

County of Santa Clara
Board of Supervisors
Supervisorial District Three
Supervisor Dave Cortese




BOSD302-022409

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DATE: February 24, 2009

TO: Board of Supervisors

FROM: 
Dave Cortese
Supervisor, District 3

SUBJECT: Board Referral on Evaluation of Fleet Management

RECOMMENDED ACTION

Refer to Administration request to evaluate fleet management for greater efficiencies in cost and carbon emissions reduction by utilizing vehicle leasing programs in a vendor relationship for leased and/or purchased vehicles.

REASONS FOR RECOMMENDATION

This study will enable the Board of Supervisors and the Administration to gain a better understanding of the fiscal and environmental implications of moving to a fleet management system wherein vehicles are leased and/or purchased via a vehicle leasing program.

BACKGROUND

As the Board of Supervisors and the Administration analyze the devastating budget situation currently facing our county, it is critical to examine how services and practices can be retooled to meet the needs of our organization while also yielding savings in cost and other areas.

The County of Santa Clara maintains a fleet of over 2,500 vehicles. Over time, vehicles depreciate in terms of value while their carbon footprint increases. Ideally our fleet should be managed in a way that is low in cost, protects the County's investment and is sensitive to environmental standards to which the County subscribes.

In this vein, some jurisdictions have sought to establish a fleet inventory composed of leased vehicles and/or vehicles purchased from a leasing program. The justification has been that in this economic climate, there is an unfair competition for the reservation of funds for capital replacement versus other important municipal functions, such as health and human services. This procurement approach would allow the County to maintain a fleet that is constantly replenished with energy efficient, well maintained vehicles, leading to reduced costs all around, including reduced maintenance costs.

County Fleet and Facilities staff has already done some research into this type of fleet management and there is interest in moving a portion of the county fleet into lease arrangements. The Administration should build on the research already conducted, examine how other jurisdictions are dealing with this issue, meet with possible vendors and understand how such a move will affect the County's bottom line. The preliminary results of this study should be brought back for review to the March 2009 Finance & Government Operations Committee and the upcoming budget process.