



## Agenda of the Motor Vehicle Review Committee

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Wednesday, December 10, 2008  
Utah State Capitol Complex  
Room 415  
Salt Lake City, Utah  
10:00 AM

Approval of Minutes of September 10, 2008 .....	Tab 1
Underutilized Vehicles .....	Tab 2
Expansion Vehicle Justification Process .....	Tab 3
105,000 Replacement Mileage .....	Tab 4
2009 MVRC Schedule .....	Tab 5

# Motor Vehicle Review Committee



September 10, 2008

## MINUTES

### **Motor Vehicle Review Committee Members in attendance:**

Sal Petilos, Substitute Chair  
Dennis Carver  
Robin Erickson  
Scott Harding  
Doug McCleve  
Steve McCarthy  
Paul Mash  
Roxie Huntsman  
David Rees

### **Fleet Operations and Guests in attendance:**

Margaret Chambers	Division of Fleet and Surplus Services
Sam Lee	Division of Fleet and Surplus Services
Amanda Ronan	Division of Fleet and Surplus Services
Gala Dumas	Division of Fleet and Surplus Services
Corry Hill	Division of Fleet and Surplus Services
Scott Bingham	Division of Fleet and Surplus Services
Anne Stehno	Division of Fleet and Surplus Services
Jeff Done	Division of Fleet and Surplus Services
Judy Wilkins	Department of Technology Services
Michelle Lewis	Department of Technology Services
Rich Amon	Legislative Fiscal Analyst
Tiffany Harms	Tax Commission
Kim Willette	Governors Office of Planning and Budget
Jill Laws	Public Safety, Drivers License Division
Nannette Rolfe	Public Safety, Drivers License Division
Michael Kilcrease	Work Force Services
Beckie Kimber	Public

On Wednesday, September 10, the Motor Vehicle Review Committee held their regularly scheduled meeting in room 415 of the State Capitol, Salt Lake City, Utah. Substitute Chair Sal Petilos called the meeting to order at 10:05 a.m.

## **1. Approval of Minutes for June 10, 2008**

Substitute Chair Petilos asked if there were any corrections that needed to be made to the minutes.

**MOTION:** Roxie Huntsman moved to approve the minutes from June 10, 2007.  
Steve McCarthy seconded the motion.

The motion passed unanimously.

## **2. FY2010 Rate Proposal Update**

Margaret Chambers explained the rate proposal submitted to the Rate Committee for approval and the impacts related to those changes. Margaret Chambers then explained the proposal to change the lifecycle mileage from 90,000 miles to 105,000 miles for the entire fleet was removed from the rate proposal for further study after the materials for the MVRC had been printed.

## **3. Underutilized Vehicles**

Sam Lee explained to the Committee how many vehicles are in low use status. Fleet Operations has tried many things to try and lower the amount of underutilized vehicles in the fleet. He would like the Committee's advice on what to do next with the 325 underutilized vehicles which average less than 625 miles per month and are not marked as low use.

Sal Petilos asked if there were instances where it would make more sense to pay POV instead of using a fleet vehicle for the job duties. Sam Lee replied yes there are instances where POV makes more sense. For instance if you have an employee who drives a hundred miles per month, it would be more cost effective to the state to pay POV then to have them drive a fleet vehicle.

Dave Rees suggested going to the Agencies and asking what is the critical mission for the vehicle to find out what the Agency is using the vehicle for and not removing those vehicles which may be a low use but is critical to have to get the job done. Sam Lee responded that Fleet Operations has always looked at what is the mission for the agency and why do they need the vehicles. We have never gone to an agency and said you are not utilizing the vehicle hand over the keys. The problem we have is there has not been any action by the Agencies to take care of the low use vehicles and the numbers keep rising.

Dave Rees asked if Fleet Operations has looked at the company called Vehicle Share. It is a pool of vehicles in which you subscribe to a service. When you need a vehicle you make a reservation for it and go to a lockbox and enter your reservation number to

retrieve the keys. Sam Lee stated he is familiar with it but because of the logistics involved has not actively looked into it.

