



# FRESNO COUNTY FIRE

PROTECTION DISTRICT

*Honor, Integrity, Cooperation & Professionalism*

## MEMORANDUM

**Date:** 1/11/2019

**To:** Board Directors

**Attn:** Mike Del Puppo  
President

**From:** Fire District Staff

**Subject:** Replacement of Salvaged District Vehicle

### BOARD OF DIRECTOR'S BRIEFING PAPER

#### ISSUE:

Staff is asking the Board of Director's to authorize staff to purchase a new command vehicle to replace the 2005 Chevy Pickup (Vin# 1GCEK19B65Z250453) that was previously destroyed in a vehicle accident.

#### BACKGROUND:

On October 17, 2018, the Board directed staff to negotiate with our insurance provider to determine our reimbursement or settlement options for this salvaged vehicle. Staff has been working with the insurance provider and has determined our options for settlement.

#### DISCUSSION:

Our insurance provider has appraised the vehicle and determined that it has a net cash value of \$6,593.27. The insurance company will reimburse the District this amount if it chooses **not** to replace the vehicle as per the terms of our policy. However, if the District has a need to replace this vehicle our policy provides a replacement value of up to \$30,000 for a substantively similar replacement vehicle. The policy stipulates that the replacement vehicle must be purchased within 35 days of the settlement offer to activate the replacement reimbursement clause.

Staff has been working with our command vehicle supplier to ascertain pricing and the availability of a stock vehicle to meet the policy timeline. Our supplier indicates that we can purchase a stock unit and that they can continue to extend our contract pricing and meet the timeline requirement.

The estimated total cost for a new replacement command vehicle with up-fitting will be \$60,000. The District would receive reimbursement from our insurance provider, following proof of purchase, thus reducing the District's net cost to \$30,000 for a new command vehicle.

The District has a need to continue with its current vehicle count to meet operational readiness and keep its command vehicle fleet serviceable within the goals of our fleet replacement plan. Moreover, the District planned to replace a command vehicle within the next six months to keep pace with its replacement goals.

### **ALTERNATIVES:**

1. The Board votes to approve the purchase of a replacement command vehicle and activate the full replacement reimbursement (\$30,000) from our insurance provider.
2. The Board votes to accept the lesser cash value of the salvaged vehicle (\$6,593.27) from our insurance provider without authorizing the purchase of a replacement vehicle.

### **IMPACTS** *(Consider potential consequences related to each of the following areas of concern for proposed alternatives):*

Fiscal – The District planned to replace a command vehicle within the next six months at full net cost. By utilizing the replacement value now, the District will save at least 50% of the net cost and receive the vehicle sooner, rather than later.

Operational – No known impact if a replacement vehicle is purchased. Fleet will be negatively impacted if no replacement vehicle is authorized.

Legal – No known impact.

Labor – No known impact

Sociopolitical – No known impact.

Policy – No known impact.

Health and safety – No known impact.

Environmental – No known impact.

Interagency – No known impact.

**RECOMMENDATION:**

Staff is recommending that the Board of Directors authorize staff to purchase a new replacement command vehicle and activate the full reimbursement value of our insurance policy.

**APPROVED:**



Chris Bump, District Operations Chief

1/11/19

Date

**EXECUTIVE STAFF**