

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: February 5, 2019 [X] Consent [ ] Regular  
[ ] Ordinance [ ] Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to approve: An Amended and Restated Interlocal Agreement (“Agreement”) with the City of Pahokee (“City”), providing fleet management services from February 5, 2019 through February 4, 2024.

**Summary:** The Agreement provides the terms and conditions under which the County provides fleet management services. Fleet management services generally include: 1) preventative maintenance and corrective repairs to vehicles and equipment, 2) the management and operation of fueling sites, 3) the sale of fuel, and 4) the management of the Vehicle Replacement Policy Fund. This Agreement expands the Fleet Management services the County is providing the City; provides for a term of five (5) years with one renewal option for five (5) years; adds attachments regarding Fleet Management maintenance repair service locations, fee schedule, and vehicle replacement fund; and incorporates standard contract provisions on non-discrimination, the Office of the Inspector General, Insurance and Liability. The County does not require any additional staffing and/or equipment to enter this Agreement, and as such, this Agreement will result in increased revenues to Fleet Management. **(FDO – Admin) Countywide (LDC)**

**Background and Justification:** The County has been providing Fuel Management Services for the City since 2009, and it has been determined to be beneficial to both parties for the City to purchase expanded Fleet Management Services from the County, including maintenance and repair services and the authorization to participate in the County’s Vehicle Replacement Fund. This Agreement between the County and the City provides the terms and conditions under which the County will provide these expanded fleet management services.

Since the County does not require additional staffing and/or equipment to enter this Agreement, there will be an increase in revenues to Fleet Management as a result of this Agreement. The actual amount of revenue to be generated will depend on the level of use by the City.

**Attachments:**

Interlocal Agreement

Recommended By: MJB Annmarie Wolf 1/9/19  
Department Director Date

Approved By: WBaker 1/27/19  
County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2019	2020	2021	2022	2023
<b>Capital Expenditures</b>					
<b>Operating Costs</b>	<u>24,492</u>	<u>37,840</u>	<u>38,975</u>	<u>40,144</u>	<u>41,348</u>
<b>External Revenues</b>	<u>(25,809)</u>	<u>(39,875)</u>	<u>(41,072)</u>	<u>(42,304)</u>	<u>(43,573)</u>
<b>Program Income (County)</b>	_____	_____	_____	_____	_____
<b>In-Kind Match (County)</b>	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<u>(1317)</u>	<u>(2,035)</u>	<u>(2,097)</u>	<u>(2,160)</u>	<u>(2,225)</u>
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

**Is Item Included in Current Budget:** Yes  No \_\_\_\_\_  
**Does this item include the use of federal funds:** Yes \_\_\_\_\_ No

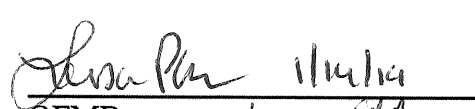
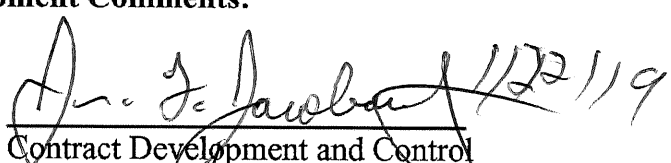
Expense Budget Fund 5000 Dept 410 Unit 7220 Object 5214, 5215  
 Account No:  
 Revenue Budget Fund 5000 Dept 410 Unit 7100 Rev 9102  
 Account No:

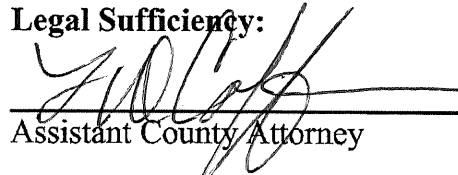
**B. Recommended Sources of Funds/Summary of Fiscal Impact:**  
 The above fiscal impact relates to fuel purchases only. Any additional fiscal impact will be realized if the City utilizes the maintenance & vehicle replacement services.

