
FLEET REPLACEMENT PROGRAM REVIEW



**PRESENTATION OF FINDINGS TO
THE TOWN COUNCIL**

MAY 30, 2001

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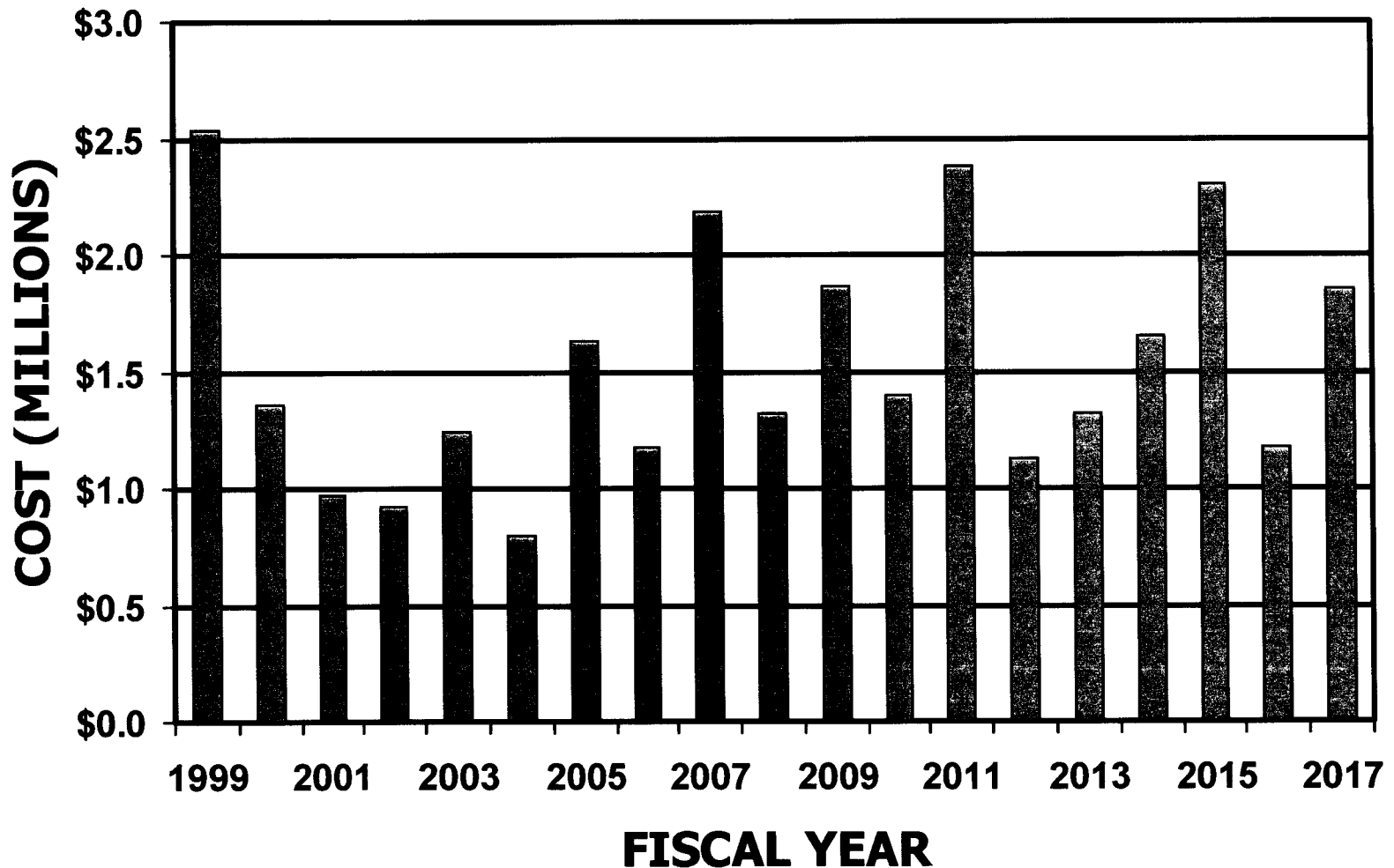
BACKGROUND

