



## ORDINANCE NO. 23295

1  
2 An Ordinance creating in the Treasury of the City of Tacoma a  
3 special fund to be designated as the "Department of  
4 Public Utilities Fleet Services Fund"; specifying the  
5 purposes for which said fund is created; providing  
6 for the keeping of all books, records and accounts  
7 authorizing a transfer of the fleet assets and their  
8 respective reserve for depreciation from the Light  
9 Division, Water Division and Belt Line Division of  
10 the Department of Public Utilities, authorizing a  
11 transfer in the sum of \$375,000 from the same three  
12 funds as a working fund advance to said Department of  
13 Public Utilities Fleet Services Fund and directing  
14 the manner for which said fund shall be expended.

15 BE IT ORDAINED BY THE CITY OF TACOMA:

16 Section 1. That there be and is hereby created and  
17 established in the Treasury of the City of Tacoma a new fund  
18 to be known and designated as the "Department of Public  
19 Utilities Fleet Services Fund" to be used exclusively for the  
20 operation of the Department of Public Utilities consolidated  
21 fleet management program with responsibility for all vehicle  
22 administration under a fleet manager.

23 Section 2. That the Department of Public Utilities  
24 Fleet Services Fund shall be used as a revolving fund which  
25 shall be expended for (1) administration expenses including  
26 but not limited to salaries, wages, space rental and other  
27 administrative overhead; (2) operations and maintenance  
28 expenses, including but not limited to purchase, lease or  
29 rental of new or used vehicles or vehicular related equipment,  
repairs, replacements, maintenance costs and supplies. Future  
fleet expenses will be recovered through rental rates,  
established by the Fleet Manager as approved by the Manager



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for the General Services Division and the Director of Utilities, for specific pieces of equipment rented to users. Benefits received from the program by the Light, Water and Belt Line Divisions will be in direct proportion to the asset values transferred by each operating division to the fund. Future rental rates may reflect not only cost of service but also sufficient monies to assist in funding future purchases.

Section 3. All vehicular equipment owned or leased by the Department of Public Utilities shall be an asset of the Department of Public Utilities Fleet Services Fund. Any outside rental or lease of vehicular equipment for Department of Public Utilities shall be accomplished in accordance with the policies established by the Director of Utilities.

Section 4. All personal property, equipment and/or assets owned or held by the Light, Water or Belt Line Divisions of the Department of Public Utilities which is primarily related to the Department of Public Utilities' state licensed vehicular fleet or other Department of Public Utilities vehicular equipment as designated by the Director of Utilities shall be transferred to the said Department of Public Utilities Fleet Services Fund as of January 1, 1985. The net book value of the assets of each operating division, together with the associated reserve for depreciation will be maintained in the asset accounts of the operating division under the heading of "Investment in the Department of Public

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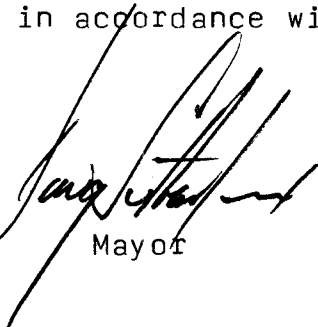
1 Utilities Fleet Services Fund".

2 Section 5. The Director of Finance of the City of  
3 Tacoma be and is hereby authorized and directed to transfer to  
4 said Department of Public Utilities Fleet Services Fund as a  
5 working fund advance, from the following funds, the individual  
6 sums totalling \$375,000 to be used for the purpose of paying  
7 the operational costs of the said Fund:

<u>Fund No.</u>	<u>Name</u>	<u>Amount</u>
470	Light Fund	\$312,563
460	Water Fund	59,212
450	Belt Line Fund	3,225
	Total	<u>\$375,000</u>

12 Section 6. Should the Department of Public Utilities  
13 Fleet Services Fund be dissolved for any reason, any surplus  
14 or deficiency, together with the original book value of the  
15 assets transferred to said Department of Public Utilities  
16 Fleet Services Fund shall be shared by the Light, Water and  
17 Belt Line Divisions on a pro rata basis in accordance with  
18 their contributions to said fund.