**C. Departmental Fiscal Review:** 

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Development Comments:**

<p><u></u>                  OFMB <u>8/1/14</u> <u>6/11/14</u></p>	<p><u></u> 11/22/19                  Contract Development and Control  <u>1/18/19</u></p>
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**B. Legal Sufficiency:**  
  
 Assistant County Attorney

**C. Other Department Review:**  
 \_\_\_\_\_

**AMENDED AND RESTATED  
INTERLOCAL AGREEMENT**

**THIS AMENDED AND RESTATED INTERLOCAL AGREEMENT** (“Agreement”) is made and entered into \_\_\_\_\_, by and between PALM BEACH COUNTY, a political subdivision of the State of Florida (“County”) and City of Pahokee, a municipal corporation of the State of Florida (“City”).

**WITNESSETH:**

**WHEREAS**, on December 15, 2009, the County and the City entered into an Interlocal Agreement (R2009-2132), that was subsequently amended by the First Amendment to Interlocal Agreement (R2014-1816) on December 2, 2014 (Collectively the 2009 Interlocal Agreement) setting forth the terms and conditions by which the County would provide fuel management services to the City; and

**WHEREAS**, in addition to fuel management services, the County and the City have determined it to be beneficial to both parties for the City to purchase other fleet management services from the County; and

**WHEREAS**, the County and the City are continually identifying more effective service delivery methods which result in overall savings to the taxpayers of the County and the City; and

**WHEREAS**, the County and the City have the ability to lawfully enter into this Agreement; and

**WHEREAS**, to set forth the terms and conditions for all fleet management services, this Agreement amends and restates, in its entirety, and replaces, the 2009 Interlocal Agreement.

**NOW THEREFORE**, in consideration of the mutual covenants, promises and representations contained herein, the parties hereto agree as follows:

**SECTION 1: PURPOSE**

The purpose of this Agreement is to provide the terms and conditions by which the County will provide comprehensive fleet management services to the City and the schedule and method of payment to the County for such services. Fleet management services generally include: 1) preventative maintenance and corrective repairs to vehicles and equipment, 2) the management and operation of fueling sites, 3) the sale of fuel, and 4) the management of the Vehicle Replacement Policy Fund.

## **SECTION 2: FLEET MANAGEMENT FACILITIES**

The County operates fleet management maintenance & repair facilities at various locations throughout Palm Beach County. All the available locations and the dates/times such facilities are staffed and operated are listed in Attachment 1 to this Agreement. The County will update Attachment 1 and transmit same to the City annually. The administrative offices are located at 2601 Vista Parkway, West Palm Beach, FL 33411.

## **SECTION 3: UNLEADED/DIESEL FUEL**

3.01 The County operates fueling stations at various locations throughout Palm Beach County. All the available fueling sites are listed in Attachment 2 to this Agreement. The County will update Attachment 2 and transmit same to the City annually.

3.02 Upon execution of this Agreement, the City will inform the County of the number of fuel cards required and the information necessary to code all City employees, vehicles and equipment into the County's automated fuel management systems. Within twenty-one (21) days, the County will provide the City with the requested cards. Procedures for requesting additional new and replacement cards will be established after execution of this Agreement. It is the City's sole responsibility to ensure that the fuel cards are issued to, and utilized for, authorized and lawful public purposes. The fuel cards will allow the City to fuel at any fuel site identified in Attachment 2.

3.03 The City will be invoiced monthly for fuel usage on a per gallon purchased basis. The per gallon cost will be calculated by adding the actual fuel price, the applicable taxes and the administrative mark-up. The administrative mark-up will be set annually by the County and take effect on October 1<sup>st</sup> each year. The County shall notify the City of the administrative mark-up prior to October 1<sup>st</sup>. The County agrees to charge the City the same administrative mark-up as it does County agencies. The City is not obligated to purchase a minimum amount of fuel pursuant to this Agreement.

3.04 The City will not be entitled to any portion of the taxes recovered pursuant to Florida Statute 206 and Florida Statute 212, Part II.

3.05 The County represents that its fueling stations are operated in compliance with all applicable environmental regulations and that the City assumes no responsibility for the proper management of these facilities pursuant to this Agreement.