Doug McCleve stated their needs to be some kind of sanction so the Agencies become accountable for their use. We may need to set some kind of timetable to take action. Dennis Carver stated it needs to be brought to the attention to the Supervisors in charge of the vehicles they would need to justify why the vehicle was needed even though it is being underutilized. We need to make the Agencies look at the problem quarterly so they are not forgotten about. Also have the Executive Directors of the Departments look at the justifications. Sam Lee stated Fleet Operations already sends out a quarterly report of the underutilized vehicles. Should it be going to the Executive Directors level? Dennis Carver stated it needs to have a reply back as to why they are needed. Currently it is just a list send out. More attention would be given to them if a response had to be given.

Dave Rees suggested going to the Rate Committee and suggesting a higher rate or surcharge for underutilized vehicles.

Rich Amon from the Legislative Fiscal Analyst Office stated they were looking at the underutilized vehicles. There is a report which will be coming out which looks at the issue of underutilized vehicles. There is a significant trend of vehicles which have 10 to 12 year lifecycles. Forty percent of the fleet is driving less than 625 miles per month.

**MOTION:** Doug McCleve motioned for Fleet Operations to send out the underutilized vehicle list to the Agencies to reevaluate the vehicles. In three months when we meet again we will look at the list and come up with sanctions for the remaining vehicles. Roxie Huntsman seconded the motion.

The motion passed unanimously.

**MOTION:** Dave Rees motioned for Fleet Operations study possible change in the rate structure in such a way that if vehicles do not meet the minimum utilization mark they receive an increase in their rate.

Motion failed, did not receive a second.

#### **4. Driver Eligibility Update**

Sam Lee went over the updates on the progress of Driver Eligibility and the Driver Eligibility Board. Current Employees will be effective as of November 3, 2008 with a clean slate. All violations after that date will count toward their eligibility. Employees hired after the effective date will have the license check done at the DHRM level. If the hiring manger would like to have a drivers license check done before the interview, the Agency will need to require a drivers license check at the time of application. Otherwise, when an employee is offered the job as part of the contingency the drivers license check

with be done. The Board Member recommendations have been given to Kim Hood, Executive Director of Administrative Services for approval.

## **5. Energy Efficiency Progress**

Margaret Chambers stated it has been interesting learning about vehicle energy efficiency. The benchmark and first year data has been collected. Just by looking at the numbers it is hard to see what is happening with the fleet. The large fleet Agencies will be asked to speak to their Legislative Committee about their energy efficiency goals and progress. So far the progress has been driver modification and right-sizing vehicles. We expect to see more changes next year with the implementation of the hybrid vehicles into the fleet.

**MOTION:** Dennis Carver motioned to adjourn. Steve McCarthy seconded.

Motion passed unanimously

Meeting Adjourned 11:59 am



# Motor Vehicle Review Committee

## State of Utah

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### MEMORANDUM

To: Motor Vehicle Review Committee  
From: Sam Lee  
Date: December 10, 2008  
Subject: **Underutilized Vehicles**

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#### **Background:**

A key component in the management of the state fleet by DFO is monitoring and evaluating the average mileage of state vehicles to help agencies determine appropriate vehicle counts. Even though DFO continues to address the problem of underutilized vehicles in Forum meetings, in training and in one-on-one meetings with fleet contacts there are currently 184 underutilized vehicles in the state fleet that continue to be leased by agencies even though the vehicle is not meeting the minimum standard of 625 miles per month.

In the last MVRC meeting held in September 2008 a presentation was given to the committee that showed there were at that time over 300 vehicles in the state fleet that were "underutilized" and were not marked as "low use." The committee discussed various options that could be applied to help reduce the number of low use vehicle in the state fleet but ultimately asked DFO staff to review with agencies once again if all vehicles in a low use situation were justified to be in a "low use" category.

The purpose of the agenda item is to update the committee on the count of underutilized vehicles leased by DFO and provide a forum for the committee to discuss and recommend measures DFO can take to continue to reduce the number of underutilized vehicles in the state fleet.

