

Jefferson County
Board of Commissioners
Agenda Request

To: Board of Commissioners
Josh Peters, County Administrator

From: Monte Reinders, Public Works Director/County Engineer 

Agenda Date: October 6, 2025

Subject: Legislative Adoption of 2026 ER&R Equipment Rates (Roads)

Statement of Issue:

Washington Administrative Code (WAC) 136-600 requires that the County's legislative authority review and adopt the Equipment Rental and Revolving (ER&R) fund rates for the county road program each year. Note that while the Fleet Division rents vehicles to many other county programs including Solid Waste, Sheriff, Health, DCD, and other departments, this requirement only applies to the equipment used by the County's Road program.

By April 1st of each year, the County Engineer must submit the following documents to the County Road Administrative Board (CRAB):

- Adopted ER&R rates for county roads equipment and vehicles for the current year;
- The resolution of the legislative authority adopting said rates;
- The ER&R fund management policy

These submittals are part of the requirements for the County to maintain its certificate of good practice which in turn enables the county to receive motor vehicle fuel tax (MVFT) revenue. MVFT provides approximately \$1.5 million to Jefferson County each year for road purposes.

In mid-2024, the County Administrator determined that ER&R and Fleet program should be moved back into the Public Works Department under the supervision of the Public Works Director/ County Engineer. This helps ensure that the requirements of WAC 136-600 will be met.

Analysis/Strategic Goals/Pro's & Con's:

Pursuant to WAC 136-600-050, equipment rental rates shall be set by the County Engineer and reviewed annually by the Board. The county engineer shall certify to the legislative body that the proposed rates are an appropriate use of county road funds as required by RCW 36.80.030.

As prescribed by WAC 136-600-050, the rates for the rental of equipment owned by the fund incorporate (1) estimated service life in years and service life remaining; (2) replacement cost; (3) salvage value; (4) estimated operating and maintenance costs; (5) direct and indirect cost of maintaining and operating facilities specific for ER&R equipment; and (6) ER&R program administration.

Fiscal Impact/Cost Benefit Analysis:

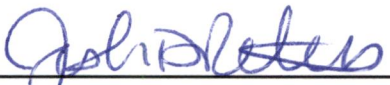
The Road Funds will pay approximately \$2 million for equipment rental rates through ER&R in 2026.

Recommendation:

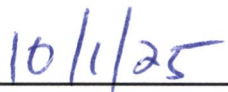
The legislative authority is asked to approve the 2026 equipment and vehicle rental rates for the county roads program by enacting the attached resolution.

Department Contact: Monte Reinders, Public Works Director/County Engineer

Reviewed By:



Josh Peters, County Administrator



Date

**JEFFERSON COUNTY
STATE OF WASHINGTON**

**In the Matter of Approving the
Equipment Rental and Revolving
Fund Rental Rates
for the 2026 Calendar Year**

RESOLUTION NO. _____

WHEREAS, pursuant to section [36.33A.040](#) RCW, every county shall establish, by resolution, an “equipment rental and revolving fund”, hereinafter referred to as “the ER&R Fund”, in the county treasury to be used as a revolving fund for the purchase, maintenance, and repair of county road department equipment; for the purchase of equipment, materials, supplies, and services required in the administration and operation of the fund; and for the purchase or manufacture of materials and supplies needed by the county road department; and

WHEREAS, Jefferson County established an ER&R fund by Resolution No. [88-77](#); and

WHEREAS, pursuant to RCW [36.33A.040](#), rates for the rental of equipment owned by the fund shall be set to cover all costs of maintenance and repair, material and supplies consumed in operating and maintaining the equipment, and the future replacement thereof; and

WHEREAS, pursuant to RCW 36.33A.040, rates shall be determined by the County Engineer or other appointee of the county legislative body and shall be subject to annual review by the legislative body; and

WHEREAS, in mid-2024 the County Administrator determined that the ER&R/Fleet program should be under the supervision of the Public Works Director/County Engineer rather than the Central Services Department; and

WHEREAS, chapter [136-600](#) WAC, Equipment Rental and Revolving (ER&R) Fund, was established to clarify duties, responsibilities, submittal requirements related to the administration of an equipment rental and revolving fund; and

WHEREAS, the Fleet Services Division of the Public Works Department manages the Equipment Rental and Revolving Fund in accordance with chapter [36.33A](#) RCW as a revolving internal-service fund for road-maintenance vehicles, equipment, and supplies as well as the vehicles and equipment of other County departments that participate in the program; and

WHEREAS, the Fleet Services Division of the Public Works Department abides by the internally-adopted “Equipment Rental & Revolving (ER&R) Fund Management Policy” attached hereto; and

WHEREAS, the 2026 rental rates have been prepared by the County Engineer; and

WHEREAS, as prescribed by [136-600-050](#) WAC, the rates for the rental of equipment owned by the fund incorporate: (1) estimated service life in years and service life remaining; (2) replacement cost; (3) salvage value; (4) estimated operating and maintenance costs; (5) direct

and indirect cost of maintaining and operating facilities specific for ER&R equipment; and (6) ER&R program administration; and

WHEREAS, pursuant to WAC [136-600-050](#), rental rates of equipment shall be reviewed and set annually by the County Engineer, and the County Engineer shall certify to the legislative body that the proposed rates are an appropriate use of county road funds as required by RCW [36.80.030](#); and

WHEREAS, pursuant to WAC [136-600-050](#), ER&R rates shall be reviewed and adopted annually by the county's legislative authority; and

WHEREAS, pursuant to title [136](#) WAC, the Washington State County Road Administration Board (CRAB) requires that all counties make certain reports each year to ensure they are in compliance with the Standards of Good Practice; and

WHEREAS, WAC [136-600-070](#) requires the County Engineer to submit to CRAB by April 1st of each year: (1) the adopted county road rental rates effective January 1st of that year; (2) the resolution of the legislative authority adopting said rates; (3) the ER&R management policy; and

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY, WASHINGTON, HEREBY RESOLVE AS FOLLOWS:

Section 1. Whereas Clauses are Findings of Fact. The Jefferson County Board of Commissioners hereby adopts the above "Whereas" clauses as Findings of Fact.

Section 2. Purpose. The purpose of this Resolution is to approve and adopt the Jefferson County, Washington, Equipment Rental and Revolving (ER&R) Fund Rental Rates for the 2026 Calendar Year.

Section 3. Adoption of the ER&R Fund Rental Rates for the 2026 Calendar Year. Jefferson County Board of Commissioners hereby approves and adopts the Equipment Rental and Revolving Fund rental rates for the 2026 calendar year, which are attached hereto and incorporated herein by reference.

Section 4. Severability. If any section, subsection, sentence, clause, phrase or section of this Resolution or its application to any person or circumstance is held invalid, the remainder of this Resolution or its application to other persons or circumstances shall be fully valid and shall not be affected.

Section 5. SEPA Categorical Exemption. This Resolution is categorically exempt from the State Environmental Policy Act under WAC [197-11-800 \(19\)](#).

Section 6. Effective Date. The hereto attached Equipment Rental and Revolving Fund rental rates for the 2026 calendar year shall become effective January 1, 2026.

(SIGNATURES FOLLOW ON NEXT PAGE)

ADOPTED and APPROVED this ____ day of _____, 2025.

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

SEAL:

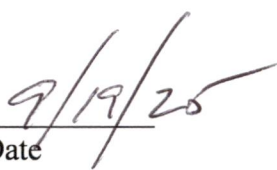
Heather Dudley-Nollette, District 1

Heidi Eisenhour, Chair, District 2

ATTEST:

