

Wasco SWCD Vehicle Reserve and Replacement Policy

June 2026

Purpose

The District maintains a vehicle reserve fund to ensure timely replacement of fleet vehicles, support safe and reliable operations, and avoid unexpected budget impacts.

1. Annual Contribution

The District will budget \$15,000 per year for the vehicle reserve fund to support planned fleet replacement needs.

2. Reserve Fund Cap

The reserve fund will be capped at \$70,000 to ensure sufficient reserves to replace the District's most costly vehicle. The District may revisit this cap during the annual budgeting process.

3. Roles and Responsibilities

Safety Manager (Fleet Manager Role)

The Safety Manager is responsible for:

- Tracking and documenting monthly mileage for all District vehicles
- Coordinating routine maintenance and service
- Coordinating repairs and obtaining cost estimates
- Monitoring and documenting safety or operational concerns
- Maintaining maintenance and repair records
- Reviewing vehicle value (e.g., KBB or equivalent) as needed
- Completing a Vehicle Replacement Evaluation Form when a vehicle meets or is approaching replacement criteria
- Providing a recommendation to the District Manager

District Manager

The District Manager will:

- Review the Safety Manager's evaluation and recommendation

- Determine whether a vehicle should be brought to the Board for replacement consideration
- Present the evaluation and recommendation to the Board

Board of Directors

The Board will:

- Review the evaluation and authorize replacement and use of reserve funds
- Provide final approval for vehicle purchases

4. Vehicle Replacement Criteria

A vehicle will be evaluated for replacement when any one of the following conditions is met:

a. Mileage Threshold

Vehicles will generally be considered for replacement when approaching 100,000 miles, unless they remain safe, reliable, and cost-effective to operate.

b. Single Major Repair Cost

A vehicle will be evaluated for replacement when a single repair is estimated to exceed 50% of its fair market value or replacement cost.

c. Annual Maintenance Cost Threshold

A vehicle will be evaluated for replacement when annual maintenance and repair costs exceed 25–30% of its current fair market value.

d. Cumulative Maintenance Costs

A vehicle will be evaluated for replacement when maintenance costs over the prior 12–24 months exceed 50% of its current value.

e. Safety and Reliability Concerns

Vehicles may be evaluated for replacement if they present documented safety risks, recurring mechanical failures, or extended downtime that interferes with District operations.

Special-Use and Donated Vehicles

Vehicles acquired through donation, interagency transfer, or for specialized program use (such as weed-spray rigs or seasonal equipment) may follow a modified replacement

schedule. These vehicles will be evaluated primarily for safety, operational reliability, and program suitability rather than mileage or market-value thresholds. Replacement of these vehicles will occur when they no longer meet program needs or when repair costs exceed their functional value. These vehicles are not automatically subject to the standard mileage or cost-based replacement criteria.

5. Evaluation Process

When a vehicle meets or is approaching replacement criteria:

1. The Safety Manager will complete a Vehicle Replacement Evaluation Form.
2. The District Manager will review the evaluation and determine whether to bring a recommendation to the Board.
3. The Board will review the evaluation and authorize replacement and use of reserve funds.

6. Annual Review

This policy will be reviewed annually during the budgeting process to ensure the reserve fund, contribution amount, and replacement guidelines remain aligned with market conditions, operational needs, and fiscal capacity.