One recommendation which is based on the State of Colorado utilization model is to classify all vehicles into a "use" category by job type. If the vehicle consistently meets the minimum for the category the vehicle would be allowed an individual operator. If the minimum for the vehicle use was not reached for a determined time period (probably 12 months) then the vehicle would be pooled by the agency or multiple agencies in the area. For example, a "Maintenance and Support" truck for a campus or prison environment would be expected to travel 1,000 miles per year. If the vehicle did not meet the minimum standard fleet rules would require the vehicle to be pooled at that location.

#### **Recommendations:**

- (1) Agencies be required by administrative rule to pool vehicles if a minimum mileage standard by vehicle use and job type is not achieved by the agency (see the minimum mileage standards set by the State of Colorado attached to this memo).
- (2) Charge agencies with underutilized vehicles an additional fee or rate that would encourage agencies to turn in the underutilized vehicle.
- (3) Recommend that underutilized vehicles not be funded by the legislature each year.
- (4) Agencies turn in all underutilized vehicles after 12 continuous months in a low use status.

**VEHICLE UTILIZATION CODES**

Implemented 4/18/2003

- 1A** **Maintenance and Support: Campus /Prison/Institution/Rest Area. 1,000 miles.**  
This is intended for vehicles that are primarily stationed in a given limited location and will not get a lot of public road travel. For example, used for maintenance trucks on a college campus or prison complex. If the vehicle has been significantly altered with specialized equipment, racks, bins, etc. see code 2B. If the vehicle is responsible for multiple campuses or geographical locations see code 5D.
- 1B** **State Parks/Farms. 1,500 miles.** This is primarily for State Park areas & Farm properties.
- 1C** **Wildlife Area. 3,500 miles.** Primarily used for non-enforcement use within State Wildlife areas.
- 1D** **Patient Transport. 6,000 miles.** This is for agencies that may not utilize a specially equipped vehicle such as a wheelchair van, but have to transport clients to doctor appointments and similar situations.
- 2A\*** **ADA Compliant/Wheelchair. (Exempt)**  
This is for vehicles equipped with wheelchair lifts or other items that meet ADA or medical requirements.
- 2B\*** **Specialized Equipment. (Exempt)**  
This covers vehicles that have specialized equipment affixed to the vehicle making it less suitable for general transportation. It is basically a "tool on wheels" or "mobile shop." Examples include a drilling unit, water tank, lab/research equipment, plumbing or telecommunications vehicle equipped with attached maintenance parts racks and attached tool bins, etc. The typical radio and light bar set-up is not intended for this category.
- The following code 3 categories are for law enforcement personnel and are generally self-explanatory. These vehicles are specifically equipped with radios, lights, prisoner restraints, and similar equipment to serve a specific law enforcement purpose. An administrative support person working in a law enforcement agency is not part of this group.
- 3A** **Law – Criminal Investigator. 5,000 miles.**
- 3B** **Law – Prison Security/Inmate Transport. 1,900 miles.**
- 3C** **Law – Park Ranger. 7,000 miles.**
- 3D** **Law – Wildlife Officer. 10,000 miles.**
- 3E** **Law – Revenue Agent. 7,000 miles.**
- 3F** **Law – State Patrol/CBI. 10,000 miles.**
- 3G** **Law – Parole Officer. 7,000 miles.**
- 3H** **Law – Campus Police. 1,500 miles.**
- 4A** **Disposal Pending. (Not included in year end utilization report)**  
This is for vehicles that may appear to be low usage but in actuality are presently identified as pending sale. At time of reporting, this discrepancy may appear.
- 5A** **Motor Pool – Regional multi-use. 12,600 miles.**  
This is intended for vehicles assigned to a basic transportation motor pool available for multi-agency use. The downtown Capitol Complex motor pool is an example.
- 5B** **Motor Pool – Agency Restricted. 6,000 miles.**  
This is for a motor pool that typically serves basic transportation needs for employees of a specific agency only. For example, a pool of orange color trucks shared by CDOT engineers.
- 5C** **Individual Function – Statewide. 11,000 miles.**  
This is for the vehicle that is assigned to a specific function or individual with statewide responsibilities. This function requires frequent travel to different cities and towns throughout the state, etc. The function may be administrative, maintenance, or agency specific in nature. This is the statewide traveler.
- 5D** **Individual Function – Local Area. 6,000 miles.**  
This is for the vehicle that is assigned to a specific function or individual with local area responsibilities. The function rarely requires travel outside of an assigned city or area within the state. The use is high but the typical trip is short. This is the predominantly intracity or local area traveler.
- 5E\*** **Temporary Vehicles – (Exempt) (Revised 6/15/04)**  
This is for the vehicle that will be used for a short time and turned in after temporary or seasonal use or a replaced vehicle that is assigned to an agency as a delayed turn-in or a short-term. Seasonal use example: a Parks vehicle that is active when the Park is open during the warmer months but is not needed during the winter months.
- 5F\*** **Special program – Grant, Federal Requirement (Exempt)**  
This is intended to identify vehicles used for special programs. Not necessarily funded with federal money. For example, a vehicle that has to be at Rocky Flats to monitor hazardous materials, or a grant for studying and collecting data for three years at different remote mountainous locations. It may be difficult to acquire the mileage required but the requirement for a vehicle is specifically identified for compliance purposes. This vehicle usually cannot be rotated with the general use population.
- 5G\*** **Criminal Justice Driver Training. (Exempt)**  
This identifies vehicles used almost exclusively off of public roads in a controlled environment (track/parking lot) for the purpose of driver training.
- 5X\*** **Specialized Exempt.** Requires MVAC discussion and approval.

