

# Service Business Plan



**Service Name** Fleet Management

**Service Lead Name** Jessica Wesolowski

**Service Lead Title** Manager of Fleet Services

## Service Description

An internal service to provide vehicle and equipment maintenance, replacement and operator training.

## Strategic Alignment with Vision to Focus Plan

Supporting sustainable infrastructure and a resilient environment

## Service Goals

To reduce corporate risk by ensuring all vehicles/equipment are maintained to standards for safety and meet expected life cycles.

To ensure all staff who operate a City vehicle/equipment are trained appropriately in order to protect operator safety and meet expected life cycles.

To reduce greenhouse gas emissions and fuel consumption across all categories of fleet vehicles/equipment to reach our carbon neutral goal in 2040.

To find operational efficiencies through collaboration across all three operating groups including Transit, Fire, and Corporate Fleet.

To support all service area's across the Corporation with vehicle/equipment requirements for procurement.

To adopt innovative technology to support corporate and fleet service goals and reduce corporate risk through data analytics.

## Current State

Customers & Their Expectations

This service is delivered to:

City services that use vehicle and/or equipment to serve their customers, and external vendors.

Fleet Management customers expect:

- Cost-effective, reliable and safe vehicles and equipment
- Timely responses to issues and requests
- Knowledgeable staff that engage with them during the procurement and replacement of assets
- Minimal service disruptions
- Assistance and leadership with the development of policies and processes related to vehicles and equipment
- Advice and resources to assist with the delivery of vehicles and equipment training

Existing Service Delivery

This service is responsible for:

- Performing and coordinating the schedule of both preventative and on-demand maintenance requirements for the City's corporate fleet comprised of 295 vehicles and equipment, and 268 pieces of small equipment in Corporate Fleet, 80 vehicles in Transit and 42 vehicles and a variety of specialty equipment in Fire.
- Seeking external support for specialized repairs that cannot be completed by in-house staff due to shop tool requirements, etc.
- Managing the inventory of parts to aid timely repairs
- Maintaining fuel inventory and administering of the fuel dispensing system for all fleet vehicles
- Researching industry trends and best practices
- Engaging with customers to coordinate vehicles and equipment replacement at the end of their life cycle, including procurement, delivery, training and disposal of old assets
- Training staff on the proper use of City vehicles and equipment to reduce risk, keep employees safe, meet carbon reduction goals and life cycle targets
- Developing policies and procedures as it relates to vehicles and equipment
- Providing support in collision investigation and reporting
- Managing the Corporate Vehicle Depreciation Reserve Fund (VDRF) & the City's Commercial Vehicle Operator's Registration (CVOR)

Existing Customer Engagement Tools / Methods	Customer engagement tools include telephone, in person meetings with staff, email, surveys, training sessions and reports.
Is this Service Provincially Legislated?	No N/A
For this Service are there Approved Service Standards?	Yes Highway Traffic Act, Council-approved levels of service

## Programs

Vehicle and Equipment Maintenance	Provide regularly scheduled service, minor and major repairs, fueling, licensing and emission testing (as required).
Vehicle Procurement	Purchase new and replacement vehicles and equipment at the right time to minimize life cycle costs and right-size the fleet, including disposal.
Vehicle and Equipment Operator Training	Coordinate training and seasonal re-training of operators of City vehicles and equipment, perform monthly driver license checks, investigate and review accidents, manage the Commercial Vehicle Operator's Registration (CVOR), and compliance checks for required paperwork.

## Recent Continuous Improvement Initiatives

The service continues to investigate and purchase green technologies such as plug-in hybrid vehicles and smart block heaters. In efforts to enhance green fleet, the service has continued to assess the "right sizing" of vehicles and equipment at the end of their lifecycle, reducing GHG emissions where possible while meeting business needs for the equipment.

The Service, with the support of finance, continues to procure 'like' fleet assets through preferred vendor agreements, multi-year agreements, and piggybacking with other outside agencies to leverage buying power when possible. This continuous improvement will result in a decrease in staff time needed to procure assets, ensure best pricing, limit the number of vendors we need to manage, and result in efficiencies from a maintenance and parts perspective.

In 2019, a pilot project with FleetCarma to capture data on duty cycle behaviour for 29 light duty vehicles across Corporate Fleet, concluded. Results from the data collected will inform staff which vehicles are most suitable for green fleet conversion given the type of vehicle and duty cycle behaviour. A full report including data on potential GHG emission reduced for each vehicle and life cycle cost of ownership for each vehicle is available.

In 2019, Fleet Services continued to work on Corporate Projects to in and effort to adopt innovative technology within our business. These projects include the Enterprise Asset Management System (EAMS), Business Intelligence (BI), Customer Relationship Management (CRM), and Automated Vehicle Location (AVL).

Education continues to all staff on the importance of green house gas emission reduction. Green Fleet education sessions with departments were completed in 2018, communication/FAQ re: green fleet on the employee intranet, and charging stations installed.

In 2019, implemented Health & Safety improvements to corporate fleet and equipment for operators and Motor Vehicle Technicians, supported an update to the Climate Change action Plan, updated the Driver Handbook, PM/PMVCI schedules across the entire fleet, Vehicle Inspection Forms and the corporate on-boarding process for staff who operate vehicles/equipment.

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## Environmental Considerations

To meet Corporate targets to reduce environmental impact for fleet vehicles and equipment, a dedicated resource is required to:

- implement the green fleet strategy including analyzing and monitoring fuel consumption data
- lead green fleet conversion across all vehicle and equipment categories including research, demo's, engagement with business units, procurement, fuel types and supporting required infrastructure installation
- implementing on-going proactive telematics monitoring including salt/sand spread rates, operator behaviours, fuel consumption, idling, opportunities for pool vehicles
- pursuing grant applications
- updating and reporting to Council on the green fleet strategy in collaboration with Capital Works

With funding, additional Idle Management Hardware can be added to our highest emission vehicles, as a pilot or otherwise, to actively reduce emissions & consumption. These vehicles will be monitored to ensure emissions targets are achieved and maintained.