3.06 The City agrees to provide each employee using a County fuel facility with procedures for proper use of the County's facility and ensure that its employees use the facility properly. The County reserves the right to deny fueling privileges to any City employee who fails to follow County procedures upon immediate notification to the City.

#### **SECTION 4: PREVENTATIVE MAINTENANCE AND CORRECTIVE REPAIRS**

4.01 The County will perform preventative maintenance according to the County's established program which includes the documentation of the maintenance. The preventative maintenance program includes the routine changing of lubricants and fluids as well as the inspection of components to identify corrective maintenance needs.

4.02 The County shall perform corrective and commercial repairs as needed and requested by authorized City personnel.

4.03 Preventative maintenance and corrective repairs will be billed in accordance with Attachment 3.

4.04 Attachment 3 shall be revised annually and duly incorporated into this Agreement on October 1<sup>st</sup> of each year. The County agrees to charge the City the same fee schedule as it does County agencies. The revised Attachment will identify the new fee schedule as well as provide budget documentation.

#### **SECTION 5: VEHICLE REPLACEMENT FUND**

5.01 The County implements a Vehicle Replacement Fund ("Replacement Fund"). The purpose of this fund is to provide a structured "savings plan" by which the cost of the replacement asset is prorated over the estimated life of the asset and paid on a monthly basis throughout that life.

5.02 The City may elect to participate in the Replacement Fund for any or all of its vehicles. The City may elect to participate in the Replacement Fund at any time during the term of this Agreement.

5.03 The Replacement Fund is implemented pursuant to Attachment 4 to this Agreement. If the City elects to participate, the City's participation in the Replacement Fund will also be governed by the terms of the current adopted PPM on this matter.

#### **SECTION 6: BILLING SCHEDULE**

6.01 The County will prepare and transmit to the City monthly an invoice and detailed summary itemizing the costs associated with: 1) preventative maintenance and corrective repairs, 2) fuel purchases, and 3) Replacement Fund contributions. The City will immediately review the information and report any discrepancies to the County within ten (10) days of receipt. Payment will be due to the County within thirty (30) days of receipt of the invoice. Payments shall be sent to:

Board of County Commissioners  
Special Receivables Section - Finance  
P.O. Box 3977, Fund 5000  
West Palm Beach, FL 33402-3977

6.02 At any time, the City may request information concerning its fleet management services.

**SECTION 7: COUNTY IMPLEMENTED QUALIFICATIONS, TRAINING AND SAFETY PROGRAMS**

7.01 The County represents that all repairs will be performed by technicians holding certifications commonly available in the industry. If additional certification and/or training is required to accommodate specialized equipment and/or vehicles of the City, the County will provide the technicians with the necessary training at no additional cost to the City.

7.02 The County utilizes a Lock Out/Tag Out program for securing vehicles and equipment which may be in unsafe condition. A copy of the Lock Out/Tag Out Procedures are included as Attachment 5 of this Agreement. The City is responsible for ensuring that all City employees operating vehicles understand the County's program and how the City operators are to make the County aware of potentially unsafe conditions that they discover.

**SECTION 8: LIABILITY**

To the extent permitted by Florida law and subject to the limits of liability set forth in section 768.28, Florida statutes, the City shall indemnify, defend, save and hold the County harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to or destruction of property arising from or out of any act, error or omission of the City in connection with its performance of this Agreement. In the event the County shall be made a party to litigation commenced against the City or by the City against a third party, then the City shall protect and hold harmless and pay all costs and attorneys' fees incurred by the County in connection with such litigation and any appeals thereof. The foregoing indemnification shall not constitute a waiver of sovereign immunity beyond the limits set forth in Section 768.28, Florida Statutes, nor shall the same be construed to constitute an agreement by either party to indemnify the other party for its own negligence, willful or intentional acts.

**SECTION 8A: INSURANCE**

Without waiving the right to sovereign immunity as provided by section 768.28, Florida Statutes, (Statute), the City represents that it is self-insured with coverage subject to the limitations of the Statute, as may be amended.