- ◆ **DMG ENGAGED BY DPW IN 1998 TO HELP DESIGN FLEET REPLACEMENT PROGRAM**
- ◆ **KEY GOALS OF NEW PROGRAM WERE TO:**
 - **ELIMINATE BACKLOG OF REPLACEMENT NEEDS**
 - **REPLACE VEHICLES IN TIMELY MANNER**
 - **MINIMIZE YEAR-TO-YEAR VOLATILITY OF REPLACEMENT *FUNDING* REQUIREMENTS**
 - **IMPROVE OVERALL FLEET PERFORMANCE AND COSTS**

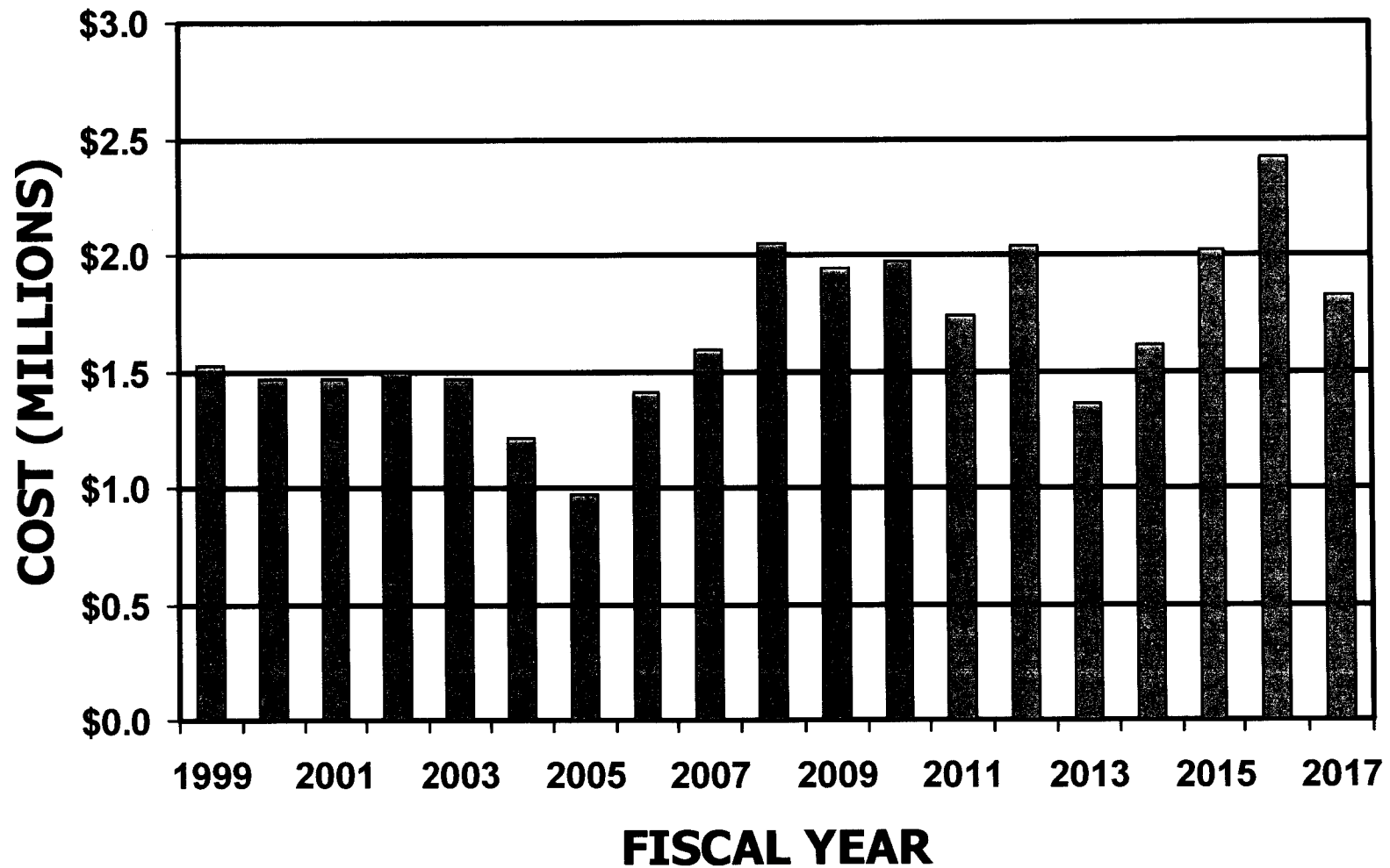
OVERVIEW OF THE TOWN'S FLEET

- ◆ **265 VEHICLES AND PIECES OF EQUIPMENT**
- ◆ **\$11 MILLION REPLACEMENT COST (2001 DOLLARS)**
- ◆ **DISTRIBUTION OF ASSETS:**
 - **PUBLIC WORKS** **58%** **\$6.1M**
 - **POLICE AND FIRE** **34%** **\$4.7M**
 - **OTHER** **8%** **\$0.4M**

