

FLEET MANAGEMENT

Department Mission/Purpose Statement:

We are committed to be a well-managed provider of quality and cost-effective fleet services.

Department Description:

Fleet Management maintains and repairs the City's fleet of approximately 1,250 vehicles and equipment. This total includes approximately (850) sedans, SUVs, light trucks, and vans, with the balance comprised of a variety heavy-duty trucks and specialty equipment, such as construction equipment, street sweepers, vacuum trucks, light towers, generators, all-terrain vehicles, watercraft, trailers, and pressure washers. Fleet also maintains over 100 vehicles for the Village of Key Biscayne and North Bay Village.

Department responsibilities and activities include:

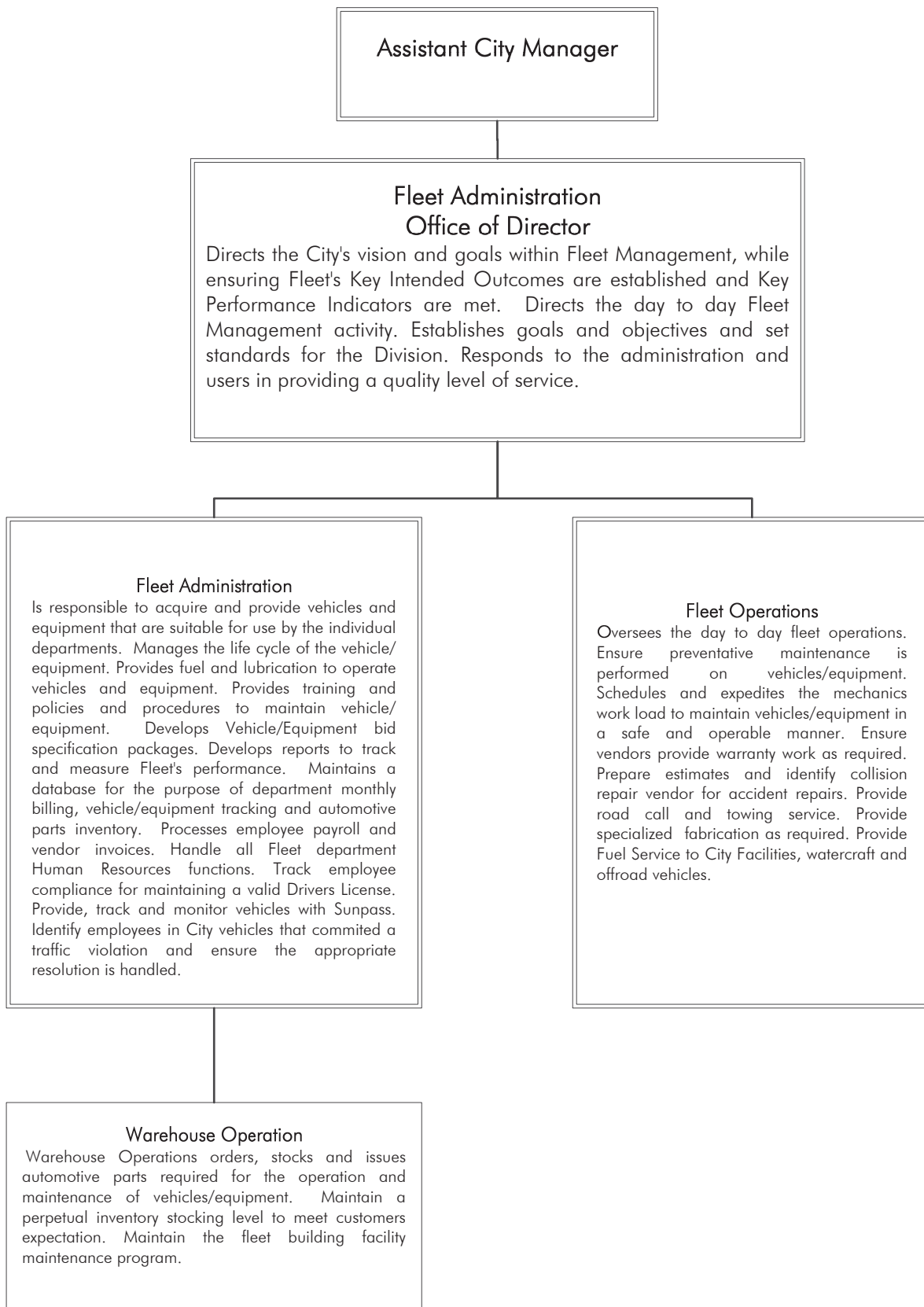
- Repairing and Maintaining Vehicles and Equipment – Includes scheduled preventive maintenance and repairs representing approximately 8,000 service work orders per year. Vehicles are assessed for replacement, during their life cycle, based on criteria as determined by Fleet Management and City policy. Age, mileage, repair history/cost, and general condition are key factors considered when scheduling vehicle replacement.
- Managing Automotive Warehouse Operations – Includes ordering and receiving of parts, tools, uniforms and maintenance supplies; fulfilling parts orders for mechanic service work orders; managing inventory; ordering lubricants; disposing of used tires and discarded balancing lead weights; and receiving over (100) bulk fuel deliveries per year.
- Purchasing Vehicles and Equipment – Includes utilization of competitively procured contracts; piggybacking from State and County contracts; issuing requests for quotes and proposals; and providing up-fitting of new vehicles with safety and utility equipment, utilizing Fleet and outside vendor resources. Approximately (42) vehicles and equipment, with a total value in excess of \$3.1-million, are projected to be ordered during FY 2018.
- Purchasing, Dispensing and Distributing Fuel – Includes management and maintenance of dispensing facility at Terminal Island; administration of Fuel Card Program and various retail accounts; management of inventory; tanker distribution of gas and diesel fuel to various City facilities; fuel management system administration, maintenance and repair; and fuel key management. Approximately 880,000 gallons of fuel were purchased during FY 2017.
- Disposing of Surplus Vehicles and Equipment – Based on various replacement criteria including age, mileage, repair history/cost and general condition. Disposal channels include live and on-line auctions as well as City Commission approved donations. Surplus automotive metal parts and components are collected and sold at scrap value.
- Providing Fleet Support Services – Include responding to emergency callouts for towing and wrecker services for City vehicles on a 24/7/365 basis; driver's license checks; collaborating