**COUNT OF "LOW USE" VEHICLES BY DEPARTMENT FROM FY2008 (DATA CAPTURED DECEMBER 1, 2008)**

<b>DEPARTMENT NAME</b>	<b>COUNT OF ACTIVE VEHICLES ON DECEMBER 1, 2008 (WITH MILEAGE IN FY2008)</b>	<b>COUNT OF VEHICLES IN A LOW USE AVREAGE AND NOT MARKED AS "LOW USE"</b>	<b>PERCENT OF THE TOTAL LEASED VEHICLE COUNT</b>
HEBER VALLEY COUNSELING CTR	1	1	100%
VETERAN AFFAIRS	4	2	50%
NORTHEAST CNSLNG CNTR	3	1	33%
SALT LAKE CO AGING SRVS	6	2	33%
VALLEY MENTAL HEALTH	3	1	33%
SAN JUAN CNSLNG CNTR	4	1	25%
TRI-CO HLTH DEPT	4	1	25%
WASATCH MNTL HLTH	22	5	23%
ALCOHOLIC BEVERAGE CONTROL	11	2	18%
BR DIXIE COLLEGE	13	2	15%
BR SNOW COLLEGE	21	3	14%
CENTRAL UT PUB HEALTH	7	1	14%
CENTRAL UTAH COUNSELING CNTR	7	1	14%
TRUST LANDS ADMINISTRATION	14	2	14%
LABOR COMMISSION	30	4	13%
DAVIS MNTL HLTH	8	1	13%
WORKFORCE SERVICES	113	12	11%
TECHNOLOGY SERVICES	22	2	9%
TRANSPORTATION	840	76	9%
COMMUNITY & CULTURE	26	2	8%
BE SCHOOL/DEAF & BLIND	56	4	7%
BE BOARD OF EDUCATION	43	3	7%
COURTS ADMINISTRATION	146	9	6%
AGRICULTURE	100	5	5%
HEALTH	59	2	3%
COMMERCE	31	1	3%
BR UTAH STATE UNIVERSITY	35	1	3%
PUBLIC SAFETY	635	18	3%
ENVIRONMENTAL QUALITY	43	1	2%
ADMINISTRATIVE SERVICES	116	2	2%
HUMAN SERVICES	474	7	1%
CORRECTIONS	371	4	1%
NATURAL RESOURCES	701	5	1%

**TOTAL**

**184**



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### MEMORANDUM

To: Motor Vehicle Review Committee  
From: Margaret Chambers  
Date: December 10, 2008  
Subject: **Expansion Vehicle Justification Process**

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#### **Background:**

The expansion process was put in Administrative Rule after a 1998 legislative study by David M. Griffiths prompted intent language to require Legislative funding approval for a vehicle expansion request.

