

REPLACEMENT FLEET UNIT PURCHASES

I. PURPOSE:

The following guideline establishes policies and procedures for the systematic replacement of fleet units.

II. POLICY:

It is the policy of the City of Little Rock that fleet units will be replaced based upon standard criteria established by the Fleet Services Department.

III. DEFINITIONS:

- A. Fleet Unit: A City-owned vehicle or piece of equipment of a value of \$1,000.00, or greater, that is motorized, self-propelled and/or attached to or pulled behind a self-propelled unit.
- B. Customer: Any Department or contracting organization which uses the services of the Fleet Services Department.
- C. Service Center: A facility operated and managed by the Fleet Services Department providing any or all of the following functions: fueling service (major or minor); regionalized fleet unit maintenance (major or minor); and/or specialized fleet unit maintenance.

IV. RESPONSIBILITY:

- A. The Fleet Services Department Director is responsible for the development of procedures set forth in this guideline.
- B. The Fleet Services Department is responsible for the development of fleet unit specifications, scheduling of demonstrations, pre-bids and making recommendations for bid award.
- C. The Fleet Services Department is responsible for the administration of the entire City's rolling stock.
- D. The Customer Department is responsible for the safe and effective use and operator maintenance of the fleet unit assigned to it by the Fleet Services Department, in order to extend each fleet unit's useful life.
- E. The Customer Department is responsible for reporting any problems or potential repairs to assist and prevent downtime. The User Department is responsible for responding to preventative maintenance schedule request.

- F. The Fleet Services Department is responsible for the disposal of surplus fleet units and for the processing of purchase orders for new equipment.

V. PROCEDURE:

A. Selection of Replacement Fleet Units:

1. Based on a replacement schedule and replacement criteria, the Fleet Services Department will identify fleet units requiring replacement. Equipment may be identified for which early replacement, rebuilding versus replacement or alternative services, is appropriate.
2. The Fleet Services Department will notify Customer Departments regarding equipment scheduled for replacement and solicit feedback for prioritization.
3. Based on customer feedback, the Fleet Services Department will compile a prioritized final list of fleet units recommended for replacement.

B. Purchase of Replacement Fleet Units:

1. Based upon budgetary approval, the Fleet Services Department will develop specifications for new fleet units and submit those specifications to the Customer Departments for review and final approval.
2. The Purchasing Division will process fleet unit specification bid packages and solicit competitive bids, when necessary.
3. If the fleet unit is listed on a Cooperative Purchasing Agreement, or State Procurement Contract, a bid is not necessary and the purchasing package will be completed and forwarded to the Purchasing Division to finalize the purchase process.
4. All bids will be opened and tallied by the Finance Department Purchasing Division.
5. If the purchase is \$24,999.00 or less, it may be purchase from three (3) written quotes.
6. Purchases totaling \$25,000.0 and above will require a formal bid.
7. Purchases of goods and services totaling \$1.00 to \$49,999.00 can be approved by the Purchasing Agent.
8. Bids of \$50,000.00 and above require approval from the Little Rock City Board of Directors.

C. Receipt of Replacement Fleet Units:

1. All fleet units purchase by the City of Little Rock will be initially received by the Fleet Services Department and signed for on a delivery ticket from the vendor.
2. Upon receipt, the new fleet unit(s) will be inspected to ensure compliance with specifications listed by the successful vendor.

3. If it is determined that the fleet unit(s) does not meet specifications, the vendor will be contacted in order to take corrective action.
4. Pertinent information such as year, make, model, vehicle identification number, etc., will be obtained from the new fleet unit documents and the Fleet Management Information System will be updated.
5. Upon acceptance at the Fleet Services Department, new fleet units will be made ready for use by the Customer Departments.
6. Upon receipt of new fleet units, Customer Departments will turn in surplus fleet units, unless prior authorization to increase the fleet has been obtained from the Assistant City Manager.
7. The Fleet Services Department will coordinate with the Purchasing Agent regarding the list of fleet units readied for disposal.
8. Fleet unit disposal will be conducted through an auction unless directed otherwise by the City Manager, or his designee.
9. All net proceeds from the sale of City-owned fleet units will be deposited in a Fleet Replacement Fund to be maintained by the Fleet Services Department. These funds will be utilized to replace fleet units on an as needed basis as determined by the Fleet Services Department.

Approved:



Bruce T. Moore
City Manager