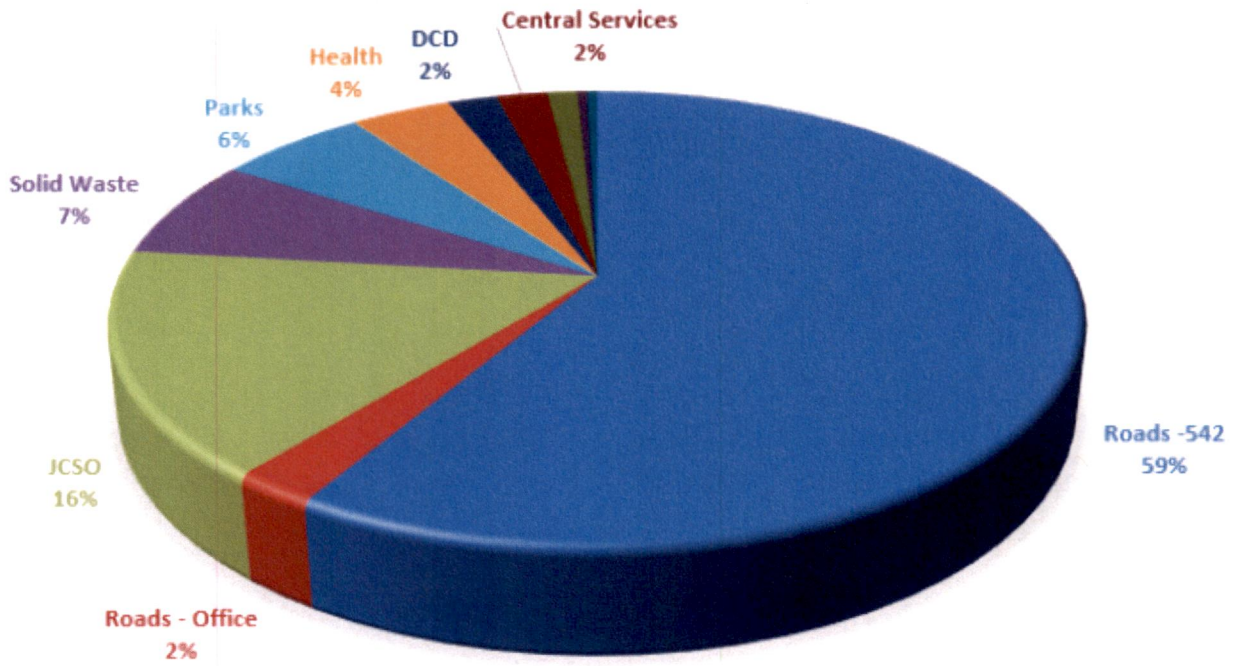
Greg Brotherton, District 3

Carolyn Gallaway, CMC Date
Clerk of the Board

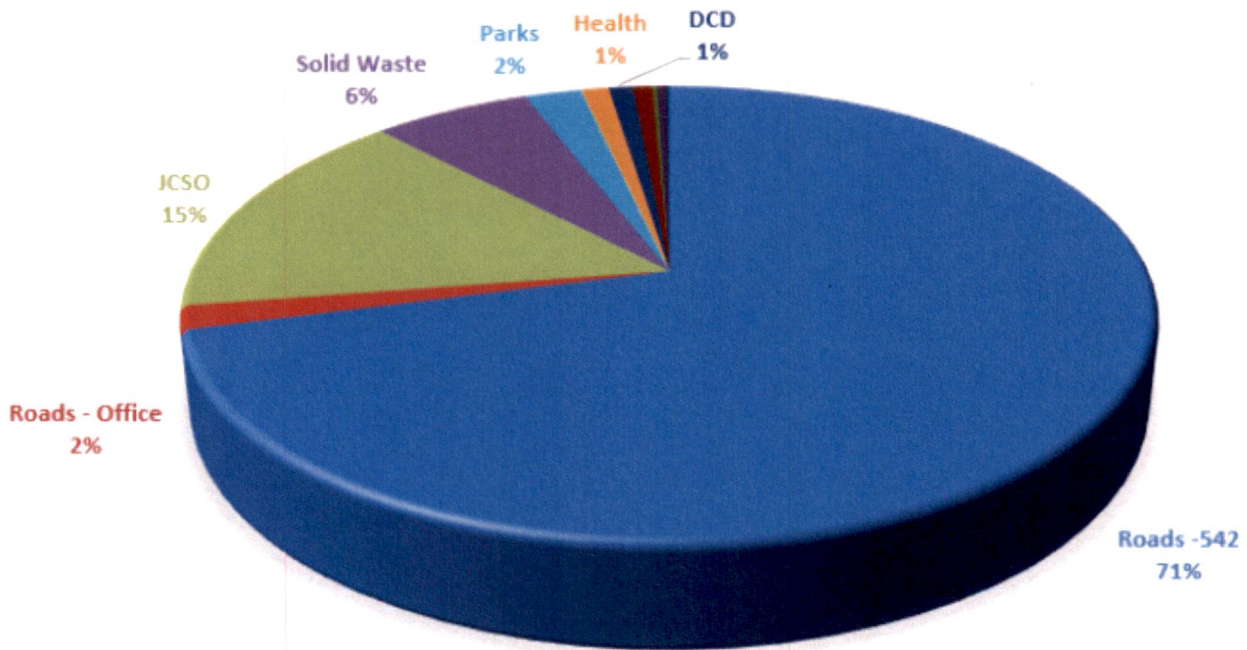
 

Monte Reinders, P.E., Date
Public Works Director/County Engineer

FLEET ASSET COUNT



FLEET % O & M BUDGET



Asset Info					Monthly						Annually					
Unit #	Year Make Model	Category	Status	Department	Deprec	Repl	O/M	Overhd	Fuel	Total	Deprec	Repl	O/M	Overhd	Fuel	Total
000047	1980 Miller 650S	Equip-PW-CurbMachine	Active	County Roads	\$0	\$0	\$0	\$80	\$0	\$80	\$0	\$0	\$0	\$960	\$0	\$960
000092	1953 Beall Tank	Trailer-Semi-Tank	Active	County Roads	\$0	\$0	\$20	\$80	\$0	\$100	\$0	\$0	\$240	\$960	\$0	\$1,200
000211	1987 International 1954	C8-StraightTruck-Tanker	Active	County Roads	\$0	\$0	\$425	\$80	\$50	\$555	\$0	\$0	\$5,100	\$960	\$600	\$6,660
000400	1989 Caterpillar D4C	Equip-Tracked-Dozer	Active	County Roads	\$0	\$0	\$425	\$80	\$25	\$530	\$0	\$0	\$5,100	\$960	\$300	\$6,360
000482	1991 Frink 3910	Equip-Attach-Snow-Plow-10'	Active	County Roads	\$0	\$0	\$275	\$80	\$0	\$355	\$0	\$0	\$3,300	\$960	\$0	\$4,260
000483	1991 Frink 3910	Equip-Attach-Snow-Plow-10'	Active	County Roads	\$0	\$0	\$275	\$80	\$0	\$355	\$0	\$0	\$3,300	\$960	\$0	\$4,260
000484	1991 Frink 3910	Equip-Attach-Snow-Plow-10'	Active	County Roads	\$0	\$0	\$275	\$80	\$0	\$355	\$0	\$0	\$3,300	\$960	\$0	\$4,260
000485	1991 Frink 3911	Equip-Attach-Snow-Plow-11'	Active	County Roads	\$0	\$0	\$275	\$80	\$0	\$355	\$0	\$0	\$3,300	\$960	\$0	\$4,260
000513	1993 Frink 3911	Equip-Attach-Snow-Plow-11'	Active	County Roads	\$0	\$0	\$275	\$80	\$0	\$355	\$0	\$0	\$3,300	\$960	\$0	\$4,260
000525	Roads Radio System	Roads Radio System	Removed	County Roads	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
000547	1994 Stow Cutter 1	Equip-PW-Pavement-PavementSaw	Active	County Roads	\$0	\$0	\$0	\$80	\$0	\$80	\$0	\$0	\$0	\$960	\$0	\$960
000549	1994 Hamm GRW5	Equip-PW-Roller-Rubber	Active	County Roads	\$0	\$0	\$425	\$80	\$50	\$555	\$0	\$0	\$5,100	\$960	\$600	\$6,660
000551	1994 Hamm GRW5	Equip-PW-Roller-Rubber	Active	County Roads	\$0	\$0	\$425	\$80	\$50	\$555	\$0	\$0	\$5,100	\$960	\$600	\$6,660
000603	1996 Tenco TC132TE	Equip-Attach-Snow-Plow-11'	Active	County Roads	\$0	\$0	\$275	\$80	\$0	\$355	\$0	\$0	\$3,300	\$960	\$0	\$4,260
000606	1996 Swenson EV100	Equip-Attach-Snow-SpreaderInsert	Active	County Roads	\$0	\$0	\$275	\$80	\$0	\$355	\$0	\$0	\$3,300	\$960	\$0	\$4,260
000610	1996 International F2674	C8-StraightTruck-Tanker	Active	County Roads	\$0	\$0	\$425	\$80	\$150	\$655	\$0	\$0	\$5,100	\$960	\$1,800	\$7,860
000619	1997 Case 621B	Equip-Wheeled-Artic'dLoader-2-4yd	Active	County Roads	\$0	\$0	\$825	\$80	\$100	\$1,005	\$0	\$0	\$9,900	\$960	\$1,200	\$12,060
000623	1997 Onan 40DGB8	Equip-Stationary-Generator-<100kW	Active	County Roads	\$0	\$0	\$125	\$80	\$10	\$215	\$0	\$0	\$1,500	\$960	\$120	\$2,580
000644	1999 Frink 3911	Equip-Attach-Snow-Plow-11'	Active	County Roads	\$0	\$0	\$275	\$80	\$0	\$355	\$0	\$0	\$3,300	\$960	\$0	\$4,260
000652	2000 International 4900	C8-StraightTruck-PW-AsphaltDsbtr	Active	County Roads	\$0	\$0	\$1,250	\$80	\$150	\$1,480	\$0	\$0	\$15,000	\$960	\$1,800	\$17,760
000663	2000 Northend 2-axle	Trailer-Dump->10,001GVW	Active	County Roads	\$0	\$0	\$175	\$80	\$0	\$255	\$0	\$0	\$2,100	\$960	\$0	\$3,060
000664	2000 Northend 2-axle	Trailer-Dump->10,001GVW	Active	County Roads	\$0	\$0	\$175	\$80	\$0	\$255	\$0	\$0	\$2,100	\$960	\$0	\$3,060
000667	2000 Layton PT505	Trailer-Flatbed-<6000GVW	Active	County Roads	\$0	\$0	\$125	\$80	\$0	\$205	\$0	\$0	\$1,500	\$960	\$0	\$2,460
000669	2000 Layton F525	Equip-PW-Paver-Wheeled	Active	County Roads	\$0	\$0	\$425	\$80	\$0	\$505	\$0	\$0	\$5,100	\$960	\$0	\$6,060
000670	2000 Case 621C	Equip-Wheeled-Artic'dLoader-2-4yd	Active	County Roads	\$0	\$0	\$825	\$80	\$100	\$1,005	\$0	\$0	\$9,900	\$960	\$1,200	\$12,060
000672	2000 Aquatech SJ600P	Equip-TrailerMtd-Sewer-JetRodders	Active	County Roads	\$0	\$0	\$25	\$80	\$0	\$105	\$0	\$0	\$300	\$960	\$0	\$1,260
000673	2001 International 2674	C8-StraightTruck-DumpBed-2-axle	2nd Life	County Roads	\$0	\$0	\$925	\$80	\$600	\$1,605	\$0	\$0	\$11,100	\$960	\$7,200	\$19,260
000682	2001 Ingersoll-Rand DD24	Equip-PW-Roller-Steel	Active	County Roads	\$0	\$0	\$325	\$80	\$25	\$430	\$0	\$0	\$3,900	\$960	\$300	\$5,160
000715	2004 Trail King TK110HDG	Trailer-Semi-Flatbed	2nd Life	County Roads	\$0	\$0	\$175	\$80	\$0	\$255	\$0	\$0	\$2,100	\$960	\$0	\$3,060
