



Office of Mayor-Elect Lenny Curry

Transition Task Force (Budget)

June 18, 2015

City Hall, Mayor's Conference Room, 117 West Duval Street, Jacksonville FL 32202

IN ATTENDANCE:

Transition Team

Sam Mousa

Mike Weinstein

Shari Shuman

Kirk Wendland

Ashton Hudson

Kevin Stork

Beth Mangold

Council Auditor's Office

Trista Straits

Budget Office

Angela Moyer

Catherine Skanes

Department: Intra-Governmental - Paul Martinez, Director; Shamika Baker, Jacksonville Business Assistance Administrator; Greg Pease, Chief of Procurement; Monica Cichowlas, Customer Service Manager; Karim Kurji, Chief of Fleet Management; Usha Mohan, Chief of Information Technologies

Chief Pat Ivey and Chief Gregory Burton were in attendance to talk about JSO issues with ITD.

911 CAD System

They are seeking \$4.5 million for a 911 CAD system for JSO and Fire in the 2016 budget. The current system reaches its end of life in 2018. Currently they have two separate CADs but they can't be combined.

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The Budget Review Team would like to know why are they asking for the \$4.5 million now when the new system won't be put in until 2018. Chief Burton responds that CIP are typically funded before they go out to bid. Mr. Mousa doesn't agree. Ms. Shuman suggests they get planning money this year and then more money when they get a total on what the project will cost after the RFP process.

Mr. Pease, Chief of Procurement, comments that typically the funding is in place before the RFP. The Budget Review Team asks if it is the General Counsel's opinion that all the money has to be there before you enter into a contract. Chief Burton says it depends. Mr. Pease says the funding should be assured and having the money in place ensures you can get the project done.

Mr. Weinstein feels this should be done step by step and at the appropriate time. Mr. Mousa thinks they should come back after the RFP results. They have \$250,000 for the RFP. Mr. Mousa tells Chief Ivey and Ms. Mohan that "we support this project but ITD is nowhere near ready for \$4.5 million for this project."

Mobile Radio Refresh for JSO and Fire

The JSO Radio System Enhancement project is on ITD's 5-Year Plan of projects that will be submitted to Council for their budget. Their radios have been at end of life and end of support since 2009. Some of the parts are no longer available and it is hard to maintain them. These are the radios in the police cars. Last year's request was removed. This year they want to split the cost over 8 years. We no longer have a radio refresh fund. JSO worked out a plan where they can purchase drop-in chargers and use hand held radios for detectives to enable them to extend out. The failure rate is 8 per month.

Mr. Mousa says to put this on the enhancement list.

Ms. Moyer now does a summary of the General Fund activity for Intra-Governmental. Car repairs have increased for Fleet Management. Mr. Kurji reported on Fleet's outsourcing. Inside they do maintenance on the vehicles and everyday repairs. Mr. Mousa wants Mr. Kurji to provide a list of what they do in-house and what they outsource.

Vehicle Replacement Fund

Ms. Moyer Angela explains that this fund and the Pay-Go are driven 100% by what is on the vehicle replacement list for next year. The list is at \$26 million with \$11 million in cash available. They need to decide on what on they want to replace and then Ms. Moyer can tell them how that impacts the \$11 million. FY 12, 13, 14 were all cash years. All banking fund debt has been settled. \$120,000 in debt left for the Banking Fund.

Mr. Mousa wants to know how the \$26 million list was comprised. Mr. Kurji hands out a Legislative Summary and Ordinance for Ordinance Code 2003-1105 - Fleet Vehicle Replacement Policy which ordinance calls for Fleet to provide a list, with estimated replacement costs and related data to the

Budget Office of vehicles recommended for replacement. This ordinance sets the scoring for vehicle replacement.

Age, mileage and operating maintenance cost is the base for what they look at in determining what vehicles they should replace. They are equally weighed. There is never enough money to replace enough vehicles in the fleet. There are 3,700 vehicles in the City throughout all the agencies. They score each vehicle each year. Based on that they determine which vehicle needs replacement. A vehicle must score 10 or greater to make the replacement list. It is estimated that 1,000 of the 3,700 are greater than 10. The average price is \$30,000 for a police car. \$56 million is needed to get the Fleet totally under a score of 10. They are asking for funding for only 26 vehicles. They propose to replace 260 JSO cars for next year including 40 wreck replacements. They are asking for an additional 40 as enhancements for a total of 300.

