crew support truck or a passenger van is five to ten years. Sixty-five percent of the CCC's crew support trucks, and 42 percent of the van fleet are over 13 years old. The older these vehicles become, repairs become more extensive and the cost of maintenance increases significantly. In addition, current engine technologies, while not necessarily offering immense mile per gallon differences employ much better emissions hardware that results in a cleaner burn and lowered greenhouse gas emissions. Should the statewide vehicle contract support both the level of performance and the use of alternative fuels, the CCC would pursue alternative fuel trucks. All vehicles under this phase of the vehicle replacement plan exceed or will exceed the required mileage threshold when replaced. In addition, this proposal provides new vehicles that will improve the miles per gallon (mpg) ratings when compared to the fleet's existing trucks which will assist the CCC in meeting SAM MM 12-05 requirements through better engine technology and flexible fuel use (if available) to perform the same work.

Consequence of Denial. In the past four years, the CCC has reduced its fleet to the mandated total determined by DGS, and has begun the process of systematically replacing those vehicles that have extremely high mileage, have repairs that are greater than the value of the vehicle, are unsafe to be used for personnel transport, or are no longer operable. The department continues to "right-size" the fleet in all locations so that it meets the administrative and project support needs of the department in the most cost effective way. Without the increase in authority requested, the department will fall further behind in its plan to ensure that sufficient, reliable, and proper vehicles are in place to conduct necessary reimbursable project work, and respond to emergencies throughout the state.

E. Outcomes and Accountability

The outcomes anticipated from this proposal include:

- The CCC will purchase various new vehicles for crew support that will increase the safety of CCC staff and corpsmembers and operational cost-efficiency when traveling to and from revenue generating reimbursement projects, as well as, responding to emergencies.
- The CCC will replace vehicles that exceed the replacement schedules identified in SAM MM 13-02 with newer, more fuel efficient crew support trucks that comply with SAM MM 12-05.
- The CCC will comply with all OFAM procurement and reporting requirements in implementing this request.

Analysis of Problem

F. Analysis of All Feasible Alternatives

Alternative A: Approve the request for an annual increase in expenditure authority of \$812,000 in FY 2016-17, FY 2017-18, and FY 2018-19 to the Collins Dugan Reimbursement Account to annually purchase thirty (30) replacement vehicles.

Pros:

- The CCC will replace older, worn out, unsafe, and less fuel-efficient vehicles that are costly to maintain thereby increasing safety, cost-efficiency, and operational efficiency.
- The CCC's phased replacement approach is consistent with OFAM guidelines and requirements.
- The CCC will be able to meet requirements of SAM MM 12-05 by significantly improving the miles per gallon through better engine technology and flexible fuel use (if available) to perform the same work.
- The purchase maintains the integrity of the 15 percent total vehicle reduction in EO B-2-11 and the recommendations of the 2007 and 2010 Mercury Assessment Reports.

Cons:

- Increased cost to the CCC Budget.

Alternative B: Deny this proposal, by which CCC will continue to rely on an on old, unsafe, less fuel-efficient, and costly to maintain vehicle fleet.

Pros:

- No increase to the department's budget.

Cons:

- The CCC will be unable to reduce older, worn out, unsafe, and less fuel-efficient vehicles that are costly to maintain and unrepairable.
- The CCC will not meet requirements of MM 12-05 and significantly improving the miles per gallon through better engine technology and flexible fuel use to perform the same work.
- The CCC would not have sufficient funding to replace its aging crew support truck fleet to meet MM 12-05 requirements.
- The CCC's fleet will continue to age significantly increasing maintenance and repair costs and potentially restricting the CCC's ability to transport crews, tools and equipment to project sites and emergencies.
- The CCC will not be in compliance with EO B-2-11 and will continue to have cost-inefficient vehicles in its fleet.

Alternative C: Lease vehicles from DGS or a commercial lease agency.

Pros:

- Initial outlay of funds will cost less than initial purchase.
- Will be in compliance with EO B-2-11 by removing inefficient-cost vehicles from the CCC's fleet.

Analysis of Problem

Cons:

- Not cost effective. The current cost to lease a vehicle equivalent to the ones we currently have is about \$500 per month. This equates to \$6,000 per year, and \$60,000 over the ten year useful life of a vehicle. The total cost of leasing over the life of the vehicle would exceed the average \$27,000 purchase price with a five-year warranty.