If City is not self-insured, City shall, at its sole expense, purchase and maintain in full force and effect at all times during the life of this contract, insurance coverage at limits not less than those contained in the Statute.

Should City purchase excess liability coverage, City agrees to include City as an Additional Insured.

The City agrees to maintain or to be self-insured for Workers' Compensation insurance in accordance with Chapter 440, Florida Statutes.

Should City contract with a third-party (Contractor) to perform any service related to the Agreement, City shall require the Contractor to provide the following minimum insurance:

- Commercial General Liability insurance with minimum limits of \$1,000,000 combined single limit for property damage and bodily injury per occurrence and \$2,000,000 per aggregate. Such policy shall be endorsed to include City and County as Additional Insureds. City shall also require that the Contractor include a Waiver of Subrogation against County.
- Business Automobile Liability insurance with minimum limits of \$1,000,000 combined single limits for property damage and bodily injury per occurrence.
- Workers' Compensation insurance in compliance with Chapter 440, Florida Statutes, and which shall include coverage for Employer's Liability with minimum limits of \$1,000,000 each accident.

When requested, the City shall provide an affidavit or Certificate of Insurance evidencing insurance or self-insurance.

Compliance with the foregoing requirement shall not relieve the City of its liability and obligations under this Agreement.

#### **SECTION 9: TERM OF AGREEMENT**

9.01 Initial Term. The initial term of this Agreement is for five (5) years and shall commence immediately upon full execution of this Agreement.

9.02 Renewals. This Agreement may be renewed for one (1) five (5) year term thereafter. At least eight (8) months prior to the expiration of this Agreement's term, the City shall provide the County with a request to renew this Agreement. If agreed upon by the parties, within two (2) months of the receipt of the request, the County shall process an Amendment to this Agreement which shall be executed by both the City and the County.

9.03 Existing Interlocal Terminated. This Agreement when effective terminates and replaces the Interlocal Agreement between County and City R2009-2132 as amended by R2014-1816.

#### **SECTION 10: AMENDMENTS TO THIS AGREEMENT**

This Agreement may be amended from time to time via written amendment executed by both the Board of County Commissioners and the City. Annual updates to the Attachments will not require the approval of the Board of County Commissioners or the City.

**SECTION 11: TERMINATION**

This Agreement may be terminated by either party, with or without cause. Any termination shall take effect sixty (60) days from the receipt of notice.

**SECTION 12: ANNUAL BUDGET APPROPRIATIONS**

Pursuant to state law, this Agreement is subject to the annual budget appropriations of the City and the County.

**SECTION 13: NOTICES**

Any notice given pursuant to the terms of this Agreement shall be in writing and done by Certified Mail, Return Receipt Requested. The effective date of such notice shall be the date of receipt, as evidenced by the Return Receipt. All notices shall be addressed to the following:

As to the County:

County Administrator  
301 North Olive Avenue  
West Palm Beach, FL 33401

Director, Facilities Development & Operations  
2633 Vista Parkway  
West Palm Beach, FL 33411

With a copy to:

Director, Fleet Management Division  
2633 Vista Parkway  
West Palm Beach, FL 33411

County Attorney's Office  
301 North Olive Avenue  
West Palm Beach, FL 33401

As to the City:

City Manager, City of Pahokee  
207 Begonia Drive  
Pahokee, FL 33476

Director of Finance, City of Pahokee  
207 Begonia Drive



Pahokee, FL 33476

Invoices to the City shall be sent to:

Director of Finance, City of Pahokee  
207 Begonia Drive  
Pahokee, FL 33476

**SECTION 14: APPLICABLE LAW**

This Agreement shall be governed by the laws of the State of Florida and venue for any causes of action concerning this Agreement shall be in Palm Beach County, Florida.

**SECTION 15: FILING**

A copy of this Agreement shall be filed with the Clerk & Comptroller of Palm Beach County.

**SECTION 16: DELEGATION OF DUTY**

Nothing contained herein shall be deemed to authorize the delegation of constitutional or statutory duties.