19  
20 Passed DEC 11 1984

  
Mayor

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23 Attest:   
City Clerk

24  
25 Requested by Public Utility Board  
26 Resolution No. U-7103

DIVISIONS

Light  
Water  
Belt Line



# City of Tacoma

WASHINGTON

DEPARTMENT OF PUBLIC UTILITIES  
Paul J. Nolan, Director

November 14, 1984

Please address reply to:  
City of Tacoma  
Department of Public Utilities  
P.O. Box 11007  
Tacoma, Washington 98411  
(206) 383-2471

1983-84



To the Chairman and Members of the  
Public Utility Board and the Mayor  
and Members of the City Council:

Re: U-7103

Theodore Barry & Associates (TB&A) in their June 1980 Management and Operations review of the Department had recommended that we "implement a Fleet Management Program" and "establish a consolidated fleet section responsible for all vehicle administration and assign that responsibility to a Fleet Manager." The Public Utility Board, through adoption of policy statements and strategic plan action statements, endorsed TB&A's recommendations. A Fleet Manager was hired in August 1983 and since that time considerable effort has been devoted to following the Board's direction to consolidate authority and responsibility for all activities relative to the Department's fleet. Earlier this year, the Management Analyst was assigned to review the organization, funding, and operations of the Fleet Services Section and develop recommendations for improvement.

We are recommending that an equipment rental fund (to be called Fleet Services Fund) be established, as permitted by RCW 35.21.088, for the 1985 budget year. This will provide for better management and control of Departmental fleet assets and was recommended by the Management Analyst in her September 25, 1984 report. Existing fleet assets would be transferred to the fund and fleet expenses would be recovered through rental rates established for specific pieces of equipment rented to users. We believe that it is in the Department's best interest to establish the fleet services fund.

Essentially, the establishment of the fund is simply a change in fleet accounting procedures that will improve management of the fleet. Operating divisions will continue to have decision-making authority regarding equipment that they require to perform their functions.

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To the Chairman and Members of the  
Public Utility Board and the Mayor  
and Members of the City Council:

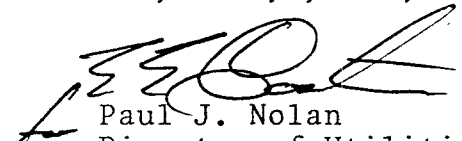
November 14, 1984  
Page Two

What is proposed in establishing the fund is the transfer to the fund of all properties, equipment, monies, assets, liabilities, and operating accounts owned, held, or maintained by the operating divisions that have been determined to be appropriate for inclusion in the fleet services fund. There is also a need to provide for operating cash to cover fleet expenditures during the period of time from when expenses are incurred until the rental rates are billed and funds received. To cover those initial operating cash requirements, a working fund advance, to be repaid, will be necessary from the operating divisions to be pro-rated according to the original cost of the equipment to be included in the fund as follows:

<u>Fund No.</u>	<u>Name</u>	<u>Amount</u>
470	Light Fund	\$312,563
460	Water Fund	59,212
450	Belt Line Fund	<u>3,225</u>
		\$375,000

Your favorable consideration of this recommended action is requested.

Very truly yours,

  
Paul J. Nolan  
Director of Utilities

PJN:lms

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WHITE - City Clerk  
 BLUE - Legal Department  
 PINK - Finance Dept.  
 CANARY - Departmental



**REQUEST for ORDINANCE  
 or RESOLUTION**

TO BE COMPLETED BY  
 CITY CLERK'S OFFICE  
 NO. 8694

**INSTRUCTIONS:** File request in the City Manager's Office no later than 5:00 p.m. FRIDAY, eleven days prior to the Council Meeting at which it is to be introduced. List facts necessary for the City Attorney's use in preparation of ordinance or resolution. Attach all material pertinent to the subject. NOTE: All appropriation requests must be cleared and approved by the Director of Finance or Controller before submitting to City Manager or Director of Public Utilities (See Section 2). Departments must complete all paragraphs except 2 and 3. (If necessary, refer to Guide 15.2 (LEG 210) Subject: Departmental Request for Ordinance or Resolution).

**23295**

DATE	REQUEST MADE BY	DEPARTMENT/DIVISION (Name and Number)	PROGRAM
November 14, 1984	Eric J. Herrmann	Public Utilities/ General Services	

<i>Eric Herrmann</i> Department Head	2. Approved as to Availability of Funds <i>Eric Herrmann</i> Controller	3. <i>[Signature]</i> Director of Public Utilities
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4. PREPARATION OF AN ORDINANCE ~~RESOLUTION~~ (indicate which) IS REQUESTED FOR THE CITY COUNCIL MEETING OF TUESDAY \_\_\_\_\_, TO:

Request that the Council of the City of Tacoma create and establish in the Treasury of the City of Tacoma a special fund to be designated as the "Fleet Services Fund" and direct appropriate transfer of assets to the fund.