G. Implementation Plan

The CCC will continue to work with DGS-Office of Fleet and Asset Management to replace aging and non-repairable vehicles in a systematic manner. The department tracks each vehicle within its category, and, based on straight-line projections, has identified when each vehicle will be eligible for replacement based on the mileage thresholds established by OFAM. Each fiscal year, as funds are identified, the department selects the number of eligible vehicles that can be replaced, and follows the OFAM regulations for requesting replacement vehicles. The request for FY 2016-17 through FY 2018-19 will allow the continuation of vehicle replacements based on need in a more systematic way.

H. Supplemental Information

List of vehicles in need to be replaced in FY 2016-17 is attached. Mileage tracking of each vehicle projects 30 vehicles that need to be replaced in each FY 2017-18 and 2018-19. Included also are the SAM Management Memos referenced in this proposal.

I. Recommendation

Alternative A. Approve the request for an \$812,000 annual increase in expenditure authority in FY 2016-17, FY 2017-18, and FY 2018-19 to the Collins Dugan Reimbursement Account to annually purchase thirty (30) replacement vehicles.

**CALIFORNIA CONSERVATION CORPS
FY 2016-17 BUDGET CHANGE PROPOSAL
VEHICLE REPLACEMENT
SELECTED TO BE REPLACED IN 2016-17**

NO.	VIN	Vehicle Type	Location	License No.	Mileage March 2014	Projected Mileage June 30, 2016
1	1GCEK14M8WZ126226	Pickup, 1997	Fortuna	955804	251,941	274,605
2	4TAVN13D4RZ238045	Pickup, 1995	Recruitment	890014	230,574	232,013
3	1FTNW20L02EC81572	Pickup, Crewcab, 2002	Monterey	1127972	207,025	222,534
4	1FTNW20L92EC81571	Pickup, Crewcab, 2002	San Diego	1127976	200,965	216,690
5	3B7KF26Z12M309338	Pickup, 2002	Stockton	1118652	181,516	197,427
6	1FTRW08L72KD44436	Pickup, Crewcab, 2002	Los Padres	1118521	181,235	194,748
7	1FTCR10X5NTA48542	Pickup, 1993	Greenwood	891111	142,341	194,500
8	1FTRW08L12KD44433	Pickup, Crewcab, 2002	Camarillo	1128106	177,918	192,046
9	3B7KF26Z12M309324	Pickup, 2002	Los Padres	1377173	146,684	191,285
10	1FTNW20L22EC81573	Pickup Crewcab, 2002	Stockton	1127971	172,274	190,787
11	3B7HF13Z41G806728	Pickup, 2001	Ukiah	1039084	165,502	186,598
12	1B7KF23Z3TJ192302	Pickup, 1996	Fortuna	905293	169,364	184,240
13	1FTSW31L8XEC68437	Pickup, Crewcab, 1999	Camarillo	964137	170,841	183,900
14	1FTNF21L1XED70802	Pickup, 1999	Los Padres	962895	171,837	183,161
15	1FBJS31H9SHB91060	Van, 15 Pass, 1995	Los Padres	904000	112,846	surveyed
16	1FBJS31H0SHA42116	Van, 15 Pass, 1995	Fortuna/BC	419800	146,224	surveyed
17	2B5WB35T51K542745	Van, 15 Pass, 2001	Camarillo	1039043	67,068	surveyed
18	2B5WB3524YK155405	Van, 15 Pass, 2000 CNG	Monterey	1024702	29,851	surveyed
19	1FBJS31H9SHA44494	Van, 15 Pass, 1995	Fortuna	878109	201,420	266,639
20	2FMZA51U3WBC04670	Van, 7 Pass, 1998	Placer	905344	165,793	185,696
21	1FBJS31H9SHA44494	Van, 15 Pass, 1997	Backcountry	905333	165,438	171,363
22	1J4FJ28S8RL227998	SUV, 1994	Greenwood	863700	180,915	192,608
23	1B4HS38N82F184275	SUV, 2002	Region II	1128007	167,361	180,049
24	1B4HS38N72F183067	SUV, 2002	Los Padres	1127982	152,607	176,481
25	1B4HS38N72F173641	SUV, 2002	Inland Empire	1039590	165,110	175,178
26	1FAFP53U8XG125854	Sedan, 1999	Monterey	964124	152,350	surveyed
27	1G3AJ55M8S6430546	Sedan, 1995	Recruitment	878145	185,013	191,496
28	JT2BK12U110037769	Sedan, 2001	Recruitment	1117957	172,496	180,429
29	JT2BK12U710037842	Sedan, 2001	Los Angeles	1117958	149,422	160,915
30	1GDHK34KXSE547515	Stakeside, 1995	Monterey	905278	145,718	154,401

