

# ADMINISTRATIVE MEMORANDUM

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**TO:** All Departments **FUNCTION:** Finance

**FROM:** Viki Copeland, Finance Director  
Tom Bakaly, City Manager **NO:** F-17

**SUBJECT: Clean Fleet Vehicle Purchasing Policy– Adopted June 11, 2013,  
Updated April 27 2016**

The City of Hermosa Beach established, and is aggressively pursuing, a Carbon Neutral goal of 2020 for municipal facilities and operations. The municipal Greenhouse Gas (GHG) Inventory (2012) identifies fleet vehicle emissions as the City's second largest source of emissions (24%). The Municipal Carbon Neutral Plan (February 2015) identifies numerous gross emissions reduction measures for the City's facilities and operations, including considering the latest and lowest-emission alternative fuel technology when replacing fleet vehicles.

The City Fleet Policy should be consistent with, and balance, the following directives in the Council's

Strategic Plan – 2015 – 2020 – 2030 (Attachment 1):

- Implement Municipal Carbon Neutral Plan
- Stewardship of natural resources: beach and living environment
- Use of alternative energy sources within the City
- Leading edge achieving in carbon neutrality for the municipality and community
- Delivering city services in the most cost effective and efficient manner
- Incorporate environmental sustainability principles in city decisions, budgets, facilities and plans
- Reduce the carbon footprint and become carbon neutral as a municipal corporation
- Conserve the use of natural resources: energy and water
- Evaluate the environmental return on City investments and decisions
- Leverage strategic environmental initiatives to reduce cost of City services and increase City revenues
- Achieve "Municipal Carbon Neutral" goal

This policy establishes a clean vehicle and fleet policy that requires progressive transition to alternative fuel and zero and low emission vehicles and on- and off-road equipment as well as improved fleet management and operations. These measures will advance a carbon neutral goal and accelerate greenhouse gas reduction, improve air quality and health, reduce petroleum dependence and increase energy security in Hermosa Beach and beyond.

Policies apply to procurement, lease, retrofit and use of City fleet vehicles and equipment. Contractor vehicles providing city services should be held to the same standards through contractual provisions to the maximum extent possible.

**1. Maximize the use of alternative fuel and low emission vehicles used to supply city services, including the City fleet and contractor vehicles.**

- A. Zero and low emission vehicles shall be acquired or used whenever feasible, taking into account vehicle function and specialized needs, vehicle miles traveled and other relevant factors.
- B. Select the most efficient vehicle for each day's use by matching duty requirements to the lowest greenhouse gas emitting vehicle possible. Seek to meet occasional vehicle needs that cannot be met with alternative fuel vehicles through alternative arrangements (pooling, rentals, etc.).
- C. Retrofit existing vehicles and equipment to reduce emissions when practical.
- D. Manage overall fleet composition to achieve the aggregated lowest greenhouse gas emissions reasonably feasible, taking into account vehicle miles traveled.
- E. Strictly adhere to California Air Resources Control Board Fleet Rules and South Coast Air Quality Management District fleet, vehicle and equipment statute, rules and guidelines requiring low-emitting gasoline or alternative-fuel vehicles and other air toxic control measures. Apply standards to categories below required thresholds where feasible.
- F. Include minimum fuel efficiency standards and alternative fuel types for each vehicle class in procurement specifications. Consider purchase timing and retrofit potential as technology evolves when acquiring vehicles and equipment with long life spans that currently have limited alternative fuel options.
- G. Environmental priorities and potential reduced operation and maintenance costs of alternative vehicles are valid return on investment considerations when costing alternative fuel vehicle purchases.

**2. Reduce vehicle emissions through efficient fleet management and operations.**

- A. Efficiently operate fleet vehicles maintaining proper tire inflation and timely vehicle maintenance.
- B. Enforce and accelerate state and regional laws, rules and guidelines to reduce air toxics. Consider local rules when not in conflict with state law.
- C. Reduce vehicle miles traveled by using alternative modes for intercity and intra-city trips (walk, transit, bike, carpool), eliminating excess trips, combining trips, employee use of alternative fuel vehicles to reduce employee commute emissions, using videoconferencing and other online tools, and other techniques.
- D. Increase driver efficiency.

**3. Facilitate infrastructure to support alternative fuel vehicles.**

- A. Expand and facilitate the increased utilization of publicly available alternative fuel infrastructure in the City.
- B. Prepare for new vehicle technologies on an ongoing basis.

**4. Evaluate opportunities to offset greenhouse gas emissions from City fleet and contracted service providers through green energy production or other offsets.**

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<sup>1</sup> Building a CNG refueling station - <http://www.socalgas.com/innovation/natural-gas-vehicles/business/station-building.shtml>; Exploring the Total Cost of CNG, Government Fleet <http://www.government-fleet.com/article/print/story/2013/04/exploring-the-total-cost-of-cng.aspx>

**City of Hermosa Beach**  
**Guidelines and Criteria for Vehicle Purchase and Replacement, 2016**

**1. Review Existing Vehicle Replacement Schedule**

- a. Establish maximums for mileage (120k) and/or hours (varies by type of equipment).
- b. Consider years in service, suggest minimum of 8 years and maximum of 15 years.
- b. Do vehicle repairs exceed depreciated value, irrespective of age?
- c. Do repairs on a vehicle involved in accident(s) exceed 80 % of the depreciated value of the vehicle?
- d. Evaluate and finalize the justification for the replacement or extension of a vehicle's life.