JSO makes their case for the vehicle replacement of 695 vehicles, estimated at \$21 million.

Ms. Shuman asked about insurance recoup fees that can help pay for some of these replacements. That money goes into a fund balance and gets redistributed. Ms. Shuman feels that those funds should be re-appropriated and goes toward replacing the wrecked vehicle.

Mr. Mousa thinks Fleet needs to make Public Safety vehicles a priority and given an advantage. He says that public safety is Mayor-elect Curry's number one priority and you can't reach that priority without police cars. "I think you need to come up with something that's fair to all departments, but reflects the Mayor-elect's priorities... Police first, Fire second, Public Works third...Parking can walk."

Mr. Mousa apologizes but the meeting is running late and so the Budget Review Team will not be able to go over IT's budget today. Mr. Mousa has Ms. Mangold reschedule IT.

Mr. Mousa asks Ms. Cichowlas how the City's Call Center is doing. There are 2 supervisors and a total of 22 employees, 17 on phones and the rest on other activities, for example non-media Public Records Requests, responding to emails, MYJAX app etc.

Ms. Moyer asks if they can go over the Copy Center next. Their operating budget runs the expenses. Installment purchases for equipment was reduced, commercial printing and binding was reduced, and the operating budget reduced by \$323,532.

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



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Bill Type and Number: Ordinance 2003-1105

Sponsor: Council President at the request of the Mayor

Date of Introduction: September 9, 2003

Committee(s) of Reference: F, AC

Date of Analysis: September 10, 2003

Type of Action: Ordinance Code Amendment – Fleet Vehicle Replacement Policy

Bill Summary: This bill creates a new Section 106.216, *Ordinance Code*, regarding Replacement of Fleet Vehicles. The Fleet Vehicle Replacement Policy calls for the Chief of Fleet Management to annually submit a list, with estimated replacement costs & related data, to the Budget Office, of vehicles recommended for replacement. The recommendations will be based on a point system factoring in the age, mileage and operating maintenance cost. The policy calls for the Mayor to provide sufficient funding to replace all vehicles that have reached a normal, as determined according to generally accepted accounting principles, depreciation cycle by the end of the preceding fiscal year. Provision is also made for vehicle replacement based on other factors such as task suitability, etc. as well as replacement during a budget cycle.

Background Information: Pending ordinance 2003-876 repeals the current Sec. 106.216, pertaining to the Fleet Vehicle Replacement Reserve Fund/Replacement Pool. The Replacement Pool provided for vehicle replacement via a monthly amount, equal to the vehicle's book depreciation, charged to the using agency. These funds, along with interested earned, went into the Replacement Pool to be used to replace the vehicle at the end of its economic useful life, as determined by the Chief of Fleet Management and approved by the Director of Administration & Finance, in accordance with generally accepted accounting principles.

Policy Impact Area: Budget & Accounting; Fleet Management

Fiscal Impact: Undetermined

Analyst: Welsh

1 Finance Committee offers the following substitute to File Number 2003-
2 1105:

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5 **ORDINANCE 2003-1105-E**

6 AN ORDINANCE PERTAINING TO CHAPTER 106, *ORDINANCE*
7 *CODE*, (BUDGET AND ACCOUNTING CODE), PART 2,
8 (BUDGETS); CREATING A NEW SECTION 106.216,
9 *ORDINANCE CODE*, ESTABLISHING A BUDGET POLICY FOR
10 THE REPLACEMENT OF FLEET VEHICLES; PROVIDING AN
11 EFFECTIVE DATE.
12

13 WHEREAS, Ordinance 2003-876-E repealed Section 106.216, *Ordinance*
14 *Code*, pertaining to the replacement reserve fund/replacement pool for
15 fleet vehicles; and

16 WHEREAS, the City intends to replace every city-owned vehicle in
17 which the cost to replace the vehicle is less than the cost to repair
18 the vehicle in order to save the City money in the future; and

