



Fleet Analysis Update

24 October 2022

Overview

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- Fleet Assessment
 - Phase 1
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 - Phase 2
- Next Steps

Purpose

- Update on status of ongoing audit of Fleet Program
- Request extending the vehicle leasing program with Enterprise from 22 November 2022 to 31 December 2023
 - To finalize the analysis, re-organization, re-configuration, and transition plans for the Fleet Division
- Request amending maximum expenditure authority for the vehicle lease program (from \$5.9M to \$7.2M) to support the lease extension
 - 2023 vehicle lease program funding is in proposed 2023 budget

Background

- Execution of 5 year Contract with Enterprise
 - Ordinance # 2143 - 6 November 2017
 - Original expenditure approval of \$3,548,125
 - Ordinance Amend # 2358 - 6 December 2021
 - Increased funding to continue the existing fleet leasing program through November 2022
 - Amended expenditure approval to \$5,968,895

Background

Enterprise Fleet Lease Program to Date		
Year	Number of Leased Vehicles	Cost
2018	40	\$187K
2019	81	\$800K
2020	116	\$1.2M
2021	138	\$1.1M
2022	143	\$1.2M (YTD)
2023*	191	\$2.3M**
Total		\$6.7M**

** Projected amount – not including cost of up-fitting of police vehicles (about \$500K)



Background

- At 15 November 2021 Study Session, Council requested Staff provide additional information and analysis on the following:
 - Conduct an audit of the efficacy of the Fleet Program
 - Create an RFP if the decision is to continue leasing vehicles to allow the best price and other competitors to bid
 - Improve sustainability of Fleet through introduction of electric vehicles and other fuel alternative vehicles



Fleet Assessment

Fleet Innovative Technology (FIT) was contracted to conduct a fleet analysis with the goal of evaluating the efficacy of current Fleet Leasing Program and overall Fleet operations.

Overall Deliverables:

- Evaluate the fleet operations and determine lease versus purchase or hybrid options to ensure improved vehicle oversight, maintenance and optimum replacement schedules. This will include a long-range plan for implementation.
- Determine the best method for completion of fleet management services, including an incremental plan that allows the city to build a fleet management system in steps.
- Establish a long-range (i.e., 10-year outlook) fleet asset replacement plan.
- Increase overall fleet operating efficiencies including a reduction in capital expenditures for fleet assets.
- Evaluate heavy equipment and all class 10 vehicles for use, replacement and purchasing options.
- Determine fleet use versus need or want for optimum fleet size and rightsizing of fleet in all user departments.
- Evaluate and make recommendations on parts inventory, use, turnover and purchasing practices.
- Recognize the trend toward carbon neutrality planning and consider the use of renewable resources in its plan.

Fleet Assessment - Phase 1

Objectives:

- Perform on-site visits and interview stakeholders to assess processes and needs, gain consensus and cooperation from all user groups.
- Open a direct line of communication and information transfer with Enterprise Fleet.
- Document current fleet inventory, costs, and maintenance metrics and baseline against relevant industry standards and sustainability targets.
- Assess vehicle fleet practices at similar government entities, including other Colorado municipalities and regional governments.
- Assess current inventory and maintenance records for all City owned work vehicles, motorized utility vehicles, and other vehicles.
- Evaluate current record management system (FASTER) processes and make recommendations.
- Assess existing fleet management purchasing and disposal practices.

Deliverable:

- Provide a preliminary report of findings on the above noted objectives.



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Key Findings – Phase 1

- About 55% of Over the Road Vehicles (128 of 234 considered under utilized)
 - Utilization rates are based on vehicles that meet the industry standard of utilization
 - Please see page 5-7 of the preliminary report for utilization details and pages 8-10 for utilization alternatives to consider
- Some identified factors of under utilization include:
 - COVID-19 disrupting the traditional work environment
 - Resulting alternative work schedules/location
 - Open/New Staffing Positions
 - Holding vehicles for vacant staffing positions to ensure the vehicle is there for new hire
 - Please see page 8 of the preliminary report for additional “Factors Influencing Low-Use Vehicle Retention”
- Obstacles to information gathering:
 - Underutilization of FASTER - does not capture accurate information
 - Please see page 10-11 of the preliminary report for FASTER deficiency details

Fleet Composition

Department	Over the Road	Over the Road Utilized	Over the Road Under Utilized	Heavy Equip	Light Equipment	Trailers
City Manager	3	1	2	0		
Community Development	18	5	13	0		
Police Department	100	70	30	0		9
Parks and Recreation	13	2	11	0	56	
Public Works	100	28	72	13	386	40
TOTALS	234	106	128	13	442	49



Fleet Composition

Department	Over the Road Vehicles	Owned (2021)	Leased (2021)
City Manager	3	0	3
Community Development	18	3	15
Police Department	100	24	76
Parks, Rec, & Golf	13	6	7
Public Works	100	63	36
Totals	234	96	138



Fleet Assessment - Phase 2

Objectives:

- Fleet Conceptual Plan Development with recommended courses of action from Phase 1 findings. Creation of prioritization of the various steps that are recommended.

Deliverable:

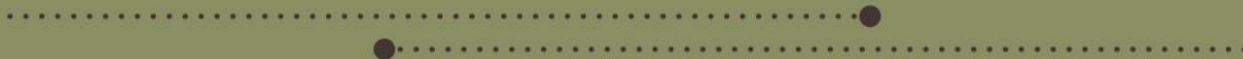
- A conceptual plan report and executive summary comprising of recommendations covering the following:
 - Standard operating policies and procedures
 - Organization and structure of the Fleet Department
 - Future planning for sustainability and environmental considerations
 - Governance structures for fleet operations
 - Information technology software
 - Fleet Leasing Program

Next Steps

- Proceed with Fleet Assessment, Phase 2
 - ECD of Phase 2, Q1 of 2023
 - Brief Council of Phase 2 Findings/Recommendations, Q2 of 2023
 - Initiate Re-organization/Re-configuration/Transition of Fleet , Q3/Q4 of 2023
- Train all Fleet personnel on FASTER (in progress)
 - Fleet & Facilities Manager and Coordinator formal training scheduled Q4 of 2022
- Extend the vehicle leasing program with Enterprise from 22 November 2022 to 31 December 2023
 - To finalize the analysis, re-organization, re-configuration, and transition plans for the Fleet Division
- Amend maximum expenditure authority for the vehicle lease program (from \$5.9M to \$7.2M) to support the lease program extension
 - 2023 vehicle lease program funding is in the proposed 2023 budget



Questions?



Assessment Cycle