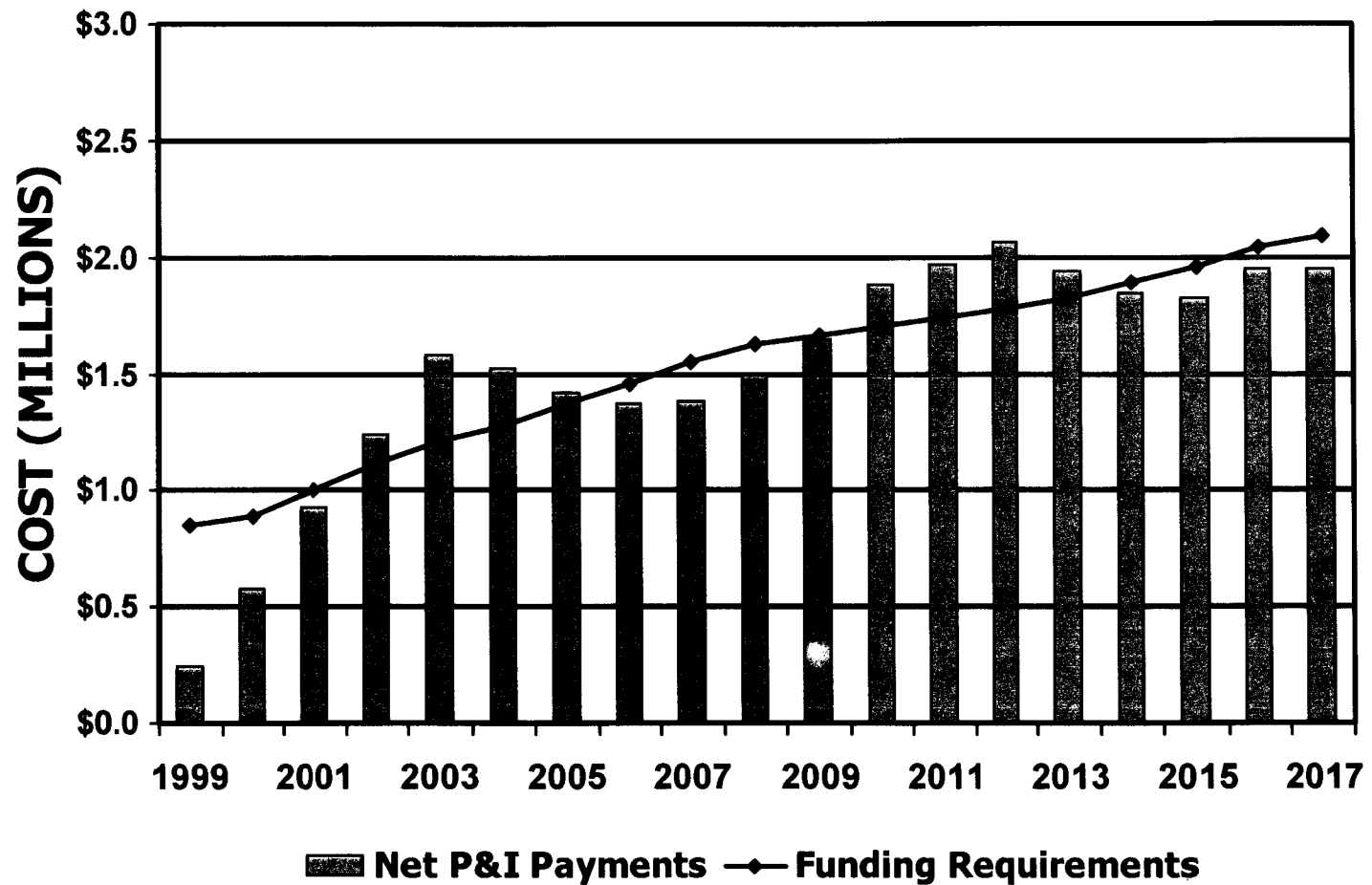
ORIGINAL BASELINE FLEET REPLACEMENT PLAN



