



Oregon

John A. Kitzhaber, MD, Governor

Department of Administrative Services

Chief Operating Office
155 Cottage Street NE, U20
Salem, OR 97301
PHONE: 503-378-3104
FAX: 503-373-7643

February 18, 2015

Senator Steiner Hayward, Co-Chair
Representative Smith, Co-Chair
Ways & Means General Government Subcommittee
900 Court Street NE
Salem, OR 97301

Dear Senator Steiner Hayward, Representative Smith, and the Ways & Means General Government Subcommittee;

Below, please find follow-up information as requested during the February 17, 2015 subcommittee meeting.

Representative Heard wanted confirmation on whether the state can take advantage of tax credits when purchasing vehicles.

It varies depending on the dealer and their ability/willingness to use the tax credit for their tax burden. For our Volt, we received the tax credit via a pass through program that allowed the dealership selling the vehicle to us to use the credit for themselves and pass on the savings to us. We were not able to do the same when we purchased the Nissan Leaf and Mitsubishi i-Miev.

Representative Nathanson asked about the relationships between state agencies and local governments in regards to sharing resources, fleet for example, could be shared between smaller agencies, or even shared by the state but owned locally.

We have multiple agreements with local governments, including the cooperative agreement spearheaded by Lane County and DAS for state and local government to use any services either entity could provide. This has led to some limited rental of vehicles from each other but it is more common for the partners to use each other's shop services. Often, the local government entity does not have a lot of capacity to rent their limited number of vehicles and lack the ability to easily bill entities outside their own, internal accounting structures. In Eugene, the University Motor Pool rents to state and local entities and Lane County has done limited rentals to other entities as well. Likewise, when the state has vehicles in for repair at Multnomah County shops, the County rents "loaner" vehicles to the state agencies.

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Representative Smith asked what amount was previously dedicated to the State Employee Bus Program.

Our contract with Salem Keizer Transits District for the last year of service shows an amount of \$415,867 from July 1, 2008 through June 30, 2009.

Representative Smith asked if our motor pool ever considered having or investing in a commuter bus/van program to transport employees traveling long hours on the interstate.

There was a limited service in the late 80's and early 90's where the mail delivery vans had a row of seats and employees who wanted to catch a ride could do so. This did have disadvantages where getting back and forth was limited to the two mail runs a day and riders had to wait to get to their destination while the mail truck made its stops along the way. Overall this was not efficient use of state employee time, which is the most expensive aspect of state operations.

DAS Fleet has observed that most agencies actively seek to consolidate trips internally and across other agencies when possible.

*On another note, to clarify, Barry stated the 52 vehicles for which we are asking for funding in our package are for anticipation of needs next biennium. The 52 vehicles are not anticipated, but they were identified by DCBS and DHS when we asked the agencies if they knew of vehicle needs so we could build the additional cost into the budget.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael Jordan".

Michael Jordan, COO
DAS Director

CC: Paul Siebert, Legislative Fiscal Office