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|  <p>THE PORT<br/>OF LOS ANGELES<br/>CONSTRUCTION AND<br/>MAINTENANCE DIVISION</p> | <b>STANDARD OPERATING PROCEDURE</b><br><br><b>VEHICLE AND EQUIPMENT<br/>REPLACEMENT GUIDELINES</b><br><br><b>(DIVISION 148)</b> | Effective Date: 06/02/15   |
|   |   | Revision: 1                |
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## 1. POLICY

When considering replacement of vehicles or equipment, there are several factors that must be included in an evaluation. These factors are, but not limited to: age, mileage or hours, usage history, future usage needs, original cost, replacement cost, incurred maintenance and operational costs, and repair history. Since the use of each Harbor Department (City) owned vehicle or piece of equipment will differ within the Port of Los Angeles, applying a comprehensive policy is difficult. However, if a general standard is applied as a guide rather than as a strict rule, it could be utilized effectively to achieve a workable replacement program.

The Director of Port Construction and Maintenance is responsible for timely vehicle and equipment replacement and should be consulted when replacement lists are compiled. In addition, all new replacement requests must be submitted to the Director of Port Construction and Maintenance no later than October 31st of each year.

Deviations from the replacement criteria are permitted if a need is presented to show that it would be more cost effective and/or service beneficial. Replacement guidelines are divided into four categories as follows: Light Vehicles and Equipment, Heavy Vehicle and Equipment, High Usage Vehicles, and Other Equipment. Each category has its own distinct replacement criteria as follows:

## 2. LIGHT VEHICLES

Generally, this category includes passenger vehicles, light and medium duty pickup trucks, and trailers; each incorporating a fluid type brake system if applicable and/or falling into a GVWR class under 26,001 pounds.

- A vehicle or piece of equipment *can* be replaced in its tenth year.
- A vehicle or piece of equipment *must* be replaced in its fifteenth year.
- One third of all vehicles and equipment in this class over ten years old *will* be replaced annually.
- Where practical to balance vehicle usage, assignment of vehicles will be changed annually by reviewing the miles that have been put on each vehicle and reassigning those where there are extremes in variation.

## 3. HEAVY VEHICLES

Generally, this category includes heavy trucks, tractors, and construction equipment; each incorporating an air type brake system if applicable and/or falling into a GVWR class of 26,001 pounds or above.

- A vehicle or piece of equipment *can* be replaced in its fifteenth year.
- A vehicle or piece of equipment *must* be replaced in its twentieth year.

**STANDARD OPERATING PROCEDURE**  
**VEHICLE AND EQUIPMENT  
REPLACEMENT GUIDELINES**  
**(DIVISION 148)**

Effective Date: 06/02/15

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- A vehicle or piece of equipment in this class that is very large such as a track loader or heavy duty gen-set *can* be replaced in its twentieth year but *must* be replaced in its twenty-fifth year.
- An obsolete vehicle or piece of equipment should be replaced when it can no longer be economically maintained or repaired due to insufficient unavailable parts. Here, the question of obsolescence should be carefully considered. For example, if a vehicle or piece of equipment is still functioning, still repairable, and is still operationally required, even if it is obsolete, it should be retained for as long as needed.
- Replacement should be considered when the cost of a repair of a heavy vehicle or piece of equipment equals or exceeds the Original Cost by 60% or more.
- Replacement should be considered when a combination of age, mileage hours, usage requirements, and the depreciation factor of 10% per year of Original Cost reach such a point as to make replacement fiscally feasible. When considering heavy vehicles or pieces of equipment, especially when there are only a few examples of different types within the Division's inventory, the question of age and mileage becomes a secondary consideration in determining replacement.

#### 4. HIGH USAGE VEHICLES

Generally, this category includes Port Police vehicles and Port Pilot vehicles.


- An emergency response vehicle (police patrol, SUV, K-9, etc.) *can* be replaced in its seventh year or upon reaching 100,000 miles.
- A police motorcycle *can* be replaced in its seventh year or upon reaching 96,000 miles.
- Port Pilot vehicle *can* be replaced in its tenth year or upon reaching 100,000 miles.
- In all cases, a repair history of 60% of replacement cost, as in #5 above, is sufficient criteria unto itself for vehicle replacement.

#### 5. OTHER EQUIPMENT

Generally, this category includes equipment that has not already fallen into any of the above categories.

- Equipment with an original cost of \$5,000 or less *will* be replaced at the discretion of the Director of Port Construction and Maintenance using a general average of a seven-year usage cycle or when replacement may be warranted.
- Equipment with an original cost of \$5,000 or more will be considered for replacement primarily on the basis of repair history and replacement cost, using the 60% repair/replacement guidelines as criteria.

When replacing vehicles and equipment, the approved Harbor Department General Guidelines for Purchasing New Vehicles Decision Tree shall be used. Staff from the Environmental Management Division (EMD) and the Construction and Maintenance (C&M) has met, discussed, and have come to the conclusion that the Harbor Department's vehicle procurement procedure must satisfy both operational requirements and air quality objectives. In short, purchases must comply with City and Department directives and,

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South Coast Air Quality Management District (SCAQMD) and California Air Resources Board (CARB) regulations.

The General Guidelines Procurement Procedure draft approval memo contains several City directives and environmental regulations that must be referenced. The flow cart guide will be used when compiling information to purchase new vehicles and equipment for the Harbor Department and is in the form of a decision tree. This “tree” provides a path to follow to obtain the needed vehicles and equipment and still remain complaint within required governing rules and regulations.

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| <b>APPROVAL:</b>  |   |
| <hr/> C&M Manager – Operations and Facilities,<br>Tim Clark | <hr/> Division 148 First-Level<br>Supervisor, Anthony DiTucci |

**REVISION HISTORY**

| REVISION # | DATE     | SECTIONS AFFECTED                |
|------------|----------|----------------------------------|
| 0          | 01/01/79 | All                              |
| 1          | 06/02/15 | Reformatted. Modified section 1. |
|            |          |                                  |
|            |          |                                  |