ORIGINAL "SMOOTHED" REPLACEMENT PLAN



RECOMMENDED FINANCING APPROACH

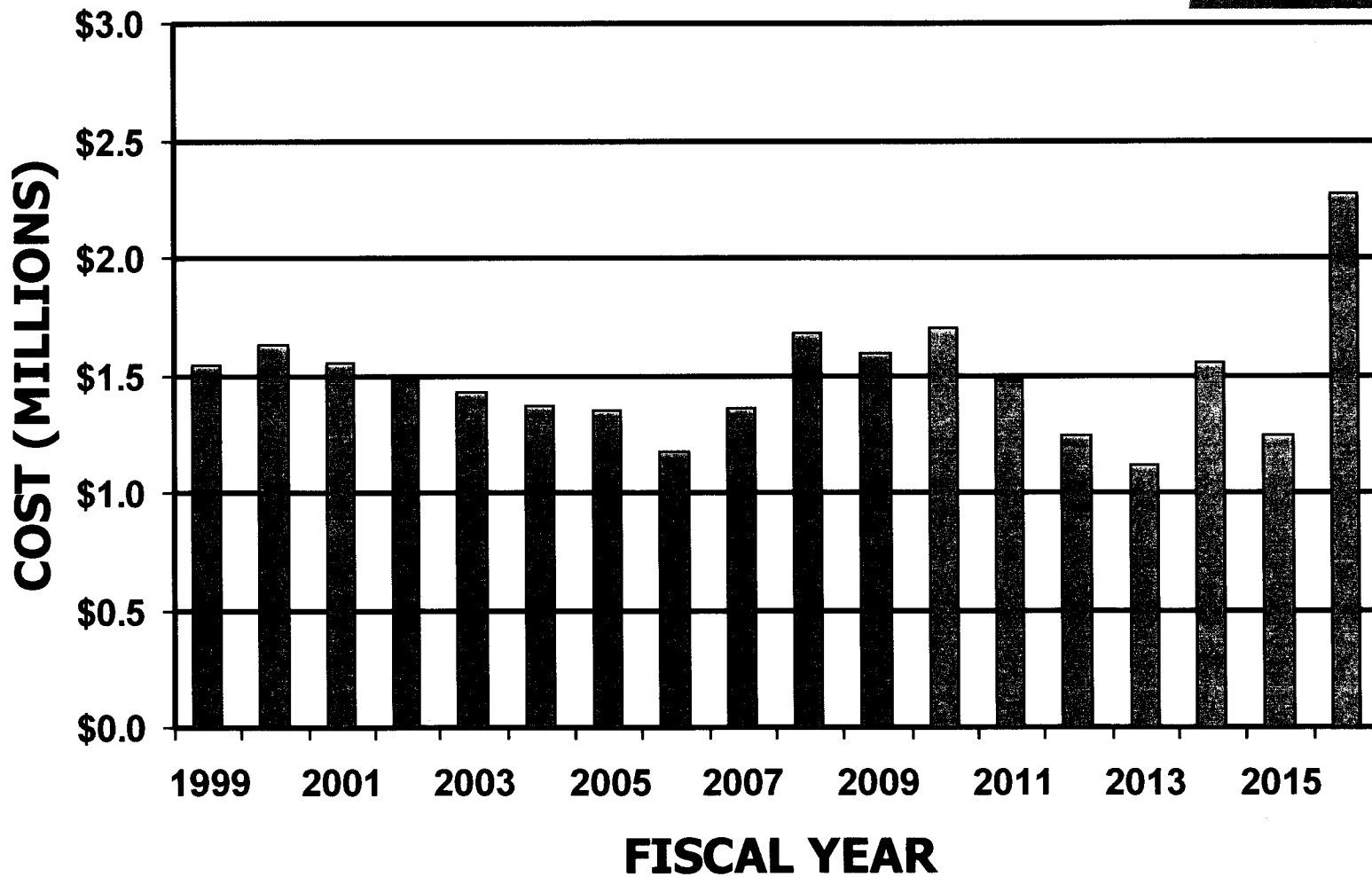


ACCOMPLISHMENTS TO DATE

- ◆ **161 VEHICLES AND PIECES OF EQUIPMENT REPLACED**
- ◆ **AVERAGE VEHICLE AGE REDUCED FROM 6.6 TO 4.8 YEARS**
- ◆ **AVERAGE LTD USAGE REDUCED FROM 34,000 TO 25,000 MILES**
- ◆ **FLEET RELIABILITY AND SAFETY INCREASED; EMPLOYEE MORALE IMPROVED**
- ◆ **\$841,000 IN REPLACEMENT RESERVES ACCUMULATED**