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with Risk Management on accident investigations; overseeing outside car wash services; monitoring and administering citywide charges for toll and red light violations; coordination of speedometer testing and vehicle safety inspections; training support in the operation of specialized equipment; and vehicle tag, title, and registration services.

- Providing Administrative and Planning Support Activities – Includes interaction with over 100 vendors; verification, tracking, approving and processing invoices representing over 8,000 vendor transactions and purchasing card transactions per year; chargeback billing to departments for services and products provided; processing monthly off-road fuel tax reimbursements with the State; overseeing compliance with all operating permits; and collaborating with all departments in developing vehicle replacement budgets that meet their operational needs.

See attached Table of Organization



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Fiscal Environment:

The Fleet Management Department is an Internal Service organization, deriving its revenue from all departments that operate City-owned vehicles through a department chargeback process on a “pay-as-you-go” basis. Charges are made for fuel dispensed with a 13-cent markup to support fuel operations assets and activities, including fuel dispensers, fuel tanker truck, and automated fuel tracking system, and related computer hardware and software. Mechanic labor rates average \$93.00/hour. Vendor sublet rates are marked up by 10% and parts are marked up by 20%. Charges cover Fleet Management’s administrative and operating expenses for services and warehouse operations. Fleet Management purchases replacement vehicles for the General Fund departments through a depreciation chargeback process. Vehicles are replaced based on age, mileage, condition and repair costs. The Internal Services fund budget structure, in conjunction with General and Enterprise Funds, has provided a stable funding source for vehicle replacement and maintenance.

Fleet Management continues to provide maintenance and repair services for the Village of Key Biscayne’s vehicles. Contract maintenance and repair services were initiated for North Bay Village during FY2017. These partnerships provide additional revenue to Fleet Management that offset operational expenditures.

Business Environment:

The Fleet Management Department has diverse responsibilities within the City and works closely with client departments to ensure that their vehicles and equipment support their operational needs and that their expectations are met. In this capacity, Fleet provides a wide range of support services to end users, including necessary training to maintain and operate vehicles and equipment safely. Client departments are made aware of the importance of having their vehicles/equipment brought to Fleet for preventive maintenance, when scheduled, to ensure that the cost of repairs is minimized. Operating and care practices of vehicles/equipment can also impact Fleet Management’s business environment and its client departments operation. Fleet Management strives to use best industry practices to provide cost effective fleet services and seeks to exploit technology to improve business processes and services.

The department reviews internal processes, as well as key existing contractual and professional partnerships, on an on-going basis to identify improvement opportunities and seek the most cost-effective balance between in-house and outsourced services.