000717	2004 International 7600	C8-StraightTruck-PW-AsphaltDsbtr	Active	County Roads	\$0	\$0	\$1,250	\$80	\$350	\$1,680	\$0	\$0	\$15,000	\$960	\$4,200	\$20,160
000722	2004 Frink 3910	Equip-Attach-Snow-Plow-10'	Active	County Roads	\$0	\$0	\$275	\$80	\$0	\$355	\$0	\$0	\$3,300	\$960	\$0	\$4,260
000732	2004 Toyota 7FGU30	Equip-MaterialHndl-Forklift	Active	County Roads	\$0	\$0	\$125	\$80	\$25	\$230	\$0	\$0	\$1,500	\$960	\$300	\$2,760
000748	2005 Ingersoll-Rand SD77DX	Equip-PW-Roller-Steel	2nd Life	County Roads	\$0	\$0	\$25	\$80	\$100	\$205	\$0	\$0	\$300	\$960	\$1,200	\$2,460
000766	Monroe Spreader	Equip-Attach-Snow-SpreaderInsert	Active	County Roads	\$0	\$0	\$275	\$80	\$0	\$355	\$0	\$0	\$3,300	\$960	\$0	\$4,260
000773	2007 Olympic 20TDT-2	Trailer-Tiltbed->10,001GVW	Active	County Roads	\$0	\$0	\$475	\$80	\$0	\$555	\$0	\$0	\$5,700	\$960	\$0	\$6,660
000783	1999 PB 220-PT	Equip-VehMtd-TarPot	Active	County Roads	\$0	\$0	\$25	\$80	\$0	\$105	\$0	\$0	\$300	\$960	\$0	\$1,260
000795	2009 Leeboy 3000	Equip-MaterialHndl-MaterialLoader	Active	County Roads	\$750	\$0	\$325	\$80	\$150	\$1,305	\$9,000	\$0	\$3,900	\$960	\$1,800	\$15,660
000812	2011 Brush Bandit 250XP	Equip-Grounds-WoodChipper	2nd Life	County Roads	\$0	\$0	\$325	\$80	\$50	\$455	\$0	\$0	\$3,900	\$960	\$600	\$5,460
000825	2013 Monroe MV-120-78-	Equip-Attach-Snow-SpreaderInsert	Active	County Roads	\$50	\$0	\$275	\$80	\$0	\$405	\$600	\$0	\$3,300	\$960	\$0	\$4,860
000861	2014 Liftmoore	Equip - Attach Crane	Active	County Roads	\$0	\$0	\$0	\$80	\$0	\$80	\$0	\$0	\$0	\$960	\$0	\$960
000867	2015 New Holland T4.85	Equip-Grounds-UtltyTractor-70-100hp	Active	County Roads	\$0	\$0	\$1,000	\$80	\$175	\$1,255	\$0	\$0	\$12,000	\$960	\$2,100	\$15,060
000868	2015 US Mower H560FSM	Equip-Attach-Grounds-ShoulderMower	Active	County Roads	\$0	\$0	\$250	\$80	\$0	\$330	\$0	\$0	\$3,000	\$960	\$0	\$3,960
000869	2015 Caterpillar 140M3	Equip-Wheeled-Grader	Active	County Roads	\$1,000	\$500	\$1,150	\$80	\$1,000	\$3,730	\$12,000	\$6,000	\$13,800	\$960	\$12,000	\$44,760
000874	2015 Freightliner 108SD	C8-StraightTruck-DumpBed-1-axle	Active	County Roads	\$1,250	\$250	\$1,100	\$80	\$500	\$3,180	\$15,000	\$3,000	\$13,200	\$960	\$6,000	\$38,160
000875	2015 Flink 10PA38CT	Equip-Attach-Snow-Plow-10'	Active	County Roads	\$75	\$0	\$175	\$80	\$0	\$330	\$900	\$0	\$2,100	\$960	\$0	\$3,960
000876	2015 Flink HG085184S40004	Equip-Attach-Snow-SpreaderInsert	Active	County Roads	\$75	\$0	\$375	\$80	\$0	\$530	\$900	\$0	\$4,500	\$960	\$0	\$6,360
000877	2015 Freightliner 114SD	C8-StraightTruck-DumpBed-2-axle	Active	County Roads	\$1,600	\$250	\$1,350	\$80	\$800	\$4,080	\$19,200	\$3,000	\$16,200	\$960	\$9,600	\$48,960
000878	2015 Flink 11PA48CT	Equip-Attach-Snow-Plow-11'	Active	County Roads	\$75	\$0	\$425	\$80	\$0	\$580	\$900	\$0	\$5,100	\$960	\$0	\$6,960
000879	2015 Flink HG145782S40002	Equip-Attach-Snow-SpreaderInsert	Active	County Roads	\$100	\$0	\$425	\$80	\$0	\$605	\$1,200	\$0	\$5,100	\$960	\$0	\$7,260
000881	2015 Olympic 30TDT-35C	Trailer-Tiltbed->10,001GVW	Active	County Roads	\$75	\$0	\$375	\$80	\$0	\$530	\$900	\$0	\$4,500	\$960	\$0	\$6,360
000882	2015 Caterpillar 430F2	Equip-Wheeled-BackhoeLoader-Heavy	Active	County Roads	\$400	\$0	\$725	\$80	\$100	\$1,305	\$4,800	\$0	\$8,700	\$960	\$1,200	\$15,660
000889	2015 Eagle EFB712TA2	Trailer-Flatbed-6001-10,000GVW	Active	County Roads	\$25	\$0	\$175	\$80	\$0	\$280	\$300	\$0	\$2,100	\$960	\$0	\$3,360
000891	2014 Caterpillar 938K	Equip-Wheeled-Artic'dLoader-2-4yd	Active	County Roads	\$1,050	\$0	\$725	\$80	\$200	\$2,055	\$12,600	\$0	\$8,700	\$960	\$2,400	\$24,660
000892	2015 New Holland T6.155	Equip-Grounds-UtltyTractor->100hp	Active	County Roads	\$0	\$0	\$1,200	\$80	\$500	\$1,780	\$0	\$0	\$14,400	\$960	\$6,000	\$21,360
000893	2015 US Mower 135MM23-GG	Equip-Attach-Grounds-BrushCutter	Active	County Roads	\$0	\$0	\$250	\$80	\$0	\$330	\$0	\$0	\$3,000	\$960	\$0	\$3,960
000898	2015 Ace Roto Mold	Liquid Deicer Tank w/ Pump	Active	County Roads	\$0	\$0	\$225	\$80	\$0	\$305	\$0	\$0	\$2,700	\$960	\$0	\$3,660
000899	2015 Olympic 30TDT-35C	Trailer-Tiltbed->10,001GVW	Active	County Roads	\$100	\$0	\$375	\$80	\$0	\$555	\$1,200	\$0	\$4,500	\$960	\$0	\$6,660
000900	2016 Morbark M15RX	Equip-Grounds-WoodChipper	Active	County Roads	\$0	\$0	\$725	\$80	\$150	\$955	\$0	\$0	\$8,700	\$960	\$1,800	\$11,460