**SECTION 17: PALM BEACH COUNTY OFFICE OF THE INSPECTOR GENERAL  
AUDIT REQUIREMENTS**

Palm Beach County has established the Office of the Inspector General in Palm Beach County Code, Section 2-421 - 2-440, as may be amended. The Inspector General is authorized with the power to review past, present and proposed County contracts, transactions, accounts and records. The Inspector General's authority includes, but is not limited to, the power to audit, investigate, monitor, and inspect the activities of entities contracting with the County, or anyone acting on their behalf, in order to ensure compliance with contract requirements and to detect corruption and fraud. Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be a violation of Palm Beach County Code, Section 2-421 - 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

**SECTION 18: NO THIRD PARTY BENEFICIARY**

No provision of this Agreement is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including but not limited to any citizen or employees of the County and/or City.

**SECTION 19: NON-DISCRIMINATION**

The County is committed to assuring equal opportunity in the award of contracts and complies with all laws prohibiting discrimination. Pursuant to Palm Beach County Resolution R2017-1770, as may be amended, the City warrants and represents that throughout the term of the Agreement, including any renewals thereof, if applicable, all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity or expression, or genetic information. Failure to meet this requirement shall be considered default of the Agreement.

**SECTION 20: ASSIGNMENT**

City may not assign, mortgage, pledge, or encumber this Agreement in whole or in part, without prior written consent of County, which may be granted or withheld at the County's absolute discretion. This provision shall be construed to include a prohibition against an assignment, mortgage, pledge, encumbrance or sublease, by operation of law, legal process, receivership, bankruptcy, or otherwise, whether voluntary or involuntary.

**SECTION 21: SEVERABILITY**

If any term of the Agreement or the application thereof to any person or circumstance shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement, or the application of such term to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term of the Agreement shall be valid and enforceable to the fullest extent permitted by law.

(The remainder of the page is intentionally left blank)

IN WITNESS WHEREOF, County and City ratify and confirm this Agreement and have executed this Agreement, or have caused the same to be executed by their authorized representatives, as of the day and year first above written.

**ATTEST:**

**SHARON R. BOCK  
CLERK & COMPTROLLER**


**PALM BEACH COUNTY, a political  
subdivision of the State of Florida**

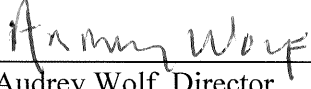
By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Mack Bernard, Mayor

**APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:**

**APPROVED AS TO TERMS AND  
CONDITIONS:**


By:  \_\_\_\_\_  
Assistant County Attorney


By: MB  \_\_\_\_\_  
Audrey Wolf, Director  
Facilities Development & Operations

**ATTEST:**

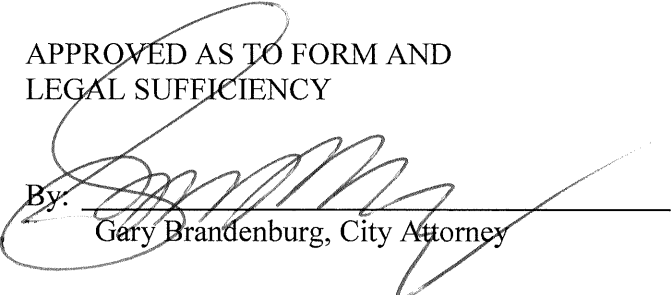
**CITY CLERK**

**CITY OF PAHOKEE, a municipal  
corporation of the State of Florida**

By:  \_\_\_\_\_  
Nylene Clarke, Interim City Clerk

By:  \_\_\_\_\_  
Keith W. Babb Jr., Mayor

**APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY**

By:  \_\_\_\_\_  
Gary Brandenburg, City Attorney

Attachment 1  
Palm Beach County  
Fleet Management Maintenance & Repair Facilities

