

## **1) Fleet Program**

### ***Overview of Program***

The State fleet managed by BGS Fleet Management Services (FMS) consists of two primary components:

- Motor Pool Vehicles: Short-term daily rentals available to all state staff (47 vehicles)
- Leased Vehicles: Vehicles assigned to a department for exclusive use, either pooled internally or assigned to a specific employee (595 vehicles)

FMS oversees vehicle acquisition, maintenance, replacement planning, utilization monitoring, and rate setting for both categories. Vehicle purchases are limited to models available on State contract. Vehicle disposal is handled by Buildings & General Services State Surplus Property.

More information on FMS can be found here: <https://bgs.vermont.gov/gbs/fleet>

Key Updates/Practices:

- In 2025, FMS expanded acceptance of AWD vehicles to support safety and customer business needs.
- In 2025, FMS transitioned motor pool operations and recordkeeping from fully paper-based to fully electronic, eliminating significant paper waste and reducing supply costs.
- Use of the [Trip Calculator](#) determines which method of travel is the most cost effective.
- Vehicles are equipped with Geotab telematics technology to collect and analyze vehicle and driver data through telematics, including GPS location, driving behavior, engine health, and fuel use. FMS uses this data to improve safety, reduce operating costs, support preventive maintenance, and meet reporting or compliance needs.

### ***Motor Pool*** (47 vehicles across 6 locations – daily use)

Motor Pool success is measured by whether the average cost per mile paid by departments is lower than the federal mileage reimbursement rate. In FY 2025, the average motor pool cost per mile was approximately \$0.08 less than the blended federal mileage reimbursement rate for calendar years 2024 and 2025 (reflecting the fiscal year overlap), resulting in an estimated savings of \$43,219.64 to the State.

In FY25, average system-wide motor pool utilization was approximately 47%. Motor Pool reservations are balanced and cycled between all vehicles to prevent prolonged idleness in any one vehicle. Motor Pool vehicles can also function as temporary loaners for grounded leased vehicles or seasonal leases.

Rates: Full-Day Rental: \$50.00 per day (24 hours), Half-Day Rental: \$25.00 for up to 4 hours

### ***Leased Vehicles*** - 595 leased vehicles are assigned to 23 Agencies/Departments.

FMS conducts annual utilization reviews and provides departments with reports and recommendations to ensure leases are right-sized. FMS requires written justification if departments retain under-utilized vehicles.

Some examples of justifiable need for under-utilized vehicles:

- DCF retains certain low-mileage vehicles to ensure 24/7 response capability for child protection cases; personal vehicles cannot be used, and motor pool is not available after hours.
- Buildings & General Services operates specialized grounds vehicles with low mileage for essential functions (plowing, salting, grounds maintenance).

Lease rates are based on a lifecycle cost model that produces a cost-per-mile rate. Departments select anticipated annual mileage, which establishes the monthly lease rate. Each vehicle has a minimum annual mileage threshold for cost efficiency. Vehicles not meeting this threshold are identified as underutilized during annual reviews.

### ***Maintenance and Replacement***

- Vehicles are replaced at 6 years or 80,000 miles, whichever comes first.
  - Early replacement may be approved if major repairs approach or exceed 50% of market value.
- For most vehicles, oil changes occur every 10,000 miles or annually; high-use or high-idle vehicles every 5,000 miles or six months.
- FMS provides monthly maintenance reminders and verification requests for leased vehicles.
- Trucks and specialty vehicles are undercoated when practical.
- Snow tires are standard year-round unless departments opt into seasonal rotation.

In FY25, FMS spent approximately \$925,034.77 on preventive maintenance and repairs.

### ***Alternative Fuel Vehicles***

Vermont Statute 29 V.S.A. § 903 requires that 75% of new state fleet vehicles purchased annually must be hybrid or plug-in vehicles. In FY25, of all vehicles purchased by FMS, 80.77% were hybrid or plug-in vehicles. Of the 383 alternative fuel vehicles in the Fleet, 13 are battery Electric Vehicles, the rest are hybrid.

## **2) Vermont Information Centers Division (VICD) Follow-Up information**

As discussed in testimony, five locations are staffed by contracted services with local Chambers of Commerce. This model is working well in those locations, however, interest from similar organizations in other areas of the state is limited by their staffing capacity to operate visitor center.

We do not have a current cost comparison of contracted services versus State provision of services.

The State's wage/benefit package is valued for retaining State employees who work in remote locations in facilities that are open 10-12 hour days, 365 days a year.

#### Amounts Paid in FY 2025

Lake Champlain Chamber of Commerce | \$596,290

Southwest Vermont Chamber of Commerce | \$220,241