Asset Info					Monthly						Annually					
Unit #	Year Make Model	Category	Status	Department	Deprec	Repl	O/M	Overhd	Fuel	Total	Deprec	Repl	O/M	Overhd	Fuel	Total
000901	2015 New Holland T4.85	Equip-Grounds-UtltyTractor-70-100hp	Active	County Roads	\$0	\$0	\$1,000	\$80	\$150	\$1,230	\$0	\$0	\$12,000	\$960	\$1,800	\$14,760
000902	2015 US Mower HS-60FSM	Equip-Attach-Grounds-ShoulderMower	Active	County Roads	\$50	\$0	\$250	\$80	\$0	\$380	\$600	\$0	\$3,000	\$960	\$0	\$4,560
000904	2014 Caterpillar A26B	Equip-Attach-Construction-Auger	Active	County Roads	\$25	\$0	\$50	\$80	\$0	\$155	\$300	\$0	\$600	\$960	\$0	\$1,860
000908	2017 Ford F250	C1-Pickup-3/4Ton-4WD	Active	County Roads	\$100	\$0	\$725	\$80	\$400	\$1,305	\$1,200	\$0	\$8,700	\$960	\$4,800	\$15,660
000909	2017 Ford F250	C1-Pickup-3/4Ton-4WD	Active	County Roads	\$100	\$0	\$725	\$80	\$400	\$1,305	\$1,200	\$0	\$8,700	\$960	\$4,800	\$15,660
000913	2017 Ford Explorer Interc	C1-SUV-Compact-Pursuit4WD	Active	County Roads	\$0	\$175	\$300	\$80	\$150	\$705	\$0	\$2,100	\$3,600	\$960	\$1,800	\$8,460
000917	2017 Ford F450	C5-StraightTruck-FlatBed	Active	County Roads	\$600	\$0	\$925	\$80	\$450	\$2,055	\$7,200	\$0	\$11,100	\$960	\$5,400	\$24,660
000918	2017 Caterpillar CS44B	Equip-PW-Roller-Steel	Active	County Roads	\$400	\$0	\$225	\$80	\$150	\$855	\$4,800	\$0	\$2,700	\$960	\$1,800	\$10,260
000919	2017 Freightliner M2-106	C8-StraightTruck-Utility-InsAerial	Active	County Roads	\$1,600	\$0	\$1,500	\$80	\$500	\$3,680	\$19,200	\$0	\$18,000	\$960	\$6,000	\$44,160
000920	2017 Ford F250	C1-Pickup-3/4Ton-4WD	Active	County Roads	\$250	\$0	\$925	\$80	\$450	\$1,705	\$3,000	\$0	\$11,100	\$960	\$5,400	\$20,460
000921	2017 Ford F250	C1-Pickup-3/4Ton-4WD	Active	County Roads	\$250	\$0	\$925	\$80	\$450	\$1,705	\$3,000	\$0	\$11,100	\$960	\$5,400	\$20,460
000925	2017 New Holland T4.90	Equip-Grounds-UtltyTractor-70-100hp	Active	County Roads	\$250	\$0	\$1,000	\$80	\$375	\$1,705	\$3,000	\$0	\$12,000	\$960	\$4,500	\$20,460
000926	2017 US Mower HS-60FSM-XHD4VB	Equip-Attach-Grounds-MowerDeck	Active	County Roads	\$100	\$0	\$250	\$80	\$0	\$430	\$1,200	\$0	\$3,000	\$960	\$0	\$5,160
000927	2018 Ford F250	C1-Pickup-3/4Ton-4WD	Active	County Roads	\$350	\$0	\$925	\$80	\$500	\$1,855	\$4,200	\$0	\$11,100	\$960	\$6,000	\$22,260
000932	2017 Shark HPB353007A	Equip-Stationary-PressureWasher	Active	County Roads	\$0	\$0	\$0	\$80	\$0	\$80	\$0	\$0	\$0	\$960	\$0	\$960
000933	2010 Volvo ET-16	C8-SemiTruck-Conventional	Active	County Roads	\$300	\$0	\$1,100	\$80	\$350	\$1,830	\$3,600	\$0	\$13,200	\$960	\$4,200	\$21,960
000934	2017 Leeboy CSV816	Equip-PW-ChipSpreader	Active	County Roads	\$1,200	\$0	\$1,200	\$80	\$100	\$2,580	\$14,400	\$0	\$14,400	\$960	\$1,200	\$30,960
000939	2017 Steel inc. Express Snow Pu	Equip-Attach-Construction-Paver	Active	County Roads	\$10	\$0	\$175	\$80	\$0	\$265	\$120	\$0	\$2,100	\$960	\$0	\$3,180
000942	2018 Buffalo Mega BT	Equip-TrailerMtd-Blower	Active	County Roads	\$0	\$0	\$25	\$80	\$0	\$105	\$0	\$0	\$300	\$960	\$0	\$1,260
000944	2017 Freightliner 114SD	C8-StraightTruck-DumpBed-2-axle	Active	County Roads	\$1,600	\$0	\$1,400	\$80	\$750	\$3,830	\$19,200	\$0	\$16,800	\$960	\$9,000	\$45,960
000948	2018 Ford F550	C5-StraightTruck-FlatBed	Active	County Roads	\$1,100	\$0	\$725	\$80	\$450	\$2,355	\$13,200	\$0	\$8,700	\$960	\$5,400	\$28,260
000949	2018 Ford F550	C5-StraightTruck-FlatBed	Active	County Roads	\$1,100	\$0	\$725	\$80	\$450	\$2,355	\$13,200	\$0	\$8,700	\$960	\$5,400	\$28,260
000950	2018 Tailgate Spreader	Equip Attach - Sand/Salt	Active	County Roads	\$0	\$0	\$0	\$80	\$0	\$80	\$0	\$0	\$0	\$960	\$0	\$960
000952	2017 Freightliner 114SD	C8-StraightTruck-DumpBed-2-axle	Active	County Roads	\$1,650	\$0	\$1,400	\$80	\$500	\$3,630	\$19,800	\$0	\$16,800	\$960	\$6,000	\$43,560
000953	2018 Flink Spreader HG14578	Equip-Attach-Snow-SpreaderInsert	Active	County Roads	\$100	\$0	\$275	\$80	\$0	\$455	\$1,200	\$0	\$3,300	\$960	\$0	\$5,460
000954	2018 Flink Spreader HG14578	Equip-Attach-Snow-SpreaderInsert	Active	County Roads	\$100	\$0	\$275	\$80	\$0	\$455	\$1,200	\$0	\$3,300	\$960	\$0	\$5,460
000955	2018 Freightliner 114SD	C8-StraightTruck-DumpBed-2-axle	Active	County Roads	\$1,650	\$0	\$1,300	\$80	\$750	\$3,780	\$19,800	\$0	\$15,600	\$960	\$9,000	\$45,360
000960	2020 Olympic 30TDT-3	Trailer-Tiltbed->10,001GVW	Active	County Roads	\$150	\$0	\$375	\$80	\$0	\$605	\$1,800	\$0	\$4,500	\$960	\$0	\$7,260
000961	2018 Freightliner 108SD	C8-StraightTruck-DumpBed-1-axle	Active	County Roads	\$1,200	\$750	\$1,100	\$80	\$750	\$3,880	\$14,400	\$9,000	\$13,200	\$960	\$9,000	\$46,560
000962	2018 Freightliner 108SD	C8-StraightTruck-DumpBed-1-axle	Active	County Roads	\$1,200	\$750	\$1,100	\$80	\$750	\$3,880	\$14,400	\$9,000	\$13,200	\$960	\$9,000	\$46,560
000963	2018 Flink H6085184540007	Equip-Attach-Snow-SpreaderInsert	Active	County Roads	\$150	\$20	\$375	\$80	\$0	\$625	\$1,800	\$240	\$4,500	\$960	\$0	\$7,500
000964	2019 FORD F250	C1-Pickup-3/4Ton-4WD	Active	County Roads	\$300	\$200	\$725	\$80	\$350	\$1,655	\$3,600	\$2,400	\$8,700	\$960	\$4,200	\$19,860
000965	2019 FORD F650	C5-StraightTruck-FlatBed	Active	County Roads	\$900	\$0	\$1,400	\$80	\$500	\$2,880	\$10,800	\$0	\$16,800	\$960	\$6,000	\$34,560
000966	2019 CASE CX145D	Equip-Trackd-Excavator	Active	County Roads	\$675	\$500	\$675	\$80	\$250	\$2,180	\$8,100	\$6,000	\$8,100	\$960	\$3,000	\$26,160
000971	2019 FLINK 201	Equip-Attach-Snow-Plow-11'	Active	County Roads	\$75	\$10	\$275	\$80	\$0	\$440	\$900	\$120	\$3,300	\$960	\$0	\$5,280
000972	2019 Auto Flagger AF-54	Equip-TrailerMtd-Safety-Auto Flagge	Active	County Roads	\$50	\$25	\$175	\$80	\$0	\$330	\$600	\$300	\$2,100	\$960	\$0	\$3,960
000973	2019 Auto Flagger AF-54	Equip-TrailerMtd-Safety-Auto Flagge	Active	County Roads	\$50	\$25	\$175	\$80	\$0	\$330	\$600	\$300	\$2,100	\$960	\$0	\$3,960
000980	2020 International HX520	C8-StraightTruck-DumpBed-2-axle	Active	County Roads	\$1,600	\$750	\$1,400	\$80	\$750	\$4,580	\$19,200	\$9,000	\$16,800	\$960	\$9,000	\$54,960
000981	2020 Monroe 15'	Equip-Attach-Snow-SpreaderInsert	Active	County Roads	\$200	\$100	\$275	\$80	\$0	\$655	\$2,400	\$1,200	\$3,300	\$960	\$0	\$7,860
000983	2020 Case CX80C	Equip-Trackd-Excavator	Active	County Roads	\$400	\$225	\$925	\$80	\$450	\$2,080	\$4,800	\$2,700	\$11,100	\$960	\$5,400	\$24,960
000984	2020 John Deere 325G Track	Equip-Trackd-SkidSteerLoader	Active	County Roads	\$200	\$100	\$425	\$80	\$50	\$855	\$2,400	\$1,200	\$5,500	\$960	\$600	\$10,260
000985	2020 Autoflagger AF-54	Equip-TrailerMtd-Safety-Auto Flagge	Active	County Roads	\$50	\$25	\$175	\$80	\$0	\$330	\$600	\$300	\$2,100	\$960	\$0	\$3,960
000986	2020 Autoflagger AF-54	Equip-TrailerMtd-Safety-Auto Flagge	Active	County Roads	\$50	\$25	\$175	\$80	\$0	\$330	\$600	\$300	\$2,100	\$960	\$0	\$3,960
000987	2020 Autoflagger AF-54	Equip-TrailerMtd-Safety-Auto Flagge	Active	County Roads	\$50	\$25	\$175	\$80	\$0	\$330	\$600	\$300	\$2,100	\$960	\$0	\$3,960
000988	2020 Autoflagger AF-54	Equip-TrailerMtd-Safety-Auto Flagge	Active	County Roads	\$50	\$25	\$175	\$80	\$0	\$330	\$600	\$300	\$2,100	\$960	\$0	\$3,960
000989	2020 Kohler 10KW Generator	Quilcene Generator	Active	County Roads	\$50	\$25	\$0	\$80	\$5	\$160	\$600	\$300	\$0	\$960	\$60	\$1,920
000990	2020 Caterpillar HMF210	Equip-Attach-Grounds-BrushCutter	Active	County Roads	\$50	\$25	\$175	\$80	\$0	\$330	\$600	\$300	\$2,100	\$960	\$0	\$3,960
000995	2021 Ver-Mac PCMS548	Equip-TrailerMtd-Safety-Message Boa	Active	County Roads	\$125	\$25	\$125	\$80	\$0	\$355	\$1,500	\$300	\$1,500	\$960	\$0	\$4,260
000996	2021 Ver-Mac PCMS548	Equip-TrailerMtd-Safety-Message Boa	Active	County Roads	\$125	\$25	\$125	\$80	\$0	\$355	\$1,500	\$300	\$1,500	\$960	\$0	\$4,260
000997	2021 Ver-Mac PCMS548	Equip-TrailerMtd-Safety-Message Boa	Active	County Roads	\$125	\$25	\$125	\$80	\$0	\$355	\$1,500	\$300	\$1,500	\$960	\$0	\$4,260
000998	2021 Ver-Mac PCMS548	Equip-TrailerMtd-Safety-Message Boa	Active	County Roads	\$125	\$25	\$125	\$80	\$0	\$355	\$1,500	\$300	\$1,500	\$960	\$0	\$4,260
000999	2022 Ford F450	C5-StraightTruck-FlatBed	Active	County Roads	\$700	\$325	\$925	\$80	\$450	\$2,480	\$8,400	\$3,900	\$11,100	\$960	\$5,400	\$29,760
001001	2021 John Deere Auger	Equip Attach	Active	County Roads	\$25	\$10	\$0	\$80	\$0	\$115	\$300	\$120	\$0	\$960	\$0	\$1,380
001002	2021 Forks Attachment	Equip Attach	Active	County Roads	\$10	\$10	\$0	\$80	\$0	\$100	\$120	\$120	\$0	\$960	\$0	\$1,200
001004	2022 Monroe MCV-180-84-56-W	Equip-Attach-Snow-SpreaderInsert	Active	County Roads	\$200	\$100	\$275	\$80	\$0	\$655	\$2,400	\$1,200	\$3,300	\$960	\$0	\$7,860
001005	2023 International HX520	C8-StraightTruck-DumpBed-2-axle	Active	County Roads	\$1,550	\$750	\$1,400	\$80	\$800	\$4,580	\$18,600	\$9,000	\$16,800	\$960	\$9,600	\$54,960
001006	2022 John Deere 672G	Equip-Wheeled-Grader	Active	County Roads	\$1,150	\$750	\$1,200	\$80	\$800	\$3,980	\$13,800	\$9,000	\$14,400	\$960	\$9,600	\$47,760
001007	2021 Case CX80	Equip-Trackd-Excavator	Active	County Roads	\$525	\$225	\$925	\$80	\$500	\$2,255	\$6,300	\$2,700	\$11,100	\$960	\$6,000	\$27,060

