

## For Information Only

### Fleet Initiatives and Projects

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### Recommendation

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### Finance Implications

The value of these initiatives totals approximately \$156,000 and this saving has been incorporated in the 2012 Base Budget.

Financial implications realized from the other initiatives described in this report will be implemented in 2012 and/or 2013 depending upon the respective implementation dates.

### INTRODUCTION:

The City's fleet is an essential tool used to achieve corporate operational objectives. TransitFleet Services is pursuing a number of related strategies to rationalize the size of our fleet, provide policies regarding utilization, and to ensure optimal life cycles.

During the 2011 Budget process it was reported that there had been a fleet reduction of eighty-four (84) units from Fleet assets between 2005 and 2010. Since that time we have achieved a further reduction of twenty-six (26) units.

Furthermore, there has been a corporate-wide reiew of vehicle leases in 2011 for the upcoming 2012 Budget. Based on updated operational requirements and fleet re-organization there was budget reduction of ten (10) leased units in 2011 in comparison to the 2011 Budget.

In September 2011 Purchasing Services held an annual auction to dispose of CGS surplus assets. These assets included vehicles, equipment, and small tools. In total, ninety-three (93) assets were disposed of, generating \$175,672.01 in revenue. These assets were surplus units from Fleet, Fire, EMS, Parks and the Airport. Revenues generated from the sales were assigned to their respective Capital Reserves.

#### Signed By

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## BACKGROUND:

Transit and Fleet Services, in conjunction with Human Resources, is developing and/or amending policies and procedures which will impact fleet utilization and maintenance of the municipal fleet. The following are initiatives and projects currently being reviewed and/or developed:

- a) Custodial / Vehicle Use Policy
- b) Operator's Manual
- c) Collision reporting process
- d) Fleet Car Pool Review
- e) Vehicle and Equipment Utilization
- f) Long Term Planning
- g) Operational review

A brief description of each initiative and/or project is provided as follows:

a) **Custodial / Vehicle Use Policy** - amendments to this policy are being proposed which will address concerns raised by Council during the 2011 Budget process. The policy will ensure proper utilization of CGS vehicles by CGS employees.

Possible benefits and outcomes may be:

- A business case approach for approval of custodial use.
- Reduction in the number of vehicles being taken home.
- Reductions in fuel and maintenance costs.
- Improved utilization of Fleet assets.
- Reductions in public complaints.

b) **Operator's Manual** - this manual will cover several topics that will assist operators of CGS vehicles and equipment to be more proficient as professional drivers/operators. Included in this manual are safe operating tips, defensive driving information as well as collision reporting information.

c) **Collision Reporting Process** - Recently a centralized training office was established for both Infrastructure Services Operations, Fleet and Transit under the management of the Driver Certification Coordinator. This office is responsible for driver certification, driver assessments for recruiting, driving and defensive driver training, remedial training and equipment training.

A collision reporting process will ensure that all collisions are reported, investigated and acted upon. With a proper process in place valuable remedial training will be available which will in turn extend the life cycle of the municipal fleet.

Possible benefits and outcomes may be:

- Reductions in vehicle accidents and collisions.
- Improved driver skills.
- Reductions in maintenance costs.
- Increased accountability.

- Positive impact on our Commercial Vehicle Operator's Registration (CVOR) and Driver Certification programs.

d) **Fleet Car Pool Review** - Currently there are three groups of “pool vehicles” utilized by CGS employees for municipal business. Pool vehicles are located with Ontario Works, Tom Davies Square and Frobisher administration. Reviews of utilization and operating costs are producing data that will assist in determining if there are any efficiencies and savings to be realized. This may be accomplished by possibly reducing the number of pool vehicles and reimbursing employees for use of personal vehicles on a kilometre based approach.

Possible benefits and outcomes may be:

- Reductions in both capital and operating costs.
- Reductions of Fleet assets.
- Increased accountability.
- Increased availability of T.D Square parking spaces and revenues.

e) **Vehicle and Equipment Utilization** - The purpose of this review is to establish a process where the utilization of vehicles and equipment are evaluated on an annual basis. If a vehicle is found to be underutilized it may either be re-assigned where there is a greater need or be deemed as a surplus asset. Criteria for determining utilization will include hours of use and/or kilometres driven. Vehicles and equipment that are identified as underutilized will be reported to the user department staff who will be required to rationalize the requirement to either retain the asset utilizing a business case approach or declare it surplus to their needs.

Utilization results will also be evaluated when developing the annual capital replacement recommendations.

Possible benefits and outcomes may be:

- Increased efficiency in use of vehicles and equipment.
- Reduction of Fleet inventory.
- Improved public perception.
- Reduction of capital and operating costs.

f) **Long Term Planning** – The implementation of the above noted policies and procedures will have a direct impact on the City's long term fleet planning. Another important component of the long term plan is the Life Cycle Management process which is a means of realizing savings and improving planning capabilities through an integrated view of the entire vehicle life cycle.

We are reviewing our current life cycle strategies and bench marking these against other municipalities across the country.

g) **Operational Review** - As requested by the Mayor and Council, an operational review of Transit and Fleet Services has been awarded. This review will ensure the proper merger of Transit and fleet maintenance services as well as proper process, procedures and recommended staffing levels. A final report will be presented to the Operations Committee on either February 13, 2012 or March 5, 2012.

## SUMMARY:

Successful policies, procedures and long term plans will ensure that the CGS fleet is used efficiently, effectively and to its optimal life cycle. Transit and Fleet services is committed to establishing best practices in the management of our fleet assets from the time they are conceived until they are disposed of.

The merging of Transit and Fleet, along with the integrated maintenance facility at 1160 Lorne Street will offer many opportunities to realize synergies in our operations and will result in fleet services being offered to all CGS departments.

These policies and procedures will be developed throughout 2012 with progress reports presented to Council in preparation for the 2013 budget process.