SERVICE LOCATIONS

**MAIN FACILITY**

2601 Vista Parkway  
West Palm Beach, FL 33411-5609  
561- 233-4552

**MAIN OFFICE**  
(Administration, billing questions)

Hours: 7:00-5:00 Monday - Friday\*

**LIGHT VEHICLE SHOP**  
(15,000 GVWR & under-cars, pickups,  
SUVs & Tire & Alignment Shop)

Hours: 6:30-5:00 Monday - Friday\*

**HEAVY EQUIPMENT SHOP**  
(15,000 GVWR & over, medium &  
heavy trucks and heavy equipment)

Hours: 6:30-5:00 Monday - Friday\*

**SPECIALIZED EQUIPMENT SHOP**  
(Small Eqpt. Fuel Cards, Body Work,  
New Vehicle Process)

Hours: 6:30-5:00 Monday - Friday\*

**CONTROL DESK**  
(Loaners, Towing, On-Road Tire Service,  
Vehicle Pickup)

Hours: 6:30-5:00 Monday - Friday\*

**SATELLITE SHOPS**

**PAHOKEE SHOP**  
580 State Market Road  
Pahokee, FL 33476  
561-233-4568

Hours: 6:30-5:00 Monday - Thursday\*

**SOUTH REGION SHOP**  
13026 Jog Road  
Delray Beach, FL 33484  
561-638-5031

Hours: 6:30-5:00 Monday - Friday\*

\* Excluding County Holidays

ATTACHMENT 2  
Palm Beach County  
Facilities Development & Operations  
Fleet Management Division  
Fueling Sites

<u>Location</u>	<u>Fuel Type</u>	<u>Hours of Operation</u>
Fleet Management 2633 Vista Parkway, WPB	Unleaded Diesel	24 Hours
PBIA 3700 Belvedere Rd, WPB	Unleaded Diesel	24 Hours
Criminal Justice Complex 3228 Gun Club Road, WPB	Unleaded	24 Hours
Sheriff Substation 17901 SR#7, Boca Raton	Unleaded	24 Hours
PBSO-Park Vista High School 7894 Jog Road, Lake Worth	Unleaded	24 Hours
South County Courthouse 345 S. Congress, Delray Beach	Unleaded Diesel	24 Hours
North County Complex 8130 Jog Road, WPB	Unleaded Diesel	24 Hours
Pahokee 580 State Market Rd., Pahokee	Unleaded Diesel	24 Hours
Mosquito Control 9011 Lantana Road, Lake Worth	Unleaded	24 Hours
South Region Utilities 13026 Jog Rd., Delray Beach	Unleaded Diesel	24 Hours
West County Gov't 38951 James Wheeler Way Belle Glade	Unleaded Diesel	24 Hours
John Prince Park 5020 S. Congress Ave Lake Worth	Unleaded Diesel	7:00AM-4:00PM Weekdays
Jupiter (@ SWA) 14185 N. Military Trail	Unleaded	7:00AM-5:00PM Weekdays
Central Water Utilities 8100 Forest Hill Blvd, Greenacres	Unleaded Diesel	7:00AM-5:00PM Weekdays

ATTACHMENT 3

Palm Beach County  
Facilities Development & Operations  
Effective as of Fiscal Year 2019

**FEE SCHEDULE – PREVENTATIVE MAINTENANCE**

<u>RATES</u>	<u>LABOR</u>	<u>PARTS</u>	<u>MISCELLANEOUS FEE</u>
	\$67 / Hour	Cost + 50%	\$3 / work order over \$50

**ESTIMATED ANNUAL COST/VEHICLE – CARS AND PICKUPS**

6 month/5,000 mile – Preventative Maintenance Program

Labor:	2 Visits/Year x 2.5 Hours/Visit @ \$67/Hour	\$335.00
Parts:	2 Visits/Years @ \$300 / Visit	<u>\$600.00</u>
Estimated Cost:		\$935.00

Note: Preventative Maintenance is based upon Flat Rate hours according to the type of vehicle plus parts.