Unit #		Year Make Model	Asset Info		Status	Department	Monthly				Annually							
			Category				Deprec	Repl	O/M	Overhd	Fuel	Total	Deprec	Repl	O/M	Overhd	Fuel	Total
001008		2021 Olympic CM14-2E	Trailer-Tiltbed->10,001GVW		Active	County Roads	\$50	\$30	\$175	\$80	\$0	\$335	\$600	\$360	\$2,100	\$960	\$0	\$4,020
001009		2022 Case CX80	Equip-Trackbed-Excavator		Active	County Roads	\$525	\$225	\$925	\$80	\$500	\$2,255	\$6,300	\$2,700	\$11,100	\$960	\$6,000	\$27,060
001010		2021 US Mower EX50HIDR	Equip-Attach-Grounds-BushCutter		Active	County Roads	\$50	\$25	\$425	\$80	\$0	\$580	\$600	\$300	\$5,100	\$960	\$0	\$6,960
001012		2022 US Mower EX50HIDR	Equip-Attach-Grounds-BushCutter		Active	County Roads	\$50	\$25	\$425	\$80	\$0	\$580	\$600	\$300	\$5,100	\$960	\$0	\$6,960
001013		2022 Olympic 33TD1-3AFW	Trailer-Tiltbed->10,001GVW		Active	County Roads	\$250	\$125	\$375	\$80	\$0	\$830	\$3,000	\$1,500	\$4,500	\$960	\$0	\$9,960
001014		2022 Olympic 20TD1-2	Trailer-Tiltbed->10,001GVW		Active	County Roads	\$150	\$100	\$375	\$80	\$0	\$705	\$1,800	\$1,200	\$4,500	\$960	\$0	\$8,460
001015		2022 Case SC-60	Equip-Attach-Construction-Tamper		Active	County Roads	\$50	\$15	\$0	\$80	\$0	\$145	\$600	\$180	\$0	\$960	\$0	\$1,740
001016		2022 Case SC-80	Equip-Attach-Construction-Tamper		Active	County Roads	\$50	\$15	\$0	\$80	\$0	\$145	\$600	\$180	\$0	\$960	\$0	\$1,740
001017		2024 International HX520 SFA 6X4	C8-StraightTruck-Dumpedbed 2-axle		Active	County Roads	\$1,250	\$600	\$1,400	\$80	\$700	\$4,030	\$15,000	\$7,200	\$16,800	\$960	\$8,400	\$48,360
001018		2023 Monroe 15'	Equip-Attach-Snow-SpreaderInsert		Active	County Roads	\$350	\$175	\$275	\$80	\$0	\$880	\$4,200	\$2,100	\$3,300	\$960	\$0	\$10,560
001020		2022 Water Treatment System	Wash Rack		Active	County Roads	\$125	\$50	\$275	\$80	\$0	\$530	\$1,500	\$600	\$3,300	\$960	\$0	\$6,360
001021		2023 Ford F150	C1-Pickup-1/2Ton-4WD		Active	County Roads	\$525	\$150	\$675	\$80	\$350	\$1,780	\$6,300	\$1,800	\$8,100	\$960	\$4,200	\$21,360
001022		2023 Ford F150	C1-Pickup-1/2Ton-4WD		Active	County Roads	\$525	\$150	\$675	\$80	\$350	\$1,780	\$6,300	\$1,800	\$8,100	\$960	\$4,200	\$21,360
001024		2022 MB HLP/HTP	Equip-Attach-Grounds-Sweeper		Active	County Roads	\$250	\$75	\$225	\$80	\$0	\$630	\$3,000	\$900	\$2,700	\$960	\$0	\$7,560
001030		2023 Ford F250	C1-Pickup-3/4Ton-4WD		Active	County Roads	\$500	\$75	\$675	\$80	\$300	\$1,630	\$6,000	\$900	\$8,100	\$960	\$3,600	\$19,560
001031		2023 Ford F250	C1-Pickup-3/4Ton-4WD		Active	County Roads	\$500	\$75	\$675	\$80	\$300	\$1,630	\$6,000	\$900	\$8,100	\$960	\$3,600	\$19,560
001033		2023 Bomag BT55	Equip-Other-PortableTool-Powered		Active	County Roads	\$65	\$15	\$0	\$80	\$0	\$160	\$780	\$180	\$0	\$960	\$0	\$1,920
001034		2023 Bomag BVP/18/45	Equip-Other-PortableTool-Powered		Active	County Roads	\$40	\$10	\$0	\$80	\$0	\$130	\$480	\$120	\$0	\$960	\$0	\$1,560
001035		2023 Morbark 1621X	Equip-Grounds-WoodChipper		Active	County Roads	\$800	\$300	\$475	\$80	\$25	\$1,680	\$9,600	\$3,600	\$5,700	\$960	\$300	\$20,160
001039		2023 Generac 26KW Hgh Gen.	Generator (Hgh)		Active	County Roads	\$75	\$50	\$10	\$80	\$10	\$225	\$900	\$600	\$120	\$960	\$120	\$2,700
001048		2024 Ford F350	C1-Pickup-1Ton-4WD		Active	County Roads	\$500	\$150	\$775	\$80	\$550	\$2,055	\$6,000	\$1,800	\$9,300	\$960	\$6,600	\$24,660
001049		2024 TrailKing Tilt Trailer	Trailer-Tiltbed->10,001GVW		Active	County Roads	\$75	\$50	\$275	\$80	\$0	\$480	\$900	\$600	\$3,300	\$960	\$0	\$5,760
001056		2024 Falcon 410n	Equip-TrailerMid-Pavement-Hotbox		Active	County Roads	\$200	\$150	\$175	\$80	\$10	\$615	\$2,400	\$1,800	\$2,100	\$960	\$120	\$7,380
001058		2025 Broom Bear (Elgin)	Broom		Active	County Roads	\$3,000	\$1,100	\$925	\$80	\$150	\$5,255	\$36,000	\$13,200	\$11,100	\$960	\$1,800	\$63,060
001066		2023 Superior Broom	Broom		Active	County Roads	\$650	\$250	\$1,000	\$80	\$250	\$2,335	\$9,300	\$3,000	\$12,000	\$960	\$3,000	\$28,260
001067		2025 Superior Broom	Broom		Active	County Roads	\$775	\$250	\$1,000	\$80	\$250	\$2,355	\$9,300	\$3,000	\$12,000	\$960	\$3,000	\$28,260
001068		2025 Ditch Witch	Cold Planer		On Order	County Roads	\$600	\$200	\$275	\$80	\$50	\$1,205	\$7,200	\$2,400	\$3,300	\$960	\$600	\$14,460
001069		2024 John Deere Grinder	Cold Planer		Active	County Roads	\$75	\$50	\$175	\$80	\$0	\$380	\$900	\$600	\$2,100	\$960	\$0	\$4,560
007785		2008 John Deere 410I	Equip-Wheeled-BackhoeLoader-Heavy		2nd Life	County Roads	\$0	\$0	\$525	\$80	\$150	\$755	\$0	\$0	\$6,300	\$960	\$1,800	\$9,060
007801		2011 Ford F 450	C5-StraightTruck-Flatbed		2nd Life	County Roads	\$0	\$0	\$525	\$80	\$300	\$905	\$0	\$0	\$6,300	\$960	\$3,600	\$10,860
007859		2014 Ford F150	C1-Pickup-1/2Ton-2WD		2nd Life	County Roads	\$300	\$0	\$400	\$0	\$100	\$800	\$3,600	\$0	\$4,800	\$0	\$1,200	\$9,600
147 = Number of Assets							\$43,975	\$11,535	\$72,055	\$11,600	\$23,485	\$162,650	\$527,700	\$138,420	\$864,660	\$139,200	\$281,820	\$1,951,800