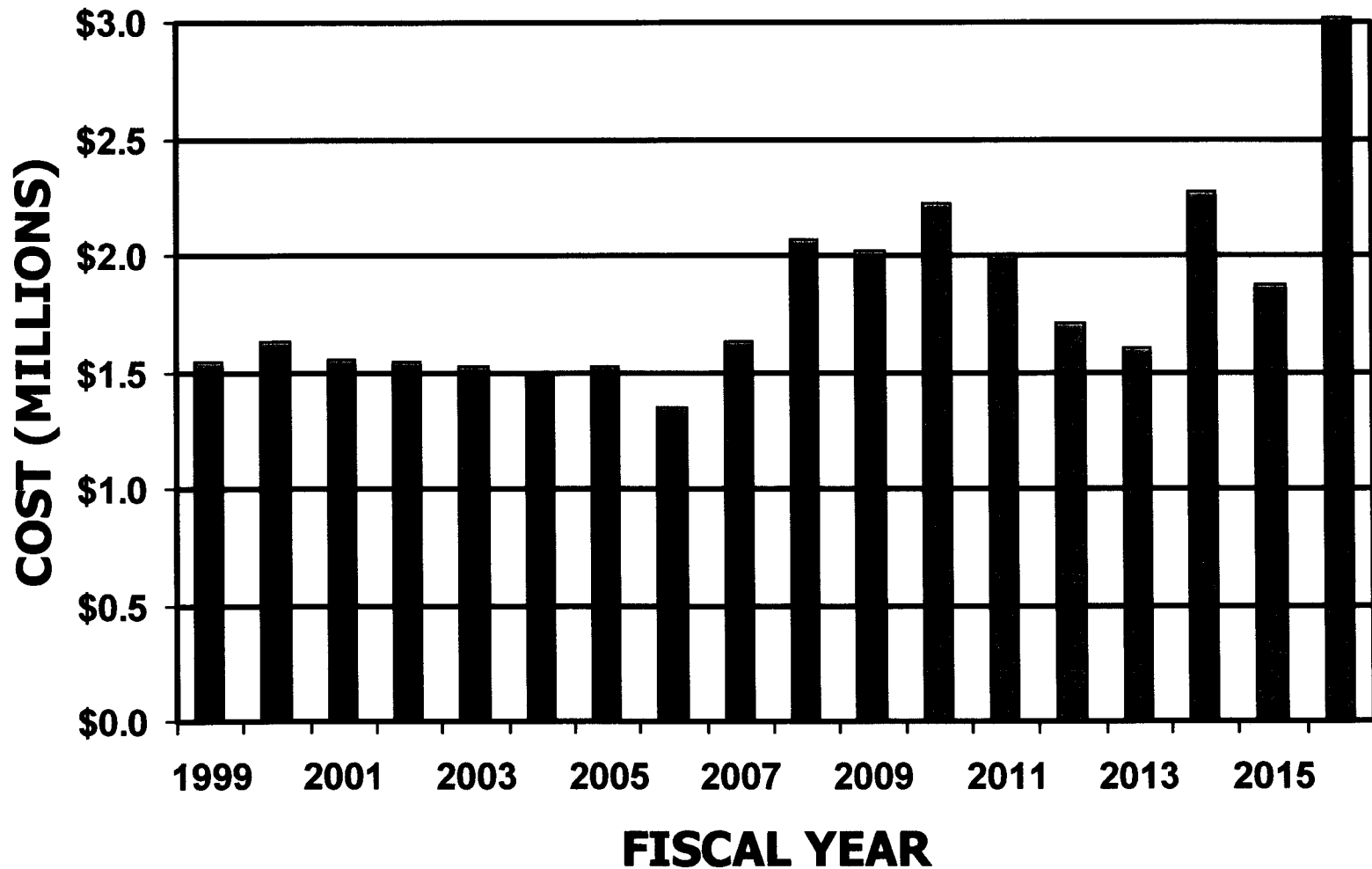
UPDATED REPLACEMENT PLAN

(CONSTANT DOLLARS)