MANAGEMENT MEMO

SUBJECT:

STATE FLEET ASSET OVERSIGHT

NUMBER:

MM 13-01

DATE ISSUED:

JANUARY 9, 2013

EXPIRES:

UNTIL RESCINDED

REFERENCES:

Public Contracts Code §10295.2; Government Code §11000; §13332.09;
Public Resources Code §25722.5 et seq.; Executive Order B-2-11

ISSUING AGENCY:

DEPARTMENT OF
GENERAL SERVICESSupersedes Management Memo 05-08 and amends §3620 of the State
Administrative Manual and the State Fleet Handbook

Purpose

This Management Memo sets fleet acquisition policy, defines a state fleet asset; explains the Department of General Services (DGS) Office of Fleet and Asset Management (OFAM) oversight, and advises state agencies of their responsibilities.

Policy

State agencies are required to seek OFAM approval prior to acquiring a fleet asset.¹ This policy extends to any fleet asset being rented or leased over 30 consecutive calendar days or more than four (4) consecutive work weeks (excluding weekends and holidays). Continually re-renting fleet assets week to week or with a short break after 30 days without seeking OFAM approval is prohibited.

Background

Pursuant to Government Code §13332.09, the DGS is required to investigate and establish the necessity of a fleet asset before a state agency makes an acquisition. Pursuant to Public Resources Code §25722.5 et seq, DGS is also required to collect and report vital information about the state fleet.

Pursuant to [Executive Order B-2-11](#), state agencies are required to update their fleet asset information into OFAM's Fleet Asset Management System (FAMS) on a monthly basis, including fuel and utilization data. This policy applies to all fleet assets (owned or rented) that are in the agency's control for more than 30 consecutive calendar days or more than four (4) consecutive work weeks (excluding weekends and holidays).

State motor vehicles and general use mobile equipment (fleet assets) are acquired through the following means: direct purchase; leased or rented from OFAM; leased or rented through a commercial vendor; and occasionally, received on loan, or as a gift or donation. Renting is synonymous with leasing for the purpose of this policy.

Who is affected

All state agencies under the definition of Government Code §11000: (a) As used in this title, "state agency" includes every state office, officer, department, division, bureau, board, and commission. This policy does not apply to the California State University; however, participation is requested and encouraged.

¹ See [Management Memo 13-02 \(State Fleet Annual Acquisition Plan\)](#)

STATE ADMINISTRATIVE MANUAL

Who should review Executive officers, administrative deputies and chiefs, fleet coordinators, managers, supervisors, business services officers, and department auditors.

Fleet assets overseen by DGS OFAM defines a fleet asset as: mobile equipment that is self-propelled and/or registered by the Department of Motor Vehicles with certain exceptions (see chart below).

Inclusions & Exclusions

Asset Type	Acquisition Requires OFAM Approval ²	Reporting FAMS Data Required ³	OFAM Inspection Services Required ⁴
Aircraft	Yes	Yes	No
Motorized Boats/Watercraft ⁵	Yes	Yes	Yes
Non-motorized Boats/Watercraft	No	No	No
Farm and Construction Equipment	Yes	Yes	Yes
Heavy-duty Vehicles (14,000 GVWR or more)	Yes	Yes	Yes
Medium-duty Vehicles (8,501-13,999 GVWR)	Yes	Yes	Yes
Light-duty Vehicles (8,500 or less GVWR)	Yes	Yes	Yes
Light-duty off road equipment ⁶	Yes	Yes	Yes
Mobile Carts (manufacturer rated below 35 mph)	Delegated	Yes	No
Trailers (2,999 lbs GVWR or less) ⁷	Delegated	Yes	No
Trailers (3,000 lbs GVWR or above) ⁸	Yes	Yes	Yes

Continued

² Authority to acquire those asset types identified as "delegated" without OFAM oversight/approval is provisional.

³ See Attachment 1 for required fields for Limited FAMS reporting.

⁴ Excludes departments with OFAM approval to conduct self inspections.

⁵ Outboard boat motors are not their own fleet asset, and their purchase or replacement is treated as a repair or modification to a motorized boat.

⁶ Including but not limited to: motorcycles, ATVs, quadrunners, snowmobiles, etc.