19 WHEREAS, the City finds that it is necessary and in the best
20 interest of the citizens of Jacksonville to provide for a fleet vehicle
21 replacement policy; now therefore,

22 **BE IT ORDAINED** by the Council of the City of Jacksonville:

23 **Section 1.** There is hereby created a new Section 106.216,
24 *Ordinance Code*, to read as follows:

25 **Sec. 106.216. Replacement of Fleet Vehicles.**

26 (a) The Chief of Fleet Management shall prepare a list of
27 vehicles recommended for replacement in the upcoming fiscal year and
28 transmit it to the Budget Office not later than February 1st of each
29 year. Such list shall also include vehicles that have reached normal
30 replacement age but are recommended for retention for an additional year
31 as provided in Section 106.216(c) hereof. The list shall include

1 estimated replacement costs for each vehicle and related data supporting
2 each vehicle's replacement recommendation. The recommendations will be
3 based on a point system generally constructed as follows:

- 4 (1) **Age of Vehicle** - One point for every year beyond normal
5 life expectancy for the respective vehicle.
- 6 (2) **Mileage** - One point for each 10,000 miles above 60,000
7 for light vehicles. One point for every 10% of
8 additional mileage or hours above normal life
9 expectancy expressed in miles or hours for heavy and
10 off-road vehicles.
- 11 (3) **Operating Maintenance Costs** - One point for each one
12 cent operating cost per mile or hour above the average
13 cost per mile or hour for all City peer group vehicles.
14 For purposes hereof, the term "Operating Maintenance
15 Costs" is defined to be total maintenance costs less
16 costs due to accidents, abnormal / abuse repairs and
17 vehicle modifications.

18 The Chief of Fleet Management may recommend additional replacements
19 based on other factors such as suitability to task, technical
20 obsolescence or other factors as appropriate. Justification for such
21 additional replacements will be submitted in writing along with the
22 annual replacement listing.

23 (b) Notwithstanding the above and based on the points assigned, the
24 Chief of Fleet Management shall recommend any vehicle with 10 or more
25 points to the Director of Administration and Finance for replacement and
26 the vehicle shall be placed on the replacement list. This list shall be
27 submitted to the City Council as part of the annual budget process along
28 with the Director's modifications, if any, to the list. The Chief of
29 Fleet Management shall also recommend in a separate section of the
30 replacement list those vehicles that should be removed from the fleet
31 due to very low usage.

1 (c) With the prior written approval of the Director of
2 Administration and Finance, the Chief of Fleet Management may defer
3 replacement of any vehicle on the replacement list if he determines that
4 the vehicle is of further economic use and value to the City. For
5 purposes hereof, the economic useful life of a vehicle will be based on
6 the estimated cost to maintain the vehicle in a reliable condition for
7 the using agency.

8 (d) Beginning in the fiscal year 2003-2004 budget and in each
9 successive annual budget thereafter, the Mayor shall provide sufficient
10 funding to replace all city owned vehicles that have reached the end of
11 its useful life by the end of the preceding fiscal year. As provided
12 herein, the Chief of Fleet Management shall submit a list of all
13 vehicles expected to meet or exceed normal useful life in the then-
14 current fiscal year according to the procedure set forth in Section
15 106.216(a) hereof.

16 (e) The Chief of Fleet Management shall purchase vehicles
17 according to the final list described herein as funds are budgeted for
18 the same.

19 (f) In the event that a replacement is deemed necessary before
20 the next successive budget cycle, the Chief of Fleet Management shall
21 communicate the need and justification in writing to the Mayor's Budget
22 Review Committee for its review and disposition.

23 (g) Effective October 1, 2004 and thereafter, the costs of
24 replacement vehicles and associated expenses, including interest on
25 financed vehicles, will be charged back to respective users in
26 accordance with Section 108.103, *Ordinance Code*.

27 **Section 2.** This ordinance shall become effective upon
28 signature by the Mayor or upon becoming effective without the Mayor's
29 signature.

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1 Form Approved:

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3 /s/ Jeanne M. Miller

4 Office of General Counsel

5 Legislation Prepared by: Jeanne M. Miller

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