5. BACKGROUND INFORMATION (Why is Request necessary?)

The Department of Public Utilities has been reviewing fleet management functions to develop improvements and implement a centralized fleet management program. The establishment of a separate Fleet Services Fund is proposed to provide for a distinct accounting of fleet expenditures to improve management and control. The creation of such a fund has been recommended by the Management Analyst, reviewed by the Director of Utilities, City Attorney, Controller, operating division superintendents, and Manager, General Services, and supports recommendations by several management consultants as well as policies and the strategic plan of the Public Utility Board.

6. FUNDING SOURCE: (Enter Amount of Funding from each source)

Federal \$ \_\_\_\_\_ State \$ \_\_\_\_\_ City \$ \_\_\_\_\_ Other \_\_\_\_\_ Total Amount \$ \_\_\_\_\_

Funding for the proposed legislation is found in the \_\_\_\_\_ budget, Division 152

Page \_\_\_\_\_ Fund Number & Name \_\_\_\_\_

N/A

7. (a) Cleared by Affirmative Action  Yes  Conditional Approval  Not Applicable  
 (b) Contract Compliance  Approved  Not Approved  Delay Recommended  Not Applicable

COMMENTS:

(If needed, see Guide No. 3.1 (LEG 210), Subject: Affirmative Action and Contract Compliance.)

8. STATUS:  NEW LEGISLATION  AMENDING LEGISLATION  
 Legislation amends Res/Ord. \_\_\_\_\_ Section \_\_\_\_\_ Chapter \_\_\_\_\_

9. SALIENT COMMENTS: List or identify significant information or exceptions that could be meaningful in processing this legislation.  
 The establishment of a Fleet Services Fund will require transfer of operating division assets and a working fund advance from three funds to cover expenses until first billings are received.

10. ESTIMATED TIME REQUIRED, AFTER LEGISLATION, TO IMPLEMENT PROJECT \_\_\_\_\_  N/A

11. ENVIRONMENTAL ASSESSMENT:  
 Non-Action  Exempt  Declaration of Non-Significance  EIS

COMMENTS:

(If needed, see Guide No. 43 (ADM 1600), Subject: Environmental (SEPA) Public Information Center.)

12. SOURCE DOCUMENTS: (List all material filed in the City Clerk's Office as backup information for the request, and attach said backup information.)

- A. Letter from Paul J. Nolan dated November 14, 1984.
- B. *Resolution 4-7103*
- C.
- D.

13. SUMMARY TITLE: (A brief sentence, not to exceed fifty words, as it will appear on the Council Agenda.)  
 Establishment of Fleet Services Fund

14. INDEX DATA: (Provide a minimum of three cross reference key words or phrases other than department or program.)  
 A. Fleet Services Fund  
 B. Fleet Management  
 C. Equipment Rental Fund

15. Ordinance # 23295 First Read DEC 4 1984 Passed DEC 11 1984  
 Resolution # \_\_\_\_\_ Adopted \_\_\_\_\_

Comments or Other Action Taken:

*153*



## RESOLUTION NO. U-7103

1  
2 WHEREAS it is desired to create by City Ordinance a  
3 new fund for the City of Tacoma to be known and designated as  
4 the "Department of Public Utilities Fleet Services Fund",  
5 which ordinance specifies the purposes of the fund and  
6 appropriate monies to be used by the Department of Public  
7 Utilities Fleet Management to control departmental fleet  
8 assets, and

9 WHEREAS it is desired that the City Council pass an  
10 ordinance creating said fund substantially in the form as that  
11 on file with the Clerk of the Board, providing that all assets  
12 and funds transferred to said fund shall be utilized in  
13 accordance with Section 4.5 of the City Charter and the Laws  
14 of the State of Washington, and the complete details of said  
15 fund have been provided to the Board by a letter to the Public  
16 Utility Board from the Director of Utilities dated  
17 November 14, 1984 which is on file with the Clerk; Now,  
18 therefore,

19 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

20 That the ordinance creating the Department of Public  
21 Utilities Fleet Services Fund is approved and the Council of the  
22 City of Tacoma is requested to concur in the recommendation and  
23 to pass the ordinance substantially in the same form and content  
24 as that on file with the Clerk and with final form to be  
25 approved by the City Attorney.

26 Approved as to form & legality:

27 William J. Barker

28 Chief Assistant City Attorney

29 Lorraine Graeber

Clerk

John A. Willis

Chairman

Earl R. Pennington

Secretary

Adopted November 28, 1984