⁷ Pertains to the small trailers only, and not the equipment mounted on trailers, e.g.: generators, welders, signs, message boards, kettle pots, outhouses, etc. Assets carried on trailers such as: motorcycles, snowmobiles, ATVs, etc., are considered fleet assets and are referenced separately.

⁸ The California Vehicle Code §26302, requires trailers having a gross weight of 3,000 lbs or more be equipped with brakes. A mobile home or mobile office that is not permanently parked is considered a trailer.

STATE ADMINISTRATIVE MANUAL

Inclusions & Exclusions (Cont.)

Asset Type	Acquisition Requires OFAM Approval	Reporting FAMS Data Required	OFAM Inspection Services Required
Mobile Home or Office (only if permanently parked. If moved, use trailer footnote)	No	No	No
Indoor Fork Lift	Delegated	Limited (Attachment 1)	No
Outdoor Fork Lift	Yes	Yes	Yes
Electric Pallet Jack	No	No	No
Floor Scrubber	Delegated	Limited (Attachment 1)	No
Self-Propelled Lawn Mower (25 hp or more)	Yes	Limited (Attachment 1)	Yes
Self-Propelled Lawn Mower (24 hp or less)	No	No	No
Personnel Lift	Delegated	Limited (Attachment 1)	No

Additional resources

1. [Executive Order B-2-11](#)
2. [Management Memo 13-02 \(State Fleet Annual Acquisition Plan\)](#)
3. [Required fields for Limited FAMS reporting](#)

DGS contact

For further information please contact:
 Carol Shellenberger
 Department of General Services
 Office of Fleet and Asset Management
 (916) 928-5831
carol.shellenberger@dgs.ca.gov

Original Management Memo signed by Fred Klass, Director, DGS

Signature

 Fred Klass, Director
 Department of General Services

Attachment 1: Required FAMS Fields

REQUIRED FAMS FIELDS
For Assets with Limited Reporting Requirements
 [Indoor Fork Lifts, Personnel Lifts and
 Self-Propelled Lawn Mowers (25HP or more)]

REQUIRED FIELDS	REASON REQUIRED
Equipment Number	Asset Identification
Vehicle Category	Required for Mobile Equipment Report
Model Year	Asset Identification
VIN (enter serial number here)	Asset Identification
Make	Asset Identification
Model	Asset Identification
Vehicle Location Zip Code	Asset Identification
Agency Billing Code	Required for Mobile Equipment Report
Vehicle Type	Required for Mobile Equipment Report
GVWR Range	Informational Item
Fuel Type	Informational Item
Engine Configuration	Informational Item
Confidential Asset	FAMS Required
Primary Application	Required to track asset use type
Acquisition Delivery Date	Required to track asset activity
Acquisition Method	Required to differentiate a purchase from a lease
Acquisition Reason	Required to differentiate an additional asset from a replacement asset
Purchase Price	Informational Item
Disposition Date <i>(date vehicle leaves the facility)</i>	Required to track asset activity
Disposition Method	Required to obtain method of disposition
Disposition Sold Amount	Informational Item

MANAGEMENT MEMO

SUBJECT:

STATE FLEET ANNUAL ACQUISITION PLAN

NUMBER:

MM 13-02

DATE ISSUED:

JANUARY 14, 2013

EXPIRES:

UNTIL RESCINDED

REFERENCES: GOVERNMENT CODE §13332.09; PUBLIC CONTRACT CODE §10295.2 (a); PUBLIC RESOURCES CODE §25722.5 et seq; CALIFORNIA CODE OF REGULATIONS 599.809; EXECUTIVE ORDER B-2-11; STATE ADMINISTRATIVE MANUAL SECTIONS: 3620, 3620.1, 3615, 4105, 4110, 4112, 4117.2

ISSUING AGENCY:

DEPARTMENT OF GENERAL SERVICES

SUPERSEDES MANAGEMENT MEMOS: 02-02 AND 06-07**Purpose**

This Management Memo announces new requirements for completing fleet vehicle acquisition requests. These new requirements replace the prior process for acquiring fleet assets.

Policy

Executive Branch departments are required to submit an annual fleet acquisition plan to the Department of General Services (DGS), Office of Fleet and Asset Management (OFAM) for analysis when requesting approval to acquire new or replacement fleet assets. OFAM is eliminating the use of the *Vehicle Acquisition Request Form* (OFA 160). This policy applies to all emergency and non-emergency fleet assets.