**2. Review Vehicle Selection with Department Staff**

- a. Determine the necessary fleet functions and needs of the department.
- b. Determine if existing vehicles meet the need of staff and ensure new vehicle do not exceed requirements.
- c. Review requirements for Utility and Passenger vehicles, including cargo capacity, off road, 4x4 capabilities, and towing capabilities.
- d. Assess vehicle usage: consider distance traveled and determine whether vehicle is driven home or out of town for training.

**3. Alternative Green Vehicle Implementation**

- a. Review each vehicle that has been approved for replacement and determine whether an alternative fuel vehicle is an option
- b. Review available green vehicles options including: electric vehicles, hybrids, CNGs, hydrogen, biodiesels, and any other emission reducing vehicles, and match with city needs
- c. Non alternative fuel vehicles shall be reviewed to determine lowest emission alternatives with equal performance.

**4. Purchasing, Maintenance and Environmental Considerations**

- a. Research available grants, dealer incentives, and organizational savings
- b. Review vehicle sales history, market sustainability, warranties and the history of mechanical and technical problems.
- c. Use of environmentally friendly materials.
- d. Review vehicle manufacturing environmental impact and environmental emission labels.
- e. Available dealer support and staff training for new technology.

**5. Fuel Support and Saving**

- a. Recognize and determine fueling needs.
- b. Apply for available charging station grants.
- c. Determine CNG fueling challenges and implement emergency procedures.
- d. Evaluate fuel cost savings that can be utilize for alternative fueling infrastructure.

## **6. Police and Fire Department Considerations**

The Police and Fire Departments may be limited by available full-electric /alternative-fuel vehicle availability and technology when purchasing and replacing front-line police patrol and response vehicles or unmarked detective vehicles.

**Compatible with this Policy, full electric vehicles, alternative fuel and low emission vehicles should be considered when purchasing new Police and Fire vehicles, in that order.**

Specific vehicle purchases will also require the following considerations:

1. Certification – Vehicles are certified by the manufacturer for use as police pursuit vehicles
2. Range – For front-line police patrol and response vehicles or unmarked detective vehicles, vehicles should be capable of operating continuously throughout the officer's assigned work shift- approximately 8-10 hours with the the potential to respond to remote locations at any time.
3. Performance – For front-line police patrol and response vehicles or unmarked detective vehicles, vehicles should be capable performing pursuit and emergency response activities.
4. Size – All vehicles should be sufficiently sized to support the installation of necessary emergency response and safety equipment. In addition, detective vehicles must be of sufficient size to carry more than two persons in addition their equipment.

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Viki Copeland, Finance Director

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Tom Bakaly, City Manager

**Attachment 1**  
**City Council – Strategic Plan – 2015 – 2020 – 2030**

**Carbon Neutral Goal: Directives Most Relevant to City Fleet Policy and Master Plan**

**HERMOSA BEACH VISION 2028**

PRINCIPLE 6: LEADERSHIP IN ENVIRONMENTAL SUSTAINABILITY

1. Stewardship of natural resources: beach and living environment
2. Use of alternative energy sources within the City
3. Reduced dependence upon the automobile through the use of alternative transportation modes
6. Leading edge achieving in carbon neutrality for the municipality and community

**HERMOSA BEACH MUNICIPAL CORP.: OUR MISSION**

PRINCIPLE 1: BE FINANCIALLY RESPONSIBLE

1. Delivering city services in the most cost effective and efficient manner

PRINCIPLE 2: BE ENVIRONMENTALLY RESPONSIBLE

1. Incorporate environmental sustainability principles in city decisions, budgets, facilities and plans
3. Reduce the carbon footprint and become carbon neutral as a municipal corporation
4. Conserve the use of natural resources: energy and water
6. Monitor the condition of the environment and evaluating the impacts of City decisions and actions
7. Evaluate the environmental return on City investments and decisions

**PLAN 2015 – 2020**

Goal 2. Financially Sound City Government

4. Leverage City resources through outside funding sources, including grants and strategic use debt
5. Leverage strategic environmental initiatives to reduce cost of City services and increase City revenues
6. Achieve “Municipal Carbon Neutral” goal

Goal 3. More Livable, Sustainable Beach City

**MANAGEMENT ACTIONS 2015- TOP PRIORITY**

- Implementation of Municipal Carbon Neutral Plan

**MANAGEMENT ACTIONS 2013- HIGH PRIORITY**

- City Fleet Policy and Master Plan

**ON THE HORIZON 2016 – 2020**

18. City Electric Vehicle Fleet Policy: Direction, Funding