

**CONTACT US:****Administration**

Frank Sanzo, *Director*
 (860) 713-5155
 Jim Palmer, *Asst. Director*
 (860) 713-5153
 Mike Gosselin (860) 670-4744
 Pam Bowe (860) 713-5157
 Yanira Segarra (860) 713-5158

Wethersfield Repair Facility

60 State Street (rear)
 Wethersfield, CT 06109
860-529-0500

Norwich Repair Facility

171 Salem Turnpike
 Norwich, CT 06360
860-885-2153

New Haven Repair Facility

140 Pond Lily Avenue
 New Haven, CT 06515
203-397-4590

After Hours Emergencies

Call **1-877-454-4204** (toll-free)
 Your call will be answered through the Department of Environmental Protection Dispatch Office, which will assist you.

Online

Go to:
<http://das.ct.gov> and click on **FLEET OPERATIONS** for additional information on fueling locations, accident forms and mileage reports.

Buckingham Station Is Closing

The fueling station located on Buckingham Street in Hartford will be closing soon. Our last day of operation is October 31, 2012.

Although it gets plenty of use, the expense of keeping the Buckingham station open is just too great for DAS to justify. Currently, we are faced with both short and long-term expenses that cannot be avoided. In the short-term, repairs estimated in excess of \$50,000 are necessary to be in compliance with State and Federal regulations. In addition, we are required to remove and replace the in-ground tanks by 2018, as the current ones

will have reached the end of their useful life. The cost to complete this process would be significant.

The Buckingham station is one of two operated by DAS. All other statewide stations open to fueling cars from multiple agencies are operated by DOT. In addition, several agencies operate their own private stations; primarily Corrections and State Police.

The decision to close Buckingham comes after investigating reasonable options to keep it open. One of these options was to offer the station back to DOT, as they operated this location for many years until turning it over to DAS about 25 years ago. Although DOT was not interested in assuming operational responsibility of this station, they did assure us that their network of over 60 fueling stations throughout the state could easily accommodate any additional business that the closing of Buckingham would generate. Their closest station is just a few miles away on Jennings Road in Hartford and there are half dozen more in close proximity to Hartford (East Hartford, Glastonbury, Rocky Hill, Newington, Farmington and Windsor). A full list of their fueling locations can be viewed by accessing this link;

http://www.ct.gov/dot/lib/dot/documents/dpurchasing/abc_station_listing_-_all_state_fuel_stations.pdf

To help make your drivers aware of this change, we will be placing signs at the Buckingham station and providing flyers at Buckingham, and the Wethersfield DAS maintenance garage between now and the end of October.

Car Wash Contract

The initial response to our solicitation for a new car wash contract was not great enough to meet our requirements so a supplemental bid is being issued. As a bridge, the existing contract has been extended for a period of time to ensure that agencies have the opportunity to have their cars cleaned.

We continue to work at getting a vendor network in place to meet your agency's vehicle cleaning needs.

New Rates for Fleet

We have learned that the **2012 Fleet Rate Review** has been approved by the Office of Policy and Management (OPM), with the changes recommended becoming effective October 1, 2012.

We have developed a new approach resulting in significant change from how rates have been built in the past. Specifically, we identified key components that make up the overall cost to operate our leasing program and determined their impact to the overall rate structure.

Beginning October 1, our lease rates will depend on the following factors:

- **Maintenance and administration** – this includes the cost to maintain our fleet, buy new tires, brakes, etc., provide insurance and the administrative support required to operate 3,500 vehicles
- **Salvage value** – now included in our rate calculation will be a credit for the expected value of the vehicle at the time of disposal. Previously, we anticipated a zero value at the end of its useful life – usually this is 72 months. After studying the prices we've received at auction over the past couple of years it's been determined that we generally net 10-15% of the vehicles purchase price when it is sold. Therefore, rates will now be based on recovering 85-90% of a vehicle's cost versus 100%.
- **Depreciation life** – when DAS fleet vehicles are placed into service it is assumed that they will have a useful life of 72 months. Currently, if a vehicle was kept in service for longer than 72 months the agency continues to pay the full rate, despite the fact that DAS has fully recovered its targeted depreciation amount for the vehicle. Effective with the October 1 billing period, the rate for vehicles that have been in service for more than 72 months will be lowered to include just the maintenance and administrative fee – nothing more. This new rate will continue until the vehicle is replaced - whether it takes two months or two years.
- **A cost-based rate structure** will replace the class-based model that has been used in the past. This will ensure that agencies will be paying a rate that is based specifically on the cost of a vehicle – nothing more. The more a car costs, the higher the rate.

As mentioned above, our new rates take effect on October 1, 2012, which means they will be reflected on the bill due for payment in early November. We will provide specifics to each agency by early October to help agencies understand the impact these changes will have to their monthly bills. It will be a busy few weeks, but you can expect our next issue of *Inroads* to have the details.

Although it is too early to provide specific information, we can report that when reviewing and ultimately approving our rate submission OPM made it clear that they were very sensitive to what the impact would be to each agency.

To make sure that rates always reflect our true and actual costs, we will conduct an annual review of all expenses and revenues related to the DAS/Fleet program so that adjustments can be made as dictated by our performance.