Background

The state fleet has undergone a comprehensive vehicle allocation methodology (VAM) analysis that identified non-essential or cost ineffective assets.¹ This process has right-sized the state fleet, therefore, any increase to departments' baseline requires ample justification that additional fleet assets are vital and mission critical. Further, replacing existing assets now requires a higher level of justification than the previous mileage-based thresholds once permitted. OFAM has developed an annual fleet acquisition plan that will allow agencies to demonstrate their need and adherence with the various fleet rules, including, but not limited to the following:

Government Code Section 13332.09 requires the necessity for the acquisition of fleet asset(s) be established;

- Public Resources Code Section 25722.5 et seq prescribes requirements for fleet acquisitions, including the reduction of petroleum consumption;
- The federal Energy Policy Act of 2005 requires state fleets to include 75 percent of alternative fuel vehicles in their acquisitions;
- California Code of Regulations Section 599.809 requires state passenger vehicles be a light class not to exceed 110 combined cubic feet;

(Continued on next page)

¹ Executive Order B-2-11 Implementation <http://www.dgs.ca.gov/ofam/Programs/FleetReduction.aspx>

STATE ADMINISTRATIVE MANUAL

Background (Cont.)

- [Executive Order B-2-11](#) freezes fleet acquisitions except under specific circumstances;
 - [Executive Order B-16-12](#) requires a growing percentage of zero emission vehicles be included in fleet acquisitions;
 - [Management Memo 12-03](#) requires solar reflective colors be the default color of fleet acquisitions.
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Implementation

1. OFAM is eliminating the use of the *Vehicle Acquisition Request Form* (OFA 160); agencies will no longer submit individual fleet acquisition requests to OFAM. This policy applies to all emergency and non-emergency fleet assets.
2. Beginning in Fiscal Year 2012-13, state departments shall submit an annual fleet acquisition plan to OFAM if the department desires to acquire any new or replace any existing fleet assets in the following fiscal year.² This includes any long-term rentals/ leases.³ Individual fleet acquisition requests will no longer be accepted. However, OFAM will accept supplemental fleet acquisition plans from departments should fleet needs change during the course of a fiscal year.

Electronic copies of annual fleet acquisition plans (and any supplemental acquisition plans) must be submitted to carol.shellenberger@dgs.ca.gov to allow for the analysis and approval process no later than:

- First work day of February for one-time buy acquisitions;
- First work day of April for master vehicle contract acquisitions;
- First work day of April for long-term rental/lease acquisitions;
- Supplemental fleet acquisition plans may be submitted (for master vehicle contract acquisitions or for long-term rentals/leases) if the plan is submitted at least 45-days prior to the vehicle manufacturer's cutoff date and/or the end of the fiscal year for the acquisition.

Supplemental fleet acquisition plans must be clearly identified as such and in the same format as the original plan. Denote any changes to the original plan and/or clearly identify the additional fleet assets being requested.

(Continued on next page)

² See [Management Memo 13-01](#) (State Fleet Asset Oversight) for a list of fleet assets.

³ Long term rentals/leases include fleet assets in the agency's control for over 30 consecutive calendar days or more than four (4) consecutive work weeks (excluding weekends and holidays).

STATE ADMINISTRATIVE MANUAL

Implementation (Cont.)

3. Pursuant to Executive Order B-2-11, all fleet replacement requests must clearly describe (in detail) that the asset(s) is:
 - Vital and necessary to provide mission critical services; and
 - Needed to protect the health, safety or security of the public; and/or
 - Will result in significant cost savings to the state.

Requests to replace existing fleet assets will be analyzed based on the utilization metrics in the Fleet Asset Management System (FAMS) and an up-to-date VAM analysis.

4. Once a department's annual fleet acquisition plan has been approved by OFAM, the department may acquire one or more of their approved fleet assets by submitting *Purchasing Authority Purchase Order Form (STD. 65)* or *Purchase Estimate Form (STD. 66)* to OFAM. OFAM will review the purchasing forms to ensure compliance with the department's approved plan and apply a "[stamp of approval](#)" as appropriate. Departments are no longer required to submit a *Vehicle Acquisition Request Form (OFA 160)* if a vehicle is listed in an approved annual fleet acquisition plan.

Certification of Compliance

Public Contract Code Section 10295.2(a), and Executive Order B-2-11 require that all fleet acquisition requests be signed by the Secretary or Director of an agency or a department, respectively, or his or her designee. The certification shall include the date, title, and signature of the person authorizing the acquisition. The Director of DGS must approve all such purchases, subject to the review of the Secretary of the State and Consumer Services Agency.