Asset Info																
Asset Info					Monthly					Annually						
Unit #	Year Make Model	Category	Status	Department	Deprec	Repl	O/M	Overhd	Fuel	Total	Deprec	Repl	O/M	Overhd	Fuel	Total
000833	2013 Ford Escape	C1-SUV-Compact-4WD	Active	County Roads	\$0	\$0	\$125	\$80	\$100	\$305	\$0	\$0	\$1,500	\$960	\$1,200	\$3,660
000890	2016 Ford Explorer Base	C1-SUV-Compact-4WD	Active	County Roads	\$225	\$0	\$475	\$80	\$100	\$880	\$2,700	\$0	\$5,700	\$960	\$1,200	\$10,560
000912	2016 Ford F150	C1-Pickup-HalfTon-4WD	Active	County Roads	\$100	\$0	\$675	\$80	\$75	\$930	\$1,200	\$0	\$8,100	\$960	\$900	\$11,160
001023	2023 Ford Mini Connect	C1-Van-Cargo-Mini	Active	County Roads	\$450	\$125	\$150	\$80	\$100	\$905	\$5,400	\$1,500	\$1,800	\$960	\$1,200	\$10,860
001055	2024 Ford Bronco	C1-SUV-Compact-4WD	Active	County Roads	\$250	\$100	\$225	\$80	\$75	\$730	\$3,000	\$1,200	\$2,700	\$960	\$900	\$8,760
001061	2023 Ford Mach-E	C1-SUV-Compact-EV-4WD	Active	County Roads	\$350	\$125	\$50	\$80	\$0	\$605	\$4,200	\$1,500	\$600	\$960	\$0	\$7,260
6	= Number of Assets				\$1,375	\$350	\$1,700	\$480	\$450	\$4,355	\$16,500	\$4,200	\$20,400	\$5,760	\$5,400	\$52,260

JEFFERSON COUNTY DEPARTMENT OF PUBLIC WORKS POLICY

TITLE: EQUIPMENT RENTAL & REVOLVING (ER&R) FUND MANAGEMENT POLICY

EFFECTIVE DATE: September 15, 2025

Section 1, Purpose

- 1.1 To provide funds for timely and efficient replacement of vehicles, equipment, and materials; and systems and equipment used for maintaining vehicles and rental equipment.
- 1.2 To formalize a policy consistent with applicable statutes on the level and components of Unrestricted Net Current Assets and to outline the formula to be used in determining rental rates to assure compliance with the desired level of Unrestricted Net Current Assets.
- 1.3 To maintain customer-department rental-rate stability.
- 1.4 This policy shall be signed and approved by the Public Works Director and County Engineer and may be updated at any time as authorized by the Public Works Director and County Engineer.

Section 2, References

- 2.1 Revised Code of Washington, Chapter 36.33A, "Equipment Rental and Revolving Fund"
- 2.2 Washington Administrative Code (WAC) 136-600
- 2.3 Revised Code of Washington, Chapter 43.09 Section 210, Local Government Accounting
- 2.4 Budgeting Accounting Reporting System (BARS) Manual, Office of State Auditor, Volume 1, Part 3, Chapter 7
- 2.5 Miller Comprehensive Governmental GAAP Guide, current edition.
- 2.6 Equipment Rental & Revolving Fund Guidance, Washington State Auditor's Office
- 2.7 GASB Codification of Governmental Accounting and Financial Reporting Standards. Section 1300.104.

Section 3, Definition of Terms:

- 3.1 "Fleet", "Fleet Services" or "Fleet Services Division" is the Fleet Services Division of the Public Works Department, sometimes known as "ER&R" due to its management of the Equipment Rental and Revolving Fund.
- 3.2 "ER&R Fund" or the "Fund" is the revolving fund managed by the Fleet Services Division in accordance with RCW 36.33A to provide for the operation, maintenance and replacement of certain fleet equipment.
- 3.3 "Unrestricted Net Current Assets" means the difference between the total current financial assets and total current liabilities of the fund. It represents the balance of all financial resources available for current operations and appropriation and expenditure after all revenues and expenditures have been accounted for at the end of a given period.
- 3.4 "Rental Rate" means the amount charged to the using agency for the use of Equipment Rental and Revolving Fund vehicles or equipment. The rentals may be charged to user agencies on an hourly, daily or monthly basis consistent with RCW 36.33A. Rental Rates include, but are not limited to,

charges for maintenance and operating costs, overhead costs, equipment replacement, non-operating revenues, and other adjustments.

- 3.5 "Maintenance and Operating Costs" means the costs of keeping the vehicle or equipment in operation. It includes, but is not limited to, the costs of fuel, oil, tires and tubes, batteries, and all other parts and labor expended in order to maintain and operate the fleet.
- 3.6 "Overhead Costs" means the costs expended for providing general management, administrative activities, insurance, rent, utilities, support services in managing the fleet and county-wide central service charges.
- 3.7 "Replacement Factor" means the amount charged in order to accumulate the anticipated cost of replacing vehicles and equipment at the end of their economic life.
- 3.8 "Sale Proceeds" means the proceeds from the sale of surplus vehicles and equipment.
- 3.9 "Other Adjustments" are amounts added to or credited to the rental rate to cover deficiencies or surpluses in the prior year's operations.

Section 4, Operation of the ER&R Fund

- 4.1 The ER&R Fund is a revolving fund. Moneys paid to the fund each year in the form of rent, replacement factor, sale proceeds and other adjustments are to provide for the replacement of a percentage of the assets owned by the fund and to cover the costs of operating the fund each year.
- 4.2 Each asset owned by the fund either must have itself been originally funded in full by its customer department or must be a Fund-provided replacement for an earlier asset that was originally funded in full by its customer department. The rent and other moneys paid to the fund by the customer department following the provision of that asset are for the operation, maintenance, repair, fuel, overhead, and replacement of the asset (strictly excluding repayment of any first costs of procuring the asset).
- 4.3 Sufficient ER&R Fund balance must be maintained to provide for emergency and other contingency situations and to provide stability and fluidity of asset replacement throughout each year. The Fund balance will vary each year as assets are replaced, put into service and removed from service. The Fund balance will vary from year to year as assets of greater than or less than average capital costs are replaced or retained.
- 4.4 The amount of the fund expended in any given year will depend heavily on whether assets of greater than average capital cost are scheduled for replacement that year.
- 4.5 Rental rates shall cover all costs of maintenance and repair, material and supplies consumed in operating and maintaining equipment, administrative and central services overhead, and future asset replacement.
- 4.6 The rental rate for each asset shall be charged beginning on the date the asset is issued to the customer department and accepted by that department as properly configured for its use and ending on the date the asset is surrendered to ER&R for disposal.
- 4.7 Hourly labor rates and mark-up rates on the supply of supplies, parts, fluids, fuel and any other service or material furnished by the ER&R Fund shall cover all costs associated with the provision of those services or materials. Labor and mark-up rates may lag actual costs by the time sufficient to analyze a fiscal year's operations and to prepare rates for approval by customer departments

prior to their formation of their next budget. Further, rates may be adjusted so as to include temporary or one-time costs or profits over the course of more than one fiscal year so as to lessen variation in rental rates from year to year.

Section 5, Unrestricted Net Current Assets

- 5.1 Unrestricted Net Current Assets should be no less than 25% of the lifetime accumulated depreciation for all vehicle/equipment assets currently owned by the fund, as determined by the Working Capital Reserve Recommendation for Each County Fund as adopted by the Board of County Commissioners (County Resolution 65-13 or subsequent resolutions as replace it).
- 5.2 Unrestricted Net Current Assets and the lifetime accumulated depreciation for all vehicle/equipment assets currently owned by the fund will be measured on the last day of each year for purposes of determining compliance with Subsection 1 of this Section.
- 5.3 Fund assets are stored and invested under the control of the Jefferson County Treasurer.
- 5.4 Any interest income generated by the Fund shall be deposited into the ER&R fund.

Section 6, Agreements with Customer Departments

- 6.1 By August 1st of each year, the manager of the Fleet Services Division shall, at a minimum, transmit the following year's vehicle/equipment rates to each customer department. The rates should be accompanied by an agreement for each customer department for the coming year.
- 6.2 Each agreement will detail the following:
 - 6.2.a Fleet inventory assigned to the customer department;
 - 6.2.b Rental rate for each assigned asset;
 - 6.2.c Services to be provided by Fleet Services for each assigned asset;
 - 6.2.d Costs and mark-up rates;
 - 6.2.e The assigned assets to be replaced during the year and the estimated rental rate of each replacement asset; and
 - 6.2.f A summary of this policy as it applies to the relationship between Fleet Services and the customer department.
- 6.3 The agreements will be reviewed and revised as needed during the year by mutual agreement of both parties.

Section 7, Equipment Purchase

- 7.1 Fleet Services will purchase replacement and additional fleet assets after consultation with each respective customer department.
- 7.2 Asset purchases will prioritize, roughly in order of importance, the following considerations:
 - 7.2.a Safety of operation in intended application;
 - 7.2.b Suitability for intended application;
 - 7.2.c Anticipated efficiency in intended application

- 7.2.d Projected rental cost based on all known factors;
 - 7.2.e Ability to reduce petroleum usage; and
 - 7.2.f Availability of existing contract usable for purchase.
- 7.3 Replacement units will be purchased according to schedules determined by Fleet Services with the concurrence of each respective customer department. The impact to the customer department's operating budget must be considered, and the manager of Fleet Services shall estimate during each budgeting process the changes to rental rates for each customer department during the next budget year as a result of planned asset replacements in accordance with Subsection 6.2.e.
- 7.4 Any asset that would be an addition to the fleet rather than a replacement of an existing unit to be removed from service must be funded in accordance with Subsection 4.2. Any department requesting such an addition must have sufficient approved capital and ongoing funding to finance the initial and ongoing costs of the additional asset.

Section 8, Rental Plan Options

- 8.1 **Full rental:** A monthly rental rate will be billed for each asset to cover depreciation, replacement factor, maintenance, repair, overhead, and fuel costs. Rental rates should be adjusted annually to keep pace with changes in the estimated replacement cost and/or lifecycle and to reflect actual operational costs. Costs of major accidents and/or mechanical issues may be paid separately by the customer department or may be included in the revised rental rates.

RCW 43.09.210 requires that "...All service rendered by ... one department ... to another, shall be paid for at its true and full value by the department ... receiving the same, and no department ... shall benefit in any financial manner whatever by an appropriation or fund made for the support of another....".