**FEE SCHEDULE – CORRECTIVE REPAIRS**

<u>COUNTY REPAIRS</u>	<u>LABOR</u>	<u>PARTS</u>	<u>MISCELLANEOUS FEE</u>
Normal Hours	\$67 / Hour	Cost + 50%	\$3 / work order over \$50
Emergency or Overtime	\$67 / Hour	Cost + 50%	\$3 / work order over \$50

<b><u>COMMERCIAL REPAIRS</u></b>	Cost + 20%
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Attachment 4  
Palm Beach County  
Vehicle Replacement Fund

**FACILITIES DEVELOPMENT & OPERATIONS DEPARTMENT  
FLEET MANAGEMENT DIVISION**

STANDARD PROCEDURE NO: **FMO-016**

TITLE: **Replacement Policy Program**

ISSUED TO: Fleet Management Division

WRITTEN BY: Fleet Management Division

Issue Date: 10/01/91	Effective Date: 10/01/91	Revised: 12/08/98
		09/10/09
		11/28/11

**PURPOSE:**

This policy is established to define the vehicle/equipment replacement criteria, replacement schedule and Fleet Management's Policy Fee charges for all vehicles/equipment (assets) covered under Fleet's Replacement Policy Program (Program).

**POLICY**

The Program is established to provide a funding source for the standardized replacement of assets for those County Departments and other agencies who choose to participate in the Program.

All assets participating in the Program will be purchased, replaced and maintained by Fleet Management. Replacement assets will be purchased according to criteria based upon useful life, mileage, usage, cost of repairs, life cycle costing and/or other extenuating circumstances (theft, extensive damage, etc.).

**PROCEDURE**

1) As part of the annual Budget process, Fleet Management will evaluate all assets which are part of the Program to determine which assets may exceed the following replacement criteria:

A. <u>Useful Life/Mileage/Hours *</u>	
Specialized Equipment (ATV's, turf equipment, etc.)	5 years/ N/A
Light Duty (cars, all vans, trucks less than 10,001 GVWR)	6 years/ 80,000 miles
Medium Duty (trucks 10,001 GVWR or more)	7 years/ 90,000 miles
Heavy Equipment (off-road vehicles/equipment)	up to 10 years/ 10,000 hours
<i>(Varies depending on Machine Class)</i>	
Trailers	10 years/ N/A

\*Note: These criteria might vary dependent upon the department's utilization of the asset.

B. Economic Evaluation/Life Cycle Costing

Assets are also economically evaluated annually to determine if they may not be cost effective to maintain. Based upon the economic evaluation, it may be recommended that an asset be replaced in the upcoming Fiscal Year whether or not it meets the useful life/mileage/hours criteria.

2) Program assets stolen, suffering extensive damage or requiring repairs that are not cost effective may be replaced immediately either through reassignment from the loaner fleet or by purchase if funding is available.

3) Assets increasing the size of the Program can only be added by the following:

- A. As part of the annual budget process at the request of the user department and upon approval of the Budget by the BCC
- B. Non-budget additions require the submission of an approved "Mid Year Fleet Expansion Request Form (Attachment A) following the criteria in County PPM CW-0-035.

4) Fleet's replacement recommendations and input on any other specific asset needs of the department/division will be reviewed annually with representatives from each department/division participating in the Program.



5) Upon approval of the Budget, approved assets will be purchased in the timeliest and cost effective manner.

6) Upon receipt of the asset the user department will be charged a monthly Policy Charge for the unit. The purpose of the Policy Charge is to:

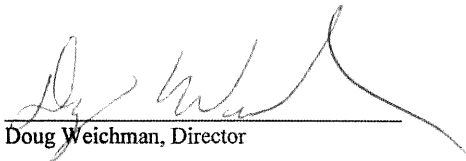
- A. Fund the future replacement of the asset
- B. Fund a fleet of loaner vehicles which can be used at no charge when an asset is in for service
- C. Cover the administrative costs of operating the Program

The following criteria are used to determine the monthly Policy Charge:

- A. The purchase price of the asset
- B. The useful life of the asset (See Section 1)
- C. An annual inflationary rate
- D. The projected salvage value of the asset
- E. If the asset costs \$10,000 or more an Administrative Fee is added to the monthly payment.