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Significant Prior Accomplishments:

- Achieved High Overall Availability of Fleet Vehicles – Achieved overall average availability of citywide Fleet vehicles and equipment of 95% for FY2015/16. FY2016/17 vehicle availability is projected to exceed 96%.
- Upgraded Fuel Management System at Terminal Island – Completed phased upgrade of the wireless fuel management system at Terminal Island including replacement of control pedestal, modification of dispenser nozzles, replacement of communications cable to administration office, and system reprogramming. The eight-day project required extensive coordination and communications with all client departments and the fueling system vendor to accommodate massive data management legwork; manual data collection of every fueling transaction; temporary fuel card issuances; troubleshooting VIUs with the vendors; updating fueling data online; programming of over 100 new fuel keys; and manning the pumps on 11-hour shifts during weekdays and the weekend. Although fueling service availability was reduced from a six dispensers/24-hour fueling window, to a three dispensers 46% availability window for over a week, the project was completed without any complaints from client departments.
- On-going “Greening” of the City’s Fleet – Approximately 97% of the City’s staff sedan fleet (excluding Police and Fire first responder vehicles) is composed of compact and hybrid vehicles. Through FY2016/17, the City’s fleet included 20 hybrid vehicles. The City’s first electric vehicle (EV), for use in a pilot program with the Parking Department, was ordered in FY2016/17. The program is to be expanded in FY2017/18 with the purchase of two additional EVs. Fleet Management, in partnership with the Environment & Sustainability Department, is conducting an on-going fleet assessment, and evaluating other transportation options such as motor pool pilot, with the goal of improving the fleet efficiency, as part of a City initiative to reduce greenhouse gas emissions.
- Maintained High Training Level for Fleet Employees – Fleet employees completed (109) individual training sessions, representing (434) aggregate training hours, with an average of nearly (21) training hours per employee for FY2015/16. This included mechanic training through the online Ford Motor Co. Standard Training & Resource System (STARS), as well citywide training courses.
- Received Full Accreditation by APWA – Fleet Management created work practice manuals and presented with supporting documentation to review panel. As a former Public Works Division, Fleet Management received full accreditation from APWA in its first ever application during FY2014/15.
- Expanded Emergency Fueling Capabilities – Expanded implementation of Fleet Fuel Card Program to accommodate emergency fueling of vehicles/equipment for departments with public safety and front-line operational capabilities. As part of the Fleet Management Hurricane Plan, coordinated with key departments to create approximately (150) emergency fuel cards that will be distributed upon activation of the EOC in advance of major emergency and weather related events. This measure will make it possible for City employees to fuel

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vehicles at hundreds of participating fuel retailers in South Florida during emergency conditions. Previously, the Fleet Fuel Card Program had assigned approximately (150) fuel cards to vehicles operating in the City's north end and for extraordinary circumstances, including every fire and rescue emergency response vehicles. As a result, approximately (300) fleet fuel cards will be actively deployed during emergency conditions. Approximately (600) City employees have been assigned personal identification numbers (PINs) for authorized fuel card usage, primarily in the Police and Fire Departments.

- Increased Automotive Parts Storage Capability - Installed over 240 lineal feet of pallet rack storage system, in the "Electrowave" building, to expand and facilitate medium and long-term storage of automotive components, including surplus items slated for disposal. These modifications helped to clear floor space that is currently used for twice-weekly workouts by Sanitation and Fleet employees participating in the City's Wellness Program.
- Surplus Vehicle Disposal and Police Fleet Modernization – During FY2015/16, 2 live auctions conducted at the Fleet Management facility at Terminal Island, resulted in the sale of 255 vehicles and various equipment, with net proceeds of \$855,425. As a result of continued efforts to modernize the Police Department vehicle fleet, the average age of police patrol vehicles has now been reduced to approximately 3.6 years.
- Customer Satisfaction Ratings – Maintained Service Shopper Program Combined Average Score above 4.00 target (out of 5.00).