Fleet Services will set rental rates with the intent of ensuring that customer departments pay their fair and proportionate share for the assets they are using. Furthermore, rates will be set to provide for consistency across classes of assets. In other words, Fleet will not set rates at the individual asset level with the intent of reconciling each asset's rental income with its expenses and estimated replacement. While such data is analyzed annually to inform decisions about rate setting, the rates are managed at the asset class level and ultimately at the customer department level. Rate setting is discussed further in Section 9.

- 8.2 **Costs-only ("Reimbursable"):** Cost-only or "reimbursable" rental plans are strongly discouraged and no longer regularly supported in the Fleet program, although some legacy vehicles still exist under these plans. This model does not fairly distribute program overhead costs to these customers. In this model, no regular rental rate is billed. Maintenance, repair and/or fuel costs must be billed at mark-up rates as established and revised. Unit replacement at end of life is not provided. Resale proceeds are returned to owning department. The availability of this type of rental plan is limited to those units owned by customer departments and not by the ER&R fund. This type of plan will only be considered for unique assets which are owned by departments and which by their nature, are not easily integrated into the regular ER&R program. Examples might be patrol boats or military equipment. Since these are not ER&R assets, the Fleet program may not be well positioned to support these assets. Service for these assets will be at the discretion of the manager of the Fleet program and will be secondary to preventative maintenance and repair needed for Fleet-owned assets and their customers. Nothing shall prevent the ER&R program from establishing a methodology for capturing fair and proportionate costs for overhead from the reimbursable customer asset through an annual billing or billing at time of service. These assets

are normally given an asset number in CAMS preceded with a "9" to denote their reimbursable status and to indicate that they are not Fleet owned.

- 8.3 **Hybrid plans:** Unique and legacy rental arrangements may be mutually agreed upon by Fleet Services and the customer department. An example might be a plan that allows a customer to fuel their vehicles at Fleet fuels sites when Fleet does not own the asset and is providing no other services for the asset.

Section 9, Determination of Rental Rates

- 9.1 All rental rates will be set and/or reviewed by the County Engineer. The following costs shall be included in the asset rental rate:
- 9.1.a Operations/Maintenance (O&M): Operating and maintenance costs shall be determined by using the most recent cost information available for the preceding twelve months plus a factor using comparable data, if available, for any anticipated increase in costs due to increasing asset age. For vehicles or equipment with no cost history, the manager of Fleet Services shall develop an estimate using whatever indices or comparable data are available.
- 9.1.b Fuel: Fuel costs shall be determined by using the most recent usage information available for the preceding twelve months and multiplying it by anticipated per-gallon costs for the coming year (available from U.S. DOE EIA or commercial sources). For vehicles or equipment with no usage history, the manager of Fleet Services shall develop an estimate using comparable data or the usage history of the asset replaced by the one in question. A similar methodology will be employed to calculate the "fuel" costs for electric vehicles if Fleet is paying for the electricity. Currently, Fleet manages one EV charger at the Courthouse. It is preferable at this time for departments to provide for and manage their own charging at their facilities since these systems are typically tied to the building's electrical system and not metered separately.
- 9.1.c Depreciation and Replacement: The asset replacement premium is made up of two components commonly referred to as "depreciation" and "replacement factor" or just "replacement". Depreciation is computed by dividing asset purchase cost, inclusive of all special equipment and upfitting costs, by of the lifecycle (in months) assigned to the asset. The replacement factor represents the difference between the cost of acquiring the current asset and the cost to acquire its future replacement (inclusive of all equipment and upfitting), which will be higher due to inflation. The replacement factor shall be added to the rental rate. This factor should, in general, account for inflation of at least 3%, compounded annually, on the initial purchase cost of the asset. The replacement factor may also be revised periodically if conditions warrant, such as when the customer department chooses a different type of replacement or in the case of very long lifecycles where such a blanket estimate is inadequate.
- Asset replacement cost should be periodically updated to current actual cost, and replacement charges adjusted accordingly. For all future purchases, asset purchase cost shall include all costs of obtaining the asset and configuring it for service as required by the customer department, including customization and upfitting unless other arrangements are agreed upon with the customer regarding ahead of time.
- 9.1.d Program Overhead: Overhead costs include management and administration, facility expenses, utilities, training, tools and equipment, insurance, software, etc. These costs are partially captured in the shop rate charged when vehicles and equipment are worked on

and through markup on fuel and materials. Not all overhead can be accounted for through the shop rate and markups, however, and it is necessary to collect funds through the rental rate to cover overhead. Actual data from the prior year and projections for the budget year are used to estimate the overhead which must be captured this way.

The overhead premium is distributed equally to each asset by dividing the total program overhead costs, minus any overhead captured through the shop rate and other markups, by the number of assets in the Fleet program and assigning this to each asset's rental rate as a flat monthly charge.

- 9.2 The following costs shall be excluded from the rental rate, not charged to the ER&R fund nor paid by Fleet Services, and instead shall be paid directly or charged to the respective customer department:
- 9.2.a Traffic and parking fines;
 - 9.2.b Parking fees;
 - 9.2.c Tolls and ferry fees;
 - 9.2.d Collision insurance;
 - 9.2.e Replacement and repair costs due to major damage; and
 - 9.2.f Costs due to loss, fraud, waste, misuse or abuse on the part of any customer department's employee where such cost results from failure on the part of the customer department to monitor and control its employee's usage of fleet assets or supplies or where the loss of any key, access card or PIN used to perpetrate the loss or fraud is not immediately reported to Fleet Services.
 - 9.2.g Fuel purchased outside of the ER&R fueling sites, other than that purchased on a WEX card issued by Fleet Services.
- 9.3 The residual or resale value of any asset shall be included in the rental rate as a deduction from the initial acquisition cost. This residual value shall be estimated initially and may also be revised periodically if conditions warrant. The initial estimate is typically set at 10% of the original purchase cost. Special equipment and upfitting is not included in the residual value since it may be moved to another asset (replacement), removed before auction, and has very little value to the average auction buyer.
- 9.4 The manager of the Fleet Services Division will periodically estimate end-of-life gain or loss for each asset and propose adjustments to rental rates as necessary to ensure the ER&R Fund is neither accumulating excess rental revenue nor suffering a shortfall for any customer group or class of asset. Fleet does not reconcile profit/loss at the asset level. Some assets in the same class may "lose" money while others may "gain" money. The goal is to set consistent rates across asset classes and to make sure that no fund or customer is benefitting at another's expense.
- 9.5 There should be no expectation that Fleet will perform an exhaustive or exact reconciliation of customer asset revenue/expense annually. Asset rate setting is not an exact science. Actual cost data is reviewed annually to inform annual rate setting with the goal that each customer will pay their fair and proportionate share. It needs to be recognized that expenses can vary significantly from year-to-year and from asset-to-asset (even identical assets) and that chasing data that is over a year old to set rates for the following year could lead to wild fluctuations and variability in the rates, which is undesirable.

- 9.6 Rental rates established pursuant to this policy shall be subject to annual review and approval by the County Engineer and County Commission; this typically occurs through the County's normal annual budgeting process in the August/September timeframe.
- 9.7 Hourly Rental Rates (Roads): For Road Fund assets only, hourly rental rates may also be assigned for the purpose of job costing; however, rent paid to ER&R for these assets is still based on the monthly rental rate set as described above in Section 9.1. These hourly rates will be set by the County Engineer.

Section 10, Options for Normal Termination of Rental

- 10.1 **Replacement of like kind needed:** Replacement unit will be procured; retired unit will be disposed of. Both asset files will be marked with a clear indication that the unit was replaced by the replacement unit, including both asset numbers.

When it is time to replace an asset, Fleet Services will review with the customer department the funds available to use for the replacement (See Section 15 for more discussion on this topic). If the amount of replacement funds collected for the asset have not been adequate to replace the asset, Fleet Services and the customer department may agree to:

- 10.1.a Defer the replacement to allow more replacement funds to accumulate if the asset is serviceable;
 - 10.1.b Customer may contribute additional funds for the asset's replacement to fund the difference;
 - 10.1.c Fleet Services and the customer department may agree to use funds accrued for replacement of other assets that the customer/department is renting, but must understand that this will mean the replacement of these other assets will necessarily be deferred. Fleet Services and the customer may need to agree on rate increases throughout the customer's fleet to address replacement shortfalls. As of 2025, this has become necessary as rapid inflation has outpaced the replacement premium charged in the fleet.
- 10.2 **Unit no longer needed and no replacement needed:** The unit to be retired will be disposed of. Depreciation and replacement costs were paid during the rental of the unit. For small customer departments renting only a few assets, it may be appropriate to examine whether any of these accumulated funds should be returned to that department or, alternatively, used to help fund other future replacements for the same customer. For larger customer departments, rapid inflation in recent years has resulted in underfunding for replacements, and therefore it is likely a best practice to retain any accumulated funds for future replacements of other assets used by the same customer department. Since the scenario described in this Section 10.2 does not often happen, each situation is unique and should be treated as such.
- 10.3 **Replacement of non-like kind needed:** Fleet Services will prepare an estimate of the replacement unit to be procured; retired unit will be disposed of. When the replacement asset will cost more than the like-kind replacement, the customer may be required to fund the difference or defer replacements of other assets. See discussion in 10.1 above.

Section 11, Options for Early Termination of Rental

- 11.1 **Unit no longer needed or its operation no longer funded and no replacement needed:** Another customer department may assume the rental and use of the unit, or the unit may be sold at surplus auction.

- 11.2 **Unit damaged beyond repair and no replacement needed:** Unit will be declared surplus and disposed of appropriately. Since, in theory, the customer funded the purchase of the original unit, even if it has been replaced several times over in the intervening years, the customer is not required to pay off any outstanding depreciation on the damaged unit.
- 11.3 **Unit damaged beyond repair and replacement needed:** Customer department may pay separately the sudden depreciation and additional replacement factor necessary to replace the vehicle. Alternatively, in order to defray budget impacts of a sudden unforeseen event, the customer may agree to continue paying the depreciation and replacement factor left deficient at the time of the vehicle's damage in addition to the depreciation/replacement on the new replacement vehicle. In no case shall outstanding depreciation and replacement costs be added to the rental rate of the replacement or any other vehicle; however, the option of the customer department continuing to pay the capital costs of a vehicle that is no longer in operation has much the same budgetary impact. If such an arrangement is agreed upon, there must be adequate documentation in the CAMS or other financial system regarding the reason that depreciation/replacement is still being charged on an asset that no longer is physically present in the fleet.