Each of these criteria is reviewed for potential adjustment during the annual budget process.

7) Assets owned by the County but not part of the Program may be replaced through the Program if funds are available and upon agreement to pay the monthly Policy Charge.



Doug Weichman, Director

Attachment 5  
Palm Beach County  
Lock Out/Tag Out Procedures

<b>FACILITIES DEVELOPMENT &amp; OPERATIONS DEPARTMENT FLEET MANAGEMENT DIVISION</b>
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STANDARD PROCEDURE NO: **FMO-015**  
TITLE: **LOCKOUT/TAGOUT**  
ISSUED TO: Fleet Management Division  
WRITTEN BY: Fleet Management Division

Issue Date: <u>11/29/93</u>	Effective Date: <u>11/29/93</u>	Revised: 01/07/99
		12/01/08
		11/10/11

**PURPOSE:**

The Lock out/Tag out procedure is established to specify the guidelines which Fleet Management Division employees will follow for locking/tagging out vehicles/equipment in need of such for repair or safety reasons.

**POLICY**

It is the policy of Fleet Management to lock out/tag out (LOTO) any vehicle/equipment (asset) which is unsafe to operate or for which operation may compromise the integrity of the asset.

Annual training for this procedure will be held for all authorized employees.

**PROCEDURE**

- 1) For the purpose of this procedure, all Fleet Management shop employees are considered authorized employees.
- 2) Assets being serviced in a shop or in the field meeting the following criteria will be LOTO:
  - a) An asset that is not currently being worked on for any reason (i.e. shift over, waiting for parts, etc.) where the asset could be damaged.
  - b) An asset in for repair of safety related items but not currently being worked on (safety related items are any component that could cause damage or harm to people or property, i.e. brakes, steering, suspensions, fuel system, etc.).

c) An asset where damage could be done if started with any component or fluid missing or malfunctioning; i.e. low or no oil, no coolant, sentinel systems, equipment out of proper tolerance, etc.

d) If equipment/vehicle is physically in the shop and disassembled to the point of not being able to be operated, this would be considered locked out by this policy.

e) If an authorized employee is unsure whether an asset meets the criteria, the asset MUST be LOTO.

3) When an asset is determined to be in need of LOTO, an authorized employee will do the following:

a) Motorized asset – Place a “DO NOT OPERATE” plastic tag as close as possible to the area where the asset is started or operated.

b) Non-motorized asset (trailer, mower, etc.) – Place a “DO NOT OPERATE” plastic tag at the hitch or tongue to prevent the asset from being towed or moved.

c) All assets –

1) The “DO NOT OPERATE” tag is to be placed with a tightly wrapped plastic tie strap so that a tool must be used to remove it.

2) The employee number of the authorized employee and the related shop telephone number must be written on the tag.

3) The asset will be locked out by disabling it through the removal of the battery cable or other disablement and padlocking the effected areas with a hasp or lock box.

4) Another tag will be placed with the related lock.

d) All locks used for the LOTO procedure will be the same type and will be restricted for LOTO only. The locks will all be re-settable combination locks and combinations will be kept in a locked box in designated area.

4) After an asset has been LOTO:

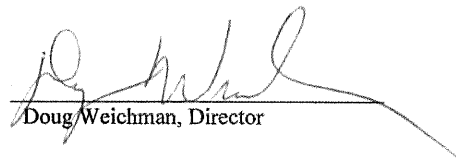
a) Tags and lock out devices are never to be bypassed, ignored or otherwise defeated.

b) If another authorized employee works on the same asset on a repair not related to the first LOTO, that employee would place a lock next to the first lock following the same LOTO procedures.

5) Removal

a) Each LOTO device shall be removed by the authorized employee who installed the device after repairs have been completed. In the event that the employee who installed the device is not available to remove it, the device may be removed by another authorized employee with the approval of the Fleet Operations Supervisor or Equipment Analyst.

b) If the combination must be given to another authorized employee, the employee assigned to the lock will change the combination of all his/her locks and report the change to the Fleet Operations Supervisor.



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