

EXHIBIT A
CITY OF SAN ANTONIO
Sustainable Fleet Acquisition & Management Policy

Purpose:

This Sustainable Fleet Acquisition & Management Policy outlines direction for evaluation and procurement for an environmentally and fiscally responsible vehicle and equipment fleet, while meeting the needs of City departments. Acquiring cleaner fueled vehicles and establishing an electric charging infrastructure network are critical implementations of the Ozone Attainment Master Plan and SA Climate Ready, Climate Action & Adaptation Plan (CAAP.) To implement the CAAP, the City of San Antonio (CoSA) has established a goal to convert all passenger vehicles and small trucks to more efficient options by 2025, with a priority on electrification, as a step toward achieving carbon neutrality by 2050. The direction provided herein supplements the Equipment Renewal & Replacement Program and future new vehicle requests.

Background:

The current City fleet consists of over 4,500 motorized vehicles and equipment, including motorized landscaping and construction equipment, that require a fuel source. Although the City fleet represents only a small percentage of vehicles in Bexar County, transportation within San Antonio's City limits accounts for 38% of the community's greenhouse gas emissions. The City of San Antonio has committed to lead by example to reduce polluting emissions in order to address climate change, improve air quality, and protect public health.

Ordinance No. 2010-04-15-0335, passed and adopted by the City Council on April 15, 2010, spearheaded sustainable transportation change by establishing the City's first Vehicle Fleet Environmental Acquisition Policy. Continuing the goals of Mission Verde, SA Tomorrow, the CAAP and the Ozone Attainment Master Plan, this replacement of the Vehicle Fleet Environmental Acquisition Policy shall provide a targeted strategy for the transition to Zero Emissions Vehicles (ZEV).

Staff from Building and Equipment Services (BES) and the Office of Sustainability (OS) regularly analyze the City's fleet to identify lower emissions vehicles that will meet the needs of City operations while reducing operating costs. Savings from electric vehicles are realized from lower costs of fuel and maintenance over the life of the vehicle. Electric vehicles produce zero tailpipe emissions. Greater vehicle choice in the marketplace continues to evolve, in addition to technology and battery range improvements.

Policy Goals:

The Sustainable Fleet Acquisition & Management Policy is replacing the 2010 Vehicle Fleet Environmental Acquisition Policy by incorporating the goals set forth by the SA Climate Ready: Climate Action and Adaptation Plan and the Ozone Attainment Master Plan. Three goals shall guide the City's fleet management policy:

- 1) Reduce Consumption of Fossil Fuels,
- 2) Improve Department Operational & Fiscal Efficiency, and
- 3) Minimize Fleet Composition for Lowest Possible Footprint.

To achieve the above goals, CoSA fleet vehicles will be:

1. Fuel-efficient with the lowest emissions within the vehicle class/type; prioritizing zero emissions vehicles (ZEVs) over comparable vehicles powered by internal combustion vehicles utilizing fossil fuels.
2. Commercially available, practical and reasonably cost-competitive for the class/type of vehicles needed for specific assignments.
3. Able to perform the job function for which the vehicle is needed, with no diminishment of capabilities or performance.

a. Fleet Review & Policy Steering Committee

A Fleet Review & Policy Steering Committee shall be convened by the Office of Sustainability and Building & Equipment Services Department with members representing key fleet stakeholders. This committee shall define vehicle utilization and allocation policies to enhance the operation, cost effectiveness and improved environmental impact of the City of San Antonio's fleet. The committee shall provide advice and guidelines to City departments regarding vehicle upgrades, downgrades, reconfigurations, additions and replacements.

a. Responsibilities

- i. The committee will develop and release an approved list of available ZEVs, fuel efficient, and alternative fuels vehicles for vehicle classes present in the CoSA fleet. The list shall include vehicle type, make and model, vehicle price estimate, and market availability. This list will be released by February 28th of each year in anticipation of the budget development process. Departments will use this guidance when requesting the replacement of an existing vehicle or the addition of a vehicle to the fleet. The committee will analyze this policy and make any necessary revisions as a part of the annual budget process.
- ii. The committee may grant exemptions to the approved vehicle list, which will allow departments to purchase hybrid or internal combustion engine vehicles as opposed to alternate fuel vehicles.
- iii. The committee will produce an annual report, made available to the City Manager's Office, Department Heads, Office of Management & Budget (OMB), City Council, and City Council Committees outlining progress made towards achieving policy objectives. This report will be posted on the City of San Antonio website. At a minimum, this report will include data on fleet composition, greenhouse gas emissions and trends attributed to the municipal fleet, municipal fleet fuel consumption, and exemptions to the Sustainable Fleet Acquisition & Management policy that have been issued.
- iv. The committee will provide regular updates to the City Council Committee providing oversight for this policy.

Membership

- v. The committee membership will be determined by the City Manager's Office to include, at a minimum, one representative from the Fleet Acquisitions Team in the Building & Equipment Services Department, one representative from the Office of Sustainability, one representative from the Office of Innovation, and two representatives from Departments with the top five largest organizational fleets. Membership shall be decided each year by October 30th for the following fiscal year. Members of the committee shall have their first meeting no later than the second week of December.