Section 12, Options for Extension of Rental Agreement

- 12.1 Fleet Services and the customer department will periodically review the performance of the customer's fleet and may agree that certain assets should not be replaced at the time originally specified. It may be that the asset is not being used as heavily as originally predicted and that the customer can continue to utilize the asset beyond its originally intended replacement date, which may come with a reduced rental rate.
- 12.2 Depreciation lifespan of the asset is set when the asset is acquired. This usually cannot be changed in the CAMS and MUNIS systems once it has been set. When the customer's rents have fully depreciated the asset (minus auction value), this component of the rent automatically is no longer collected from the customer by the CAMS system. When this occurs, the rental rate should be adjusted in CAMS to collect the depreciation component through the end of the calendar year by adding it to the replacement component. This is because rental rates are set on a calendar year basis and should not change mid-year due to the complications this creates for Fund management. If the customer will continue to use the asset beyond its fully depreciated life, the replacement component of the rent must continue to be collected until replacement in order to cover annual inflation. During this extended life period, the rental rate would be the combination of the replacement factor, O&M, fuel, and overhead, but since there is no longer a depreciation component (after the end of the calendar year), the rental rate will naturally cost the customer less each month going forward. This may be mutually beneficial to both the customer and Fleet Services.
- 12.3 It could be argued that holding on to assets longer than planned reduces their value at auction. However, it should also be recognized that there is a perception by some elected officials and members of the public that the government should not be replacing perfectly serviceable assets. Take a balanced approach.

Section 13, Equipment Disposal

- 13.1 **Public surplus auction:** Assets that are no longer needed are declared surplus by the Board of Commissioners via a resolution. Fleet Services coordinates this action with the County's Treasurer. Once assets have been declared surplus, advertisements are placed indicating when/where assets will be made available for auction. This is typically a general advertisement, not specific to a set

date/time. Fleet Services has had good success selling assets through GovDeals.com which satisfies the applicable RCWs related to public auctions and advertisements

- 13.2 No surplus asset will be sold to the manager of Fleet Services nor to an immediate family member thereof.
- 13.3 No surplus asset will be sold to an employee of Fleet Services, to any county employee who was a regularly assigned driver or operator of the asset, to any county employee who was the manager or supervisor responsible for the use of the asset, nor to any immediate family member thereof unless said family member is purchasing on behalf of a company and not for personal use.
- 13.4 All assets shall be clearly and publicly advertised in a consistent manner to gain maximum exposure to a potential bidder pool. Current practice is to advertise on platforms such as GovDeals with supplemental outreach on social media and the County's website.
- 13.5 Fleet, at its discretion, may assist with auctioning non-Fleet owned vehicle/equipment assets. Fleet will charge the customer for this service at 15% of the asset's sale value at auction and not less than \$250. Fleet will not manage auctions for other county items or property. Departments should make their own arrangements for disposing of these items.

Section 14, Second-Life Vehicles/Equipment

- 14.1 Previous versions of this policy allowed county departments to purchase used vehicles from Fleet Services once they were no longer needed and then place them into a "reimbursable" service program. As discussed in Section 8.2, this type of rental arrangement is generally no longer supported except in special cases.
- 14.2 Fleet Services recognizes that there may be times when spares or extra vehicles make sense for a department's program and that used Fleet vehicles may be appropriate to fill these needs. These "second-life" assets should not be used to avoid higher rental costs associated with vehicles/equipment that are needed for daily or regular program use. They should only be considered for spares, backups, intermittent, or temporary use.
- 14.3 Fleet Services and a customer department agree that a second-life vehicle is an appropriate way to meet the customer department's needs. This may be accomplished through the following steps:
 - 14.3.a For the purposes of customer billing, the current vehicle asset number is "retired" in CAMS and a new asset number is assigned. The new asset number will be the old asset number preceded by a "7". For example, asset #962 would become a "new" asset numbered #7962. This is an important step. Experience has shown that without a re-numbering system, Fleet personnel and customers lose track of which vehicles are first-life and eligible for replacement and which are second-life and therefore not eligible for replacement.

When creating a second-life vehicle, it is not necessary nor desirable to set up a "new" asset in MUNIS. There is still only one (1) asset, and MUNIS tracks the original asset from purchase through disposal. Therefore, when a unit is placed into "second-life" status, no changes are necessary in the MUNIS system.
 - 14.3.b Sufficient documentation will be entered into the CAMS system under both the original asset number and new asset number so that there are records detailing what happened in both places. The original asset (in this example #962) will be marked as "Out of Service" in CAMS. Do not mark it as "Sold" because it is still part of the inventory, just with a new number for the purposes of customer billing. Add notes in CAMS indicating that the asset was assigned a new number (in this example #7962). Do not overwrite previous entries in the CAMS system;

instead add a new line to add a note or other information. It is helpful to retain the history through the life of the asset.

- 14.3.c The second-life asset (in this example #7962) will have its acquisition value set appropriately. This may be determined from “Blue Book” value, by estimating auction value from experience, or by using 10% of the original purchase cost.
- 14.3.d This acquisition value will be entered into the financial records for the asset and 90% of this value will be depreciated over no more than a two (2) year timeframe. Make sure to select the “Apply Depreciation” option in CAMS. It is important to set short life spans on these second-life vehicles for collecting remaining value, even if the customer will use the vehicle for a longer period of time. Be aware of the risks of keeping assets as they increasingly age.
- 14.3.e All other components of the rental rate on a second-life asset will be set as normal and as described in section 8.1 Full Rental Rate; however, there will be no “replacement” component since the vehicle is not intended to be replaced. Depreciation, O&M, fuel, and overhead components will apply to form the monthly rental rate for the second-life asset. Typically, the O&M and fuel rates should be less than a front-line vehicle since the second-life vehicle will be used as a spare. The depreciation component of the rental rate will drop off after the asset’s value is depreciated (two years).
- 14.4 When the customer department no longer needs the second-life vehicle, it will be disposed of by Fleet Services as per Section 13. Update records in CAMS for both the original asset number (#962) and new asset number (#7962) as “Sold” with the appropriate date noted.

Section 15, Fund Management at the Customer/Department Level

- 15.1 The amount of vehicle/equipment rental income charged to a customer department shall be monitored to ensure the ER&R Fund neither loses money by providing an asset to a customer department nor accrues excessive cash balance beyond appropriate established reserves plus monies accumulated for asset replacements, future Fleet program expenses, and overhead. This shall be in keeping with RCW 43.09.210, which requires, in part, that “...All service rendered by ... one department ... to another, shall be paid for at its true and full value by the department ... receiving the same, and no department ... shall benefit in any financial manner whatever by an appropriation or fund made for the support of another....”. Appropriate adjustments to rates will be made annually (and no more frequently than annually except in exceptional cases) to meet this requirement.
- 15.2 Fleet Services does not reconcile expense/revenue at the per asset level as there is no requirement to do so. Asset data is periodically reviewed to help inform the process of setting appropriate rental rates at the asset class and customer level. Consistency among rates throughout asset classes is an important consideration in fleet management. “Chasing” lagging actual data to perfectly reconcile the balance sheet on each asset is also not an appropriate use of limited staff time and beyond the practical limitations of the fleet management software as well.
- 15.3 Funds for equipment/vehicle replacement are derived from the “depreciation” and “replacement” components of an asset’s rental rate. Fleet maintains a master rental rate spreadsheet for each customer/department which tallies how much depreciation and replacement revenue is collected each year, by customer/department. Equipment/vehicle purchases for replacements are tallied on this same spreadsheet and deducted from the customer’s accumulated replacement revenue. This provides a record of the running balance available for each customer’s asset replacements from year to year.

Section 16, Fleet Services Operations and Billing

- 16.1 All time for which Fleet Services Staff are compensated, all parts issued and all fuel and fluid dispensed will be billed to the appropriate accounting codes, whether to individual fleet assets, to departmental asset accounts or to indirect codes internal to Fleet Services funds. Rates will reflect the following additional costs:
- 16.1.a Labor rates billed will be at a rate that includes all benefits, indirect time, facility costs, mechanical shop and service costs, administrative and support services and other overhead costs attributable in general to the services provided by Fleet Services;
 - 16.1.b Parts mark-up rates will be calculated to include all costs incumbent in ordering, stocking and dispensing stocked and special-order parts; and
 - 16.1.c Fuel mark-up rates will be calculated to include all costs of operation of the fuel sites.
- 16.2 Fleet Services shall evaluate general work categories and individual instances of repair work and will either perform the tasks in house or outsource them, whichever is, in the judgment of Fleet Services, most economical, efficient and effective.
- 16.3 Fleet Services will strive to consolidate orders of vehicles, equipment, fuels, fluids, parts and services, and to limit diversity within the fleet to the minimum necessary to support customer operations, preserve competition and maintaining a diverse, competitive and flexible supplier base. Fleet Services' goal in this area shall be to enhance consistency within the fleet.
- 16.4 While complying with all applicable purchasing laws, Fleet Services will use the most economical and competitive methods of procuring vehicles, equipment, fuels, fluids, parts and services. Such methods may include use of Washington State Department of Enterprise Services contracts, cooperative procurement with other county or municipal entities and the standard procurement processes of Jefferson County.
- 16.5 Fleet Services will maintain and operate a data system designed for and capable of tracking, monitoring and reporting comprehensive information on the costs and usage of all fleet assets. Fleet Services will make such information and analysis as is requested available to its customer departments upon request.

Monte Reinders

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Public Works Director/County Engineer

Date