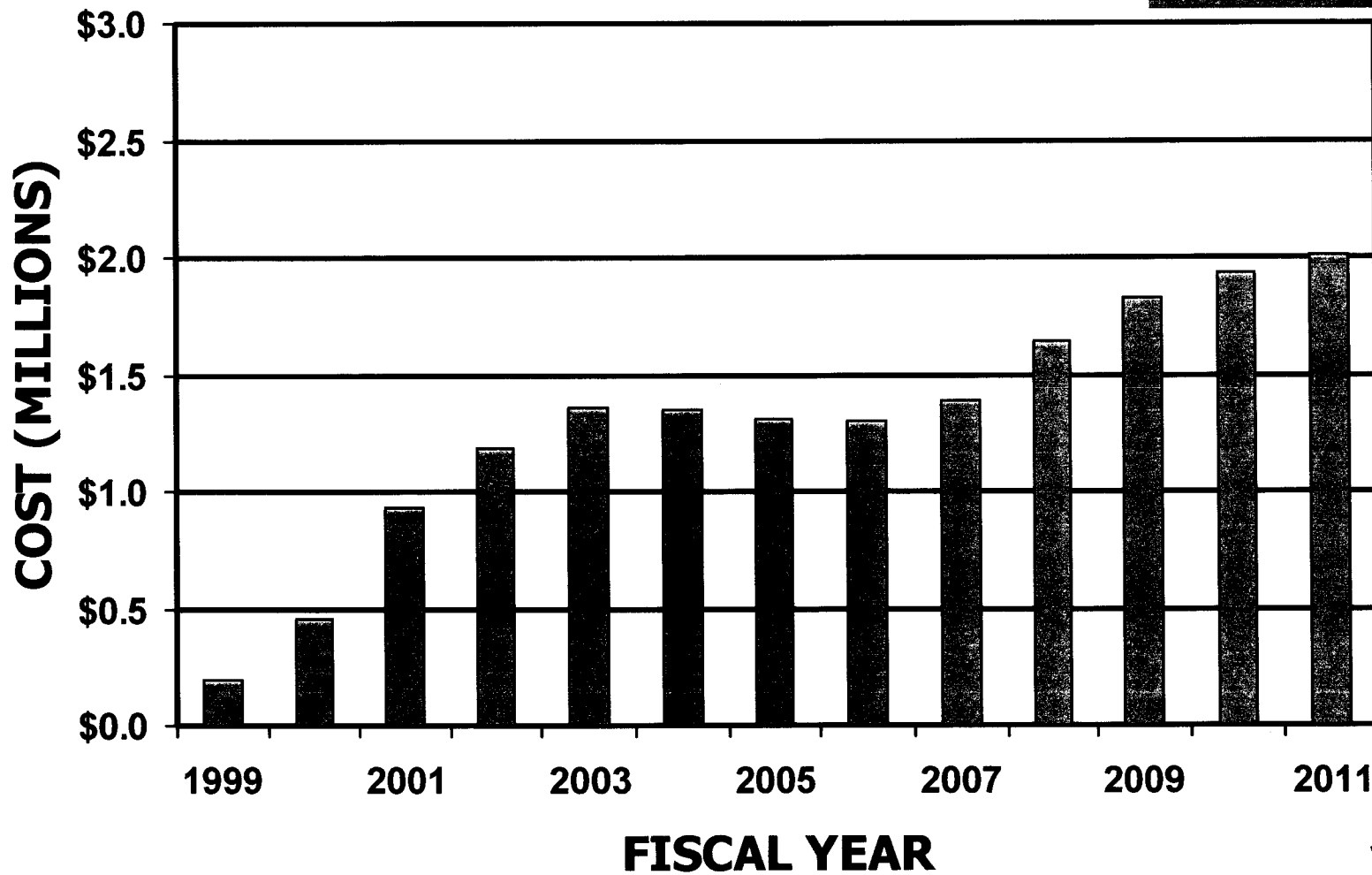


UPDATED REPLACEMENT PLAN

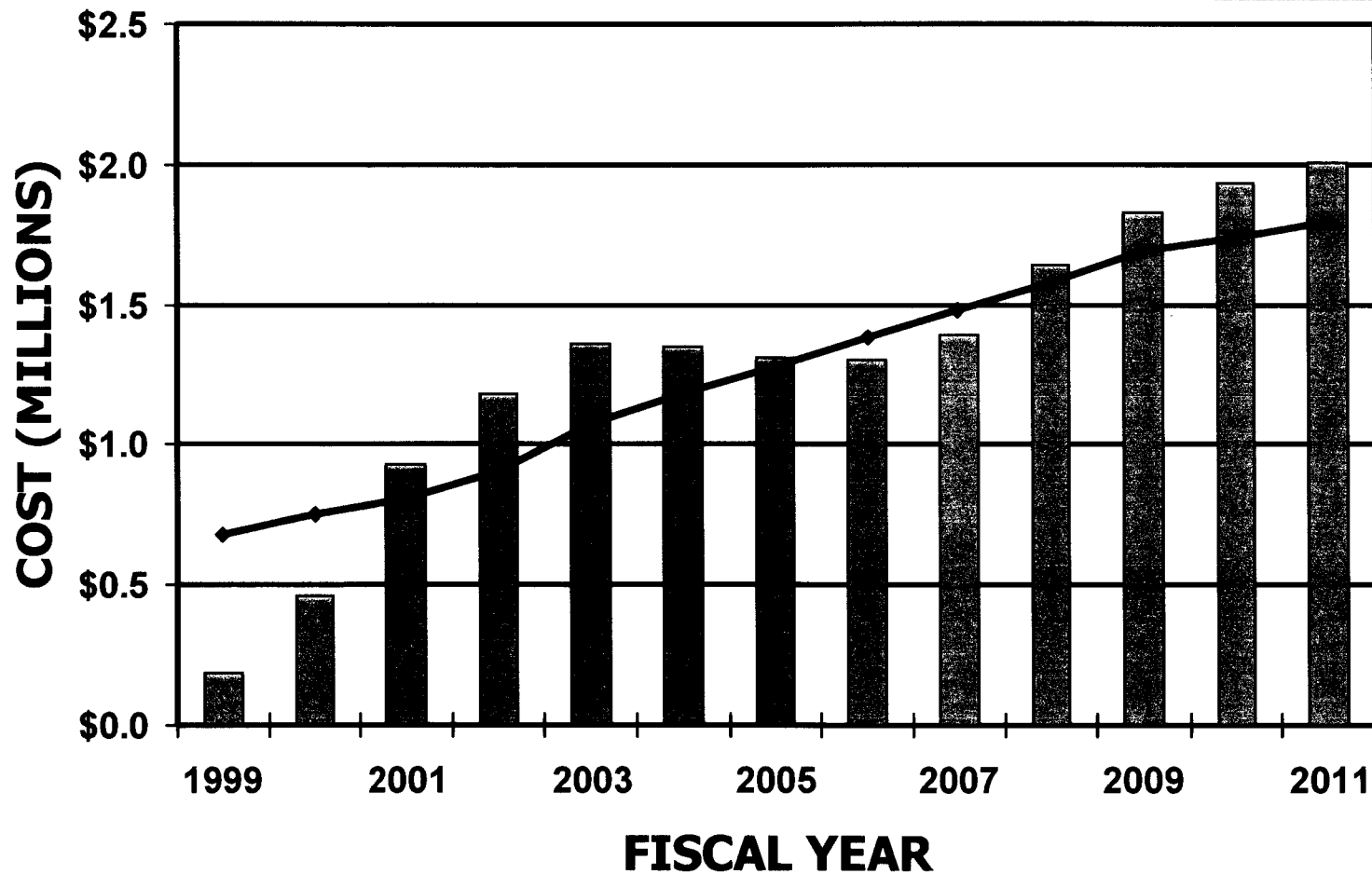
(NOMINAL DOLLARS)



PRINCIPAL AND INTEREST PAYMENTS FY 1999 - 2011



FUND CONTRIBUTIONS AND P&I PAYMENTS FY 1999 - 2011



OTHER CONSIDERATIONS

- ◆ **REPLACEMENT PLAN UPDATES**
- ◆ **DEBT FINANCING TERM**
- ◆ **MULTI-YEAR LEASE-PURCHASE AGREEMENTS**
- ◆ **DETERMINATION OF CONTRIBUTION AMOUNTS**
- ◆ **DISTRIBUTION OF REPLACEMENT COSTS**