The Sustainable Fleet Acquisition & Management Policy provides administrative direction to perform the following:

1) *Reduce Consumption of Fossil Fuels*

Direction for Implementing Fueling Infrastructure

Construction and installation of new fossil fuel infrastructure or the replacement of existing infrastructure for the City fleet shall be evaluated and approved by the City Manager prior to installation. . Fueling stations constructed on site at public safety facilities, or the relocation of existing public safety fuel stations shall be exempt from this review process. In the event of a fuel station remodel or relocation, then those plans are required to include electrification infrastructure to support electrification expansion as outlined in the 2020 Electric Fleet Conversion and Infrastructure Study.

Establish Engine and Fuel System Standards by Class

The Fleet Review & Policy Steering Committee shall develop vehicle and equipment standards for the City fleet that considers fuel-efficiency with the lowest emissions. Said standards shall prioritize ZEVs over comparable vehicles powered by internal combustion vehicles utilizing fossil fuels. Standards developed shall reflect market availability that is practical and reasonably cost competitive for the class/type of vehicles needed for specific assignments.

Emergency management and first responder vehicles shall continue to utilize equipment that meets NFPA 1901 and/or EPA Emission Standards for Nonroad Engines and Vehicles, as applicable to a unit's respective class. Public safety departments shall use ZEV, Hybrid Electric Vehicle (HEV), or other alternative fuel vehicle where performance expectations for services rendered are met and reasonably cost competitive.

2) *Improve Department Operational & Fiscal Efficiency*

Continual Efficiency Evaluations for Fleet Replacements

The BES standard operating procedures (SOP A001) for the Equipment Renewal and Replacement Program ensures that the City sustains maximum operational efficiency. Replacement analysis includes a variety of factors such as total fuel costs over the lifespan of the vehicle, maintenance and repair costs, and resale value in order to give weight to other factors besides the initial cost of the vehicle. Replacements shall consider operational needs, the City's climate and sustainability goals, and indirect savings through reductions in greenhouse gas emissions and ozone.

Develop Fleet Management Goals by Sub-Fleet

It is understood that City departments may use the same equipment, but an individual department's service commitments may require an unequal number of daily miles travelled, relative maintenance costs, and/or shorter service life due to extensive daily use. The Fleet Review & Policy Committee shall review sub-fleets individually to establish custom green fleet management goals. Sub-fleets include but are not limited to Public Works, Parks & Recreation, Solid Waste Management, and Development Services departments that are able to reduce fuel consumption and greenhouse gases as addressed by their respective trade industry or functional service requirements for the citizens of San Antonio.

3) *Minimize Fleet Composition for Maximum Reduction of Emissions*

Fleet Right-Sizing

Individual departments shall have a biennial fleet review to ensure that all vehicles assigned are justified and in active use. Vehicles that are deemed underutilized by the Fleet Review & Policy Steering Committee may be re-assigned to another department for seasonal or permanent use, as considered necessary. Vehicles and equipment that are not re-assigned may be disposed and permanently reduced from the fleet. The Office of Management and Budget shall oversee budget reductions and expenditure impact.

Fleet Right-Typing

The City fleet shall be reduced to the most economic and environmentally sustainable option, when replacing vehicles and equipment. Standard class criteria, as determined by the Fleet Review & Policy Steering Committee, shall determine the fleet size and weight that is to be procured. Daily passenger frequency, miles traveled, daily cargo space, and ground clearance are an example of utilization thresholds that shall be considered by the Fleet Review Committee. Replacement vehicles will be zero emission vehicles (ZEV) unless a ZEV cannot meet vehicle job functions and/or is not cost effective for the life of the vehicle.

Motor Pooling

City facilities that house multiple departments or department divisions shall be evaluated for motor pooling opportunities. The City's fleet may be reorganized for shared vehicle use within a locale. Excess vehicles at a specific location may be re-assigned to an alternate location for seasonal or permanent use, as considered necessary. Vehicles and equipment that are not re-assigned may be disposed and permanently reduced from the fleet. The Office of Management and Budget shall oversee budget reductions and expenditure impact.

Policy Exemptions:

Exemptions to this policy may be considered on a case-by-case basis by the Fleet Review & Policy Steering Committee, based upon the intended use, application, and/or over-riding cost considerations. Public safety vehicles will be closely monitored as equipment manufacturers provide sustainable fleet alternatives. Fuel economy and vehicle emissions are prioritized when requesting other vehicle types. If a Department does not agree with the Fleet Review & Policy Steering Committee's vehicle recommendation, the Department may appeal by memorandum addressed to the Directors of Building & Equipment Services, the Office of Sustainability, and Office of Management & Budget. Should the requesting department not receive a policy exemption at the director level, then a final appeal may be directed to the Assistant City Manager that oversees the Building & Equipment Services Department. The decision made by the City Manager's Office shall be final.