The current Administrative Rule R-27-4-5 Fleet Expansion is missing one component that is outlined in statute:

#### **63A-9-401. Division -- Duties.**

(b) Rules made under Subsection (4)(a)(ii):

(i) shall designate a standard vehicle size and type that shall be designated as the statewide standard vehicle for fleet expansion and vehicle replacement;

For the past few years the Legislative Fiscal Analysts office has asked DFO for a vehicle utilization report for all agencies requesting an expansion vehicle. This year the Governor's Office of Planning and Budget (GOPB) also asked for the utilization report for expansion requests.

During the budget process this year Kimberlee Willette, GOPB analyst, asked the Department of Administrative Services to use the replacement vehicle right-size utility to determine what type of vehicle should be requested as an expansion vehicle. The Division of Facilities and Construction Management had requested 2 mid-size SUV's as expansion vehicles. After going through the right-size utility it was determined that they needed a compact truck with an extended cab.

Based on the success of the DAS right-size expansion request DFO would like to change Administrative Rule to require an agency utilization study and vehicle right-size utility for expansion requests.

#### **Recommendation:**

The MVRC recommend that the Division of Fleet Operations (DFO) update Administrative Rule R-27-4-5 Fleet Expansion to include underutilization review and vehicle right-size justification.

Attached: Statute and Rule

Statute: 63A-9-401. Division -- Duties.

(b) Rules made under Subsection (4)(a)(ii):

(i) shall designate a standard vehicle size and type that shall be designated as the statewide standard vehicle for fleet expansion and vehicle replacement;

(ii) may designate different standard vehicle size and types based on defined categories of vehicle use;

(iii) may, when determining a standard vehicle size and type for a specific category of vehicle use, consider the following factors affecting the vehicle class:

(A) size requirements;

(B) economic savings;

(C) fuel efficiency;

(D) driving and use requirements;

(E) safety;

(F) maintenance requirements; and

(G) resale value; and

(iv) shall require agencies that request a vehicle size and type that is different from the standard vehicle size and type to:

(A) submit a written request for a nonstandard vehicle to the division that contains the following:

(I) the make and model of the vehicle requested, including acceptable alternate vehicle makes and models as applicable;

(II) the reasons justifying the need for a nonstandard vehicle size or type;

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*(III) the date of the request; and*

*(IV) the name and signature of the person making the request; and*

*(B) obtain the division's written approval for the nonstandard vehicle.*

Rule: R27-4-5. Fleet Expansion.

(1) Any expansion of the state motor vehicle fleet requires legislative approval.

(2) The agency requesting a vehicle that will result in fleet expansion or that a vehicle currently designated "do not replace" be placed on a replacement cycle, shall be required to provide proof of the requisite legislative approval and funding for the procurement of an expansion vehicle or the placement of a "do not replace" vehicle on a replacement cycle, and any additional features and miscellaneous equipment, before DFO is authorized to purchase the expansion vehicle.

(3) For the purposes of this rule, an agency shall be deemed to have the requisite legislative approval under the following circumstances only:

(a) The procurement of expansion vehicles or the placement of a "do not replace" vehicle on a replacement cycle is explicitly authorized by the Appropriations Committee during the general legislative session; or

(b) The procurement of expansion vehicles or the placement of a "do not replace" vehicle on a replacement cycle is explicitly authorized by a special session of the legislature convened for the express purpose of approving fleet expansion.

(4) For the purposes of this rule, only the following shall constitute acceptable proof of legislative approval of the requested expansion or placement of a "do not replace" vehicle on a replacement cycle:

(a) A letter, signed by the agency's Chief Financial Officer, citing the specific line item in the appropriations bill providing said authorization; or

(b) Written verification from the agency's analyst in the Governor's Office of Planning and Budget (GOPB) indicating that the request for expansion was authorized and funded by the legislature.

