



**TOWN OF LOS GATOS**  
**COUNCIL POLICY COMMITTEE REPORT**

MEETING DATE: 08/27/2024

ITEM NO: 4

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DATE: August 21, 2024  
TO: Council Policy Committee  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Recommend to the Town Council Proposed Changes to Town Council Policy 4-05 "Town Vehicle and Equipment Acquisition Replacement Policy"

**RECOMMENDATION:**

Recommend to the Town Council proposed changes to Town Council Policy 4-05 "Town Vehicle and Equipment Acquisition Replacement Policy".

**BACKGROUND:**

Town Council Policy 4-05 addresses the requirements and standards associated with how the Town's fleet is managed for all Departments, notably Parks and Public Works, Police, and Community Development. Parks and Public Works manages all the Town's fleet and equipment assets, including acquisition, fit-up, maintenance through the life of the asset and disposal of the asset. The Finance Department directs the funding and budgeting for replacement of items on the asset inventory list.

**DISCUSSION:**

In 2024, staff performed an assessment of fleet operations, and a report of findings will be presented to Town Council in fall 2024. As part of this evaluation of fleet operations, staff noted that the Town Council Policy 4-05 had not been modified since 1998. Modifications are proposed (Attachment 1 - Redline and Attachment 2 - Clean) to this Policy to address the following issues:

1. Type of Assets on Replacement Schedule: The current policy includes an unnecessarily long list of specific assets when they could be grouped more effectively. The proposed changes streamline the list of assets and their respective replacement schedules to reflect more closely the Town's actual needs.

**PREPARED BY:** Nicolle Burnham  
Parks and Public Works Director

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Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

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DISCUSSION (continued):

2. Life of Assets: Vehicle technology and manufacturing have changed since 1998 and staff recognizes that vehicles can serve a longer life than in the past. Staff has proposed changes that extend the life of vehicles before replacement is considered. The six-year time frame is proposed because that is when most vehicles are removed from warranty and the Town would need to start paying more for repairs. Police patrol vehicle life is increased to five years with this proposed change, reflecting the extensive wear and tear these vehicles experience. Mileage limits were not changed because most Town vehicles do not have high mileage. It is also important to note that age and mileage provide a benchmark at which replacement would be considered but are not the primary considerations of whether an asset is replaced. Actual replacement recommendations are made based on the performance of the asset, its use, maintenance costs, available funding, etc.
3. Hybrids and Zero Emissions Vehicles: The current Policy is silent on the issue of hybrid and zero emission vehicles. Staff highly recommends that the Town consider converting to lower emission vehicles whenever possible and the revised policy includes added language to reflect this. The State of California has mandated that all municipal fleets meet certain milestones regarding Zero Emission Vehicles. While this does not apply to all vehicles the Town owns, a stated preference for all Town vehicles to generate lower emission demonstrates the Town's commitment to reducing greenhouse gas emissions overall.
4. Addition of Equipment and Vehicles: In general, vehicles and equipment are replaced on a one for one basis, with the older asset being sold at auction after the new one is in service. On occasion, new assets are secured through donation or grant. At present there is no policy that defines whether these assets are added to the Town's replacement list. With this update, staff proposes to clarify that any new asset that is intended to be added to the equipment replacement list must be approved by Town Council so the long-term capital, maintenance and maintenance related staffing costs of the vehicle can be considered before the item is added. In addition, this update clarifies that assets procured through grant or donation will be maintained by the Town but will not be added to the replacement list unless directed by Council. The intent is to manage the number and costs of assets, preventing unintended increases to the asset inventory.

Other minor changes in policy language are proposed throughout the document.

CONCLUSION:

Staff looks forward to discussion of this Policy. If the Policy Committee finds that the proposal is acceptable, any final adjustments to incorporate the Committee's recommendations will be made prior to bringing the updated Policy forward to the full Town Council for approval. At that time, staff will also bring a report on a recent fleet assessment.

Alternatively, if the Committee finds that significant changes to the Policy are needed, staff will return to the Policy Committee with those changes.

COORDINATION:

The proposed policy changes have been coordinated with the Town Manager's Office, the Police Department, the Town Attorney, and the Finance Department.

FISCAL IMPACT:

There is no direct fiscal impact associated with this Policy change.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Proposed Town Council Policy 4-05 Redline
2. Proposed Town Council Policy 4-05 Clean