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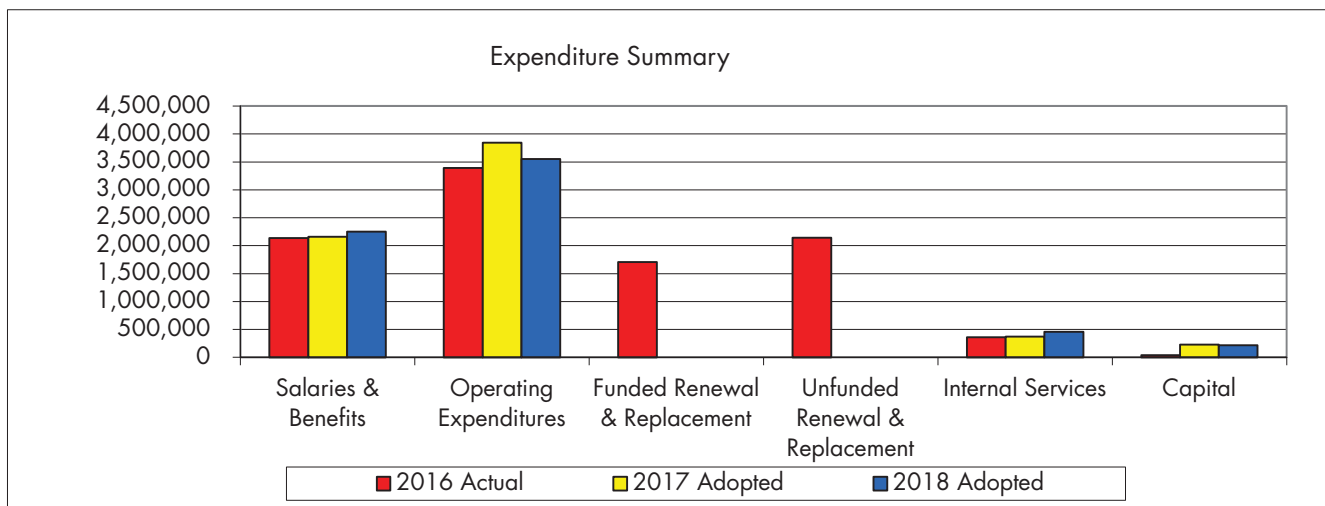
Performance Plan Highlights

Key Intended Outcome	Performance Indicator	Actual				Target
		FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18
Ensure Expenditure Trends are Sustainable Over the Long Term	Hourly Labor Cost Per Mechanic	\$90.00	\$93.00	\$93.00	\$93.00	\$93.00
Streamline Delivery of Services	Police Vehicle Availability	95.6%	94.2%	95.8%	96.4%	96.0%
	City Wide Vehicle/Equipment Sedans & Light Trucks Non-Police Availability	95.9%	95.2%	95.6%	97.3%	95.0%
	City Wide Vehicle/Heavy Equipment & Special Duty Non-Police Availability	89.1%	86.6%	88.4%	91.7%	85.0%
<p>A Key Performance Indicator (KPI) is a type of performance measure that expresses the results that the City intends to achieve toward accomplishing its vision in measurable terms. KPIs are included on the Citywide Work Plan, as well as on individual Department Performance Plan Highlights.</p> <p>* Indicates measure was not tracked and/or conducted during reporting period</p> <p>** Data not available until end of year</p>						

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Internal Service Fund Departmental Financial Summary

	2015	2016	2017	2018
Revenue Area	Actual	Actual	Adopted	Adopted
Inter-Departmental Charges	9,521,017	10,121,865	9,030,000	8,300,000
Retained Earnings	0	0	0	0
Interest/Other	671,617	879,559	517,000	503,000
Total	\$ 10,192,634	\$ 11,001,424	\$ 9,547,000	\$ 8,803,000
Expenditure Area				
Salaries & Benefits	1,915,553	2,139,109	2,162,000	2,252,700
Operating Expenditures	3,478,320	3,392,659	3,844,000	3,551,600
Funded Renewal & Replacement	939,587	1,706,141	0	0
Unfunded Renewal & Replacement	2,680,749	2,141,975	0	0
Internal Services	335,210	358,484	370,000	461,000
Capital	113,000	38,289	231,000	215,700
Debt Service	3,410,964	3,366,742	2,940,000	2,322,000
Total	\$ 12,873,384	\$ 13,143,398	\$ 9,547,000	\$ 8,803,000
Revenue Less Expenditures	\$ (2,680,749)	\$ (2,141,975)	\$ 0	\$ 0
Total Budgeted Positions	22 + 0 PT	22 + 0 PT	22 + 0 PT	21 + 0 PT



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Budget Highlights

- A significant component of the increase for all departments are increases in employee costs including a 3 percent cost of living adjustment in July 2018, as well as a maximum of 2 percent merit increase for employees, with the exception of the members of FOP and IAFF bargaining units, which include a 5 percent step increase. Merit, step, and cost of living increases apply within existing pay ranges.
- The department's operating budget decreased by \$744,000 or 7.8%, primarily due to a \$618,000 reduction in debt service expenditures, as well as a decrease in fuel expenditures.

FY2017/18 Efficiencies/Reductions

- The FY2017/18 budget includes efficiencies totaling \$87,000 from decreases in personnel services due to the elimination of a Mechanic III position and the reclassification of vacant Office Associate V position to an Office Associate IV.