OFAM has developed a certification form that must accompany all fleet acquisition plans (see Additional Resources section of this MM).

Required Format

OFAM has developed an annual fleet acquisition plan template that must be followed when submitting a request to acquire new or replacement fleet assets (see Additional Resources section of this MM). The template outlines the vital areas that the narrative must follow when providing an overview of the planned acquisitions and how those acquisitions will comply with existing requirements. Following the prescribed format allows for a more efficient analysis to take place as the information needed to make decisions should be easily located. Accompanying the narrative section is the spreadsheet that will include the line item detail of each planned new or replacement asset (see Additional Resources of this MM). These two documents, along with the certification form, make up a fleet acquisition request.

(Continued on next page)

STATE ADMINISTRATIVE MANUAL

**Required
Format**
(Cont.)

Other supporting documentation should also be attached if it helps justify the acquisitions. For example, if additional vehicles are being requested that increases the size of the agency's fleet baseline, an authorized budget change proposal (BCP) or Governor's budget line item must be attached to substantiate any increase in staffing or workload corresponding with the request for additional vehicles.

OFAM has developed templates to assist departments in developing their plans; these templates can be found in the Additional Resources section of this MM. The Annual Fleet Acquisition Plan and any supplemental plans must include the following:

1. Written narrative that follows the Annual Fleet Acquisition Plan template
2. Excel spreadsheet using the format provided
3. Fire truck questionnaire, if applicable
4. Fleet Acquisition Certification form
5. Copies of approved BCP or Governor's Budget for additional assets that increase the size of the agency's B-2-11 fleet baseline.

**Additional
Resources**

An electronic copy of the referenced documents can be found at the DGS website:

1. [Annual Fleet Acquisition Plan Template](#)
2. [Fleet Acquisition Plan Spreadsheet](#)
3. [Addendum "A" Fire Truck Questionnaire](#)
4. [Fleet Acquisition Certification](#)

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Original Management Memo signed by Fred Klass, Director, DGS

Signature

Fred Klass, Director
Department of General Services

MANAGEMENT MEMO

SUBJECT:

ZERO-EMISSION VEHICLE IMPLEMENTATION PLAN

REFERENCES: PUBLIC RESOURCES CODE §25722.5 (e) AND §25722.8; AB 32 GLOBAL WARMING SOLUTIONS ACT OF 2006; EXECUTIVE ORDER B-16-12; MANAGEMENT MEMO 13-02 (STATE FLEET ANNUAL ACQUISITION PLAN)

NUMBER: MM 13-04
DATE ISSUED: JANUARY 22, 2013
EXPIRES: UNTIL RESCINDED
ISSUING AGENCY: DEPARTMENT OF GENERAL SERVICES

Purpose

This Management Memo provides direction to all state agencies under the Governor's executive authority on meeting the zero-emission vehicle (ZEV) requirements outlined in [Executive Order \(EO\) B-16-12](#). It includes a description of three-year implementation plan that must be submitted to the Department of General Services (DGS), Office of Fleet and Asset Management (OFAM) by state agencies who wish to purchase new fleet vehicles.

Policy

State agencies' three-year implementation plan shall be submitted to OFAM no later than June 30, 2013, and shall cover three fiscal years: 2013/2014, 2014/2015 and 2015/2016.

Overview

Executive Order

On March 23, 2012, Governor Brown issued EO B-16-12 ordering *"California's state vehicle fleet increase the number of its zero-emission vehicles through the normal course of fleet replacement so that at least 10 percent of fleet purchases of light-duty vehicles be zero-emission by 2015 and at least 25 percent of fleet purchases of light-duty vehicles be zero-emission by 2020. This directive shall not apply to vehicles that have special performance requirements necessary for the protection of the public safety and welfare."*

Zero-Emission Vehicle (ZEV)

ZEVs include pure zero-emission vehicles such as: hydrogen fuel cell vehicles (FCVs) and battery electric vehicles (BEVs). Plug-in hybrid electric vehicles (PHEVs) are considered transitional zero-emission vehicles and may be considered toward the ZEV requirement to some extent. At least half of the vehicles required to comply with EO B-16-12 must be pure zero-emission vehicles. A ratio of PHEVs are allowable based on their certified electric driving range, see table below:¹

¹ California Air Resources Board PHEV certified electric driving range is available at: www.driveclean.ca.gov

Overview
(Cont.)