(5) Upon receipt of proof of legislative approval of an expansion from the requesting agency, DFO shall provide to the State Division of Finance copies of the proof submitted in order for the Division of Finance to initiate the process for the formal transfer of funds necessary to procure the expansion vehicle(s) from the requesting agency to DFO. In no event shall DFO purchase expansion vehicles for requesting agencies until the Division of Finance has completed the process for the formal transfer of funds.

(6) In the event that the requesting agency receives legislative approval for placing a "do not replace" vehicle on a replacement cycle, the requesting agency shall, in addition to providing DFO with proof of approval and funding, provide the Division of Finance with funds, for transfer to DFO, equal to the amount of depreciation that DFO would have collected for the number of months between the time that the "do not replace" vehicle was put into service and the time that the requesting agency begins paying the applicable monthly lease rate for the replacement cycle chosen. In no event shall DFO purchase a replacement vehicle for the "do not replace" vehicle if the requesting agency fails to provide funds necessary to cover said depreciation costs.

(7) When the expansion vehicle is procured, the vehicle shall be added to the fleet and a replacement cycle established.

(8) DFO is responsible for insuring that the state motor vehicle fleet complies with United States Department of Energy alternative fuel vehicle (AFV) mandates. DFO may require that a certain number of expansion vehicles, regardless of the requesting agency, be alternate fuel vehicles to insure in compliance with said AFV mandates.



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### MEMORANDUM

To: Motor Vehicle Review Committee  
From: Sam Lee  
Date: December 10, 2008  
Subject: **Replacement Mileage Standard**

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#### **Background:**

Over the past two years Fleet Operations has researched the possibility of moving the standard replacement mileage from 90,000 to 105,000 as a cost savings to the state. The data models created and evaluated all point to significant savings for the state if the standard replacement mileage is increased 15,000 miles.

In August 2008, DFO staff presented a proposal to the Rate Committee recommending a change to 105,000 miles as the standard replacement. Because of dramatic increases in fuel prices and the resulting influence on resale values DFO decided to withdraw the mileage increase proposal to the Rate Committee at that time to allow further study.

The first week in November of 2008 Rich Amon from the Legislative Fiscal Analyst Office formally ask DFO to present its research conclusions to his office by the end of the month as the move to 105,000 miles will represent cuts to DFO lease rates and would also result in cuts to agency budgets where funds are appropriated to cover lease costs for state vehicles. On November 26, 2008 Rich Amon ask DFO to provide lease cost savings by agency if this proposal to move to 105,000 miles was to be implemented immediately (FY2009).

The Executive Directors Office in the Department of Administrative Services (DAS) has reviewed the research conclusion of the fleet study. The Budget Analyst from DAS is currently prioritizing all budget cut options to be presented to the Legislative Fiscal Analyst Office.

Based on FY2008 mileage data the state would save significant savings per year in lower cost per mile figures if the move to a 105,000 was implemented immediately (calculated cost per mile savings at the class level multiplied by the total number of miles traveled in the vehicle class during FY2008).

As a compromise for energy efficiency DFO has proposed the following exceptions to the 105,000 standard for just FY2009: All replacement vehicles that "downsize" or "right size" be allowed a replacement at the 90,000 mile standard. All vehicles slated for a hybrid or natural gas replacement be allowed a replacement at the 90,000 mileage standard.

#### **Recommendation:**

No action required. This agenda item is informational only based on the LFA request.



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### MEMORANDUM

To: Motor Vehicle Review Committee  
From: Margaret Chambers  
Date: December 10, 2008  
Subject: **MVRC 2009 Quarterly Meeting Schedule**

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The Motor Vehicle Review Committee meetings for 2009 will be held in Room 415 of the Capitol. The dates are listed below, the meeting times will be from 9:00 am to 11:00 pm.

Dates:

March 24, 2009  
June 23, 2009  
September 22, 2009  
December 15, 2009