Vehicle Type	Minimum Range	Maximum Range	Ratio
BEV			1:1
Low Range PHEV	10	19	5:1
Mid Range PHEV	20	34	3:1
Long Range PHEV	35	49	2:1
Extra long range PHEV	50	n/a	1:1

Fleet Reduction/Purchasing Freeze

On January 20, 2011, Governor Brown issued [EO B-2-11](#) reducing the size of the state fleet and freezing acquisitions. Once a state agency successfully concludes the EO B-2-11 fleet reduction, it may begin submitting fleet replacement requests to OFAM for consideration. State agencies are expected to begin phasing in ZEVs through the normal course of fleet replacements. Any ZEVs acquired after the issuance of EO B-16-12, can be credited toward the mandatory 2015 ten-percent ZEV acquisition requirement, including medium and heavy duty ZEVs on a case by case basis.²

Statewide Contracts

Through its annual statewide vehicle contracts, DGS has established specific BEV and PHEV line items to ensure the state fleet meets the EO requirements. As vehicle manufacturers expand their commercial offerings of ZEVs, DGS will add additional line items to the state's vehicle contracts. DGS also intends to pursue a leveraged procurement for electric charging stations.

ZEV Fuel Reporting

[Public Resources Code Section 25722.5\(e\) \(10\)](#) requires state agencies to report to DGS their total annual fuel consumption, including alternative fuels. EO B-2-11 also directs state agencies to provide OFAM's Fleet Asset Management System (FAMS) with monthly updates including fleet utilization and fuel use data. State agencies must collect and report into FAMS the amount of electric fuel and hydrogen fuel used by the ZEVs in their fleet.

Special Performance Requirements

The only light-duty vehicles that are exempt from the EO B-16-12 requirements are those with special performance requirements necessary for the protection of the public's safety and welfare. State agencies must evaluate their entire light-duty fleet for every opportunity to incorporate ZEVs over traditional vehicles.

² All ZEVs acquired in 2012, 2013 and 2014 can be credited toward the 2015 10-percent ZEV mandate. Neighborhood electric vehicles and other non-highway rated electric vehicles are not eligible to meet the requirements of the EO. Further, DGS will consider any proposed medium or heavy-duty ZEV acquisitions for possible credit toward the light-duty requirement on a case by case basis.

**Implementation
Plan**

Three Year Plan

State agencies shall develop a written plan that:

1. Evaluates the existing light-duty fleet and identifies of how many traditional vehicles can be replaced with ZEVs. State agencies must consider all possible opportunities to transition away from larger-sized vehicles, including E85 flex fuel, and begin incorporating ZEVs wherever practical.
2. Identifies the parking locations for anticipated BEVs and PHEVs as well as the entity responsible for the parking (e.g.: DGS-controlled parking; agency- controlled parking; commercial parking; municipal parking; etc).
3. Evaluates the quantities of electric chargers that are currently in place and/or are needed to support the agency's estimated BEV or PHEV acquisitions.
4. Works with the party responsible for the parking facility to develop a timeline for the installation of the electric charging stations needed to support the estimated BEV and PHEV acquisitions.
5. Describes how many ZEVs the agency plans to acquire annually, and the timeline for the installation of electric chargers to support the refueling of the BEVs and PHEVs.
6. Includes the number of non-ZEV light-duty vehicles they estimate acquiring in each of the next three fiscal years; where applicable, describes any special performance requirements necessary for the protection of the public's safety and welfare that a ZEV cannot meet and why.

The three-year plan described above shall be submitted to OFAM no later than June 30, 2013. Beginning in fiscal year 2013, state agencies are required to submit an annual fleet acquisition plan to OFAM for evaluation and approval prior to acquiring any fleet assets.³ OFAM will refer to each agency's three-year ZEV plan when evaluating its proposed fleet acquisitions year over year to ensure that ZEVs are being integrated into the state fleet in accordance with EO B-16-12.

Note: State agencies that annually procure less than 10 vehicles, but anticipate procuring 10 or more vehicles prior to December 31, 2019, are required to submit a multi-year ZEV acquisition plan to OFAM. As described above, the plan should evaluate an agency's existing fleet and identify opportunities so that at least 10 percent of the agency's light-duty vehicle purchases, through 2019, are ZEV.

State agencies that do not anticipate procuring 10 or more vehicles prior to December 31, 2019, are not required to submit a written plan to OFAM. However, such agencies shall be required to work with OFAM to identify possible ZEV purchasing opportunities as vehicles procurements are requested.

³ See Management Memo 13-02, State Fleet Annual Acquisition Plan

STATE ADMINISTRATIVE MANUAL

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Signature

Original Management Memo signed by Fred Klass, Director, DGS

Fred Klass, Director
Department of General Services

MANAGEMENT MEMO

	NUMBER: MM12-05
SUBJECT: MAXIMIZING ALTERNATIVE FUEL USE AND REDUCING PETROLEUM CONSUMPTION IN THE STATE FLEET	DATE ISSUED: MAY 18, 2012
	EXPIRES: UNTIL RESCINDED
REFERENCES: PUBLIC RESOURCES CODE §25722.5 (d); §25722.5 (e) AND §25722.8; EXECUTIVE ORDER B-2-11	ISSUING AGENCY: DEPARTMENT OF GENERAL SERVICES

Purpose This Management Memo reinforces the obligation that each State office, agency, and department maximizes the use of alternative fuels and reduces or displaces petroleum consumption within their respective vehicle fleets.

Background Public Resources Code §25722.5 (d) states that “[t]o the maximum extent practicable, each state office, agency, and department that has bifuel natural gas, bifuel propane, and flex fuel vehicles in its vehicle fleet shall use the respective alternative fuel in those vehicles.”

Executive Branch departments and agencies have reported that there are more than 9,000 flex fuel vehicles in the State fleet representing approximately 24 percent of the State’s passenger vehicles. These vehicles can operate on gasoline, E85 ethanol fuel, or any combination of the two.

Public Resources Code §25722.5 (e) and (f) requires each State office, agency and department to report to DGS their total annual consumption of gasoline and diesel fuel, alternative fuels, and the total annual vehicle miles traveled by vehicles in the State fleet. Executive Order B-2-11 also directs department and agency heads to provide monthly updates of their vehicle and mobile equipment information that is presently being collected by the DGS.

Policy Department and agency heads shall:

1. Implement internal policies to ensure that drivers of alternative fuel vehicles are compelled to use alternative fuels in those vehicles whenever feasible. The DGS Office of Fleet and Asset Management’s alternative fuel web site contains links to alternative fuel locations throughout California, see link: <http://www.dgs.ca.gov/ofam/Programs/FARS/AFVP.aspx>
2. Require State employees driving flex fuel vehicles to use E85 fuel when filling up at a station where E85 fuel is available.

STATE ADMINISTRATIVE MANUAL

3. Become familiar with *The California Action Plan for Reducing or Displacing the Consumption of Petroleum Products by the State Fleet* and take steps to implement those actions necessary to reduce or displace petroleum consumption to meet the legislative goals, see link:
<http://www.documents.dgs.ca.gov/ofa/AB236Report2010.pdf>
 4. Ensure that the DGS is provided with accurate and timely fleet and fuel data to report to the Governor, the Legislature and federal Department of Energy.
 5. Actively monitor your respective organizations' petroleum consumption, alternative fuel use and fleet reports and adjust your practices accordingly to ensure that these measures are being achieved.
-

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Signature

Original Management Memo signed by Fred Klass, Director DGS

Fred Klass, Director
Department of General Services

BCP Fiscal Detail Sheet

BCP Title: Vehicle Replacement Plan

DP Name: 3340-003-BCP-DP-2016-GB

Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
5368 - Non-Capital Asset Purchases - Equipment	0	812	812	812	0	0
Total Operating Expenses and Equipment	\$0	\$812	\$812	\$812	\$0	\$0
Total Budget Request	\$0	\$812	\$812	\$812	\$0	\$0

Fund Summary

Fund Source - State Operations

 0318 - Collins-Dugan Calif Conservation Corps Reimbursement Acct

Total State Operations Expenditures

Total All Funds

0318 - Collins-Dugan Calif Conservation Corps Reimbursement Acct	0	812	812	812	0	0
Total State Operations Expenditures	\$0	\$812	\$812	\$812	\$0	\$0
Total All Funds	\$0	\$812	\$812	\$812	\$0	\$0

Program Summary

Program Funding

 2360010 - Training and Work Program--Base and Fire Centers

Total All Programs

2360010 - Training and Work Program--Base and Fire Centers	0	812	812	812	0	0
Total All Programs	\$0	\$812	\$812	\$812	\$0	\$0