## Emerging Opportunities and Anticipated Risks

### Emerging Opportunities

The Audit & Accountability Service Review in Fleet will support an update to the green fleet strategy as well as Corporate Fleet related policies.

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The introduction of a Fleet Policy will provide an opportunity to standardize expectations and standards for fleet vehicles. There will be an opportunity to review vehicle allocation, corporate training for vehicles and equipment operations, and on-boarding. Stakeholders will be engaged throughout to develop a phased implementation plan.

There is an opportunity to align current charge back practices for all services related to corporate fleet in preparation for a future process review on vehicle budgeting which may include replacement.

### Anticipated Risks

The biggest risk fleet is facing is the replacement of Avantis. If the EAMS solution does not have a Fleet specific

module, we will have no software to manage our assets. Using a work order management system for asset management, simply won't work again. We are hopeful that the successful proponent has a fleet module. There is no funding and no IT time currently identified for fleet should EAMS not meet the needs of fleet.

In the past, Capital projects for infrastructure throughout the City have been approved without the capital equipment to maintain the infrastructure or the operating costs to maintain the equipment (staff, fuel, parts & service and fleet technicians). Many capital equipment requests are to "catch up" with infrastructure.

Continuous improvement initiatives will continue to decrease due to demand placed on staff because of the growing size of the fleet, increased customer demand and the complexity of new equipment without additional staff approved to support maintenance, replacement, data analysis and innovation. In addition, due to customer's varied hours of operation, increased demands on extended service hours are being placed on the fleet team. If/when levels of service increase and Climate Change occurs, there is often an adverse affect to vehicles and equipment that must be accounted for including lifecycle costs, maintenance requirements, etc.

Budget risks include fuel price increases within the approved budget year, higher costs for new technologies, requirement for new diagnostic technology to repair the wide-variety of equipment, trade tariffs and price of U.S. dollar, as well as the growing need of vehicle accessories such as GPS, safety signage, etc.

Growing the City's green fleet comes with anticipated risks such as: cost of infrastructure, complexity of new technology as well as maintaining a balance between business need and environmental impacts.

Enterprise Risk Considerations

Labour Market & Workforce - Attraction, Retention  
 Climate Change - increasing Number of Severe Weather Events  
 Capacity and Volume of Work - Strategic Plan, CM and BLT Work Plans  
 Technology - Speed of change

Service Initiatives	Target Completion
Finalize and communicate the Corporate Fleet Policy.	Dec 2020
Update the Corporate Green Fleet Strategy based on current market and FleetCarma telematics pilot.	Dec 2020
Processes review for corporate vehicle and equipment training (record keeping, retraining).	Dec 2020

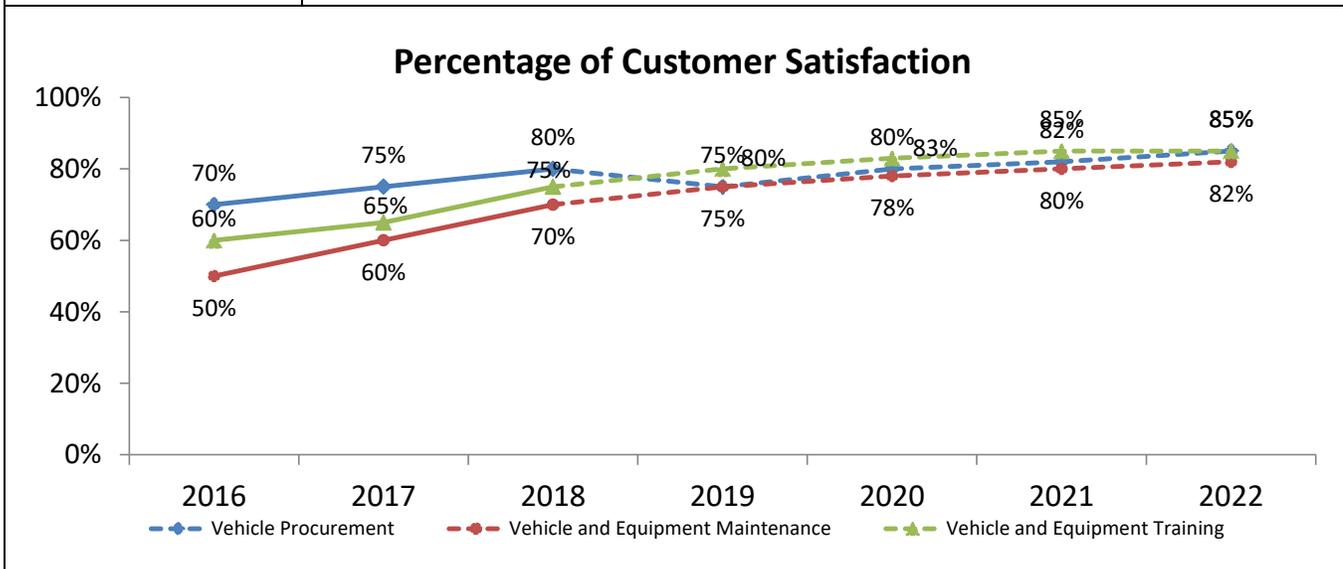
# MEASURING SUCCESS

## How much did we do?

Performance Measurement	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Number of vehicles and equipment procurements completed (Excluding minor equipment)*	23	33	33	19	24	21	24	29
Number of preventive maintenance services performed	434	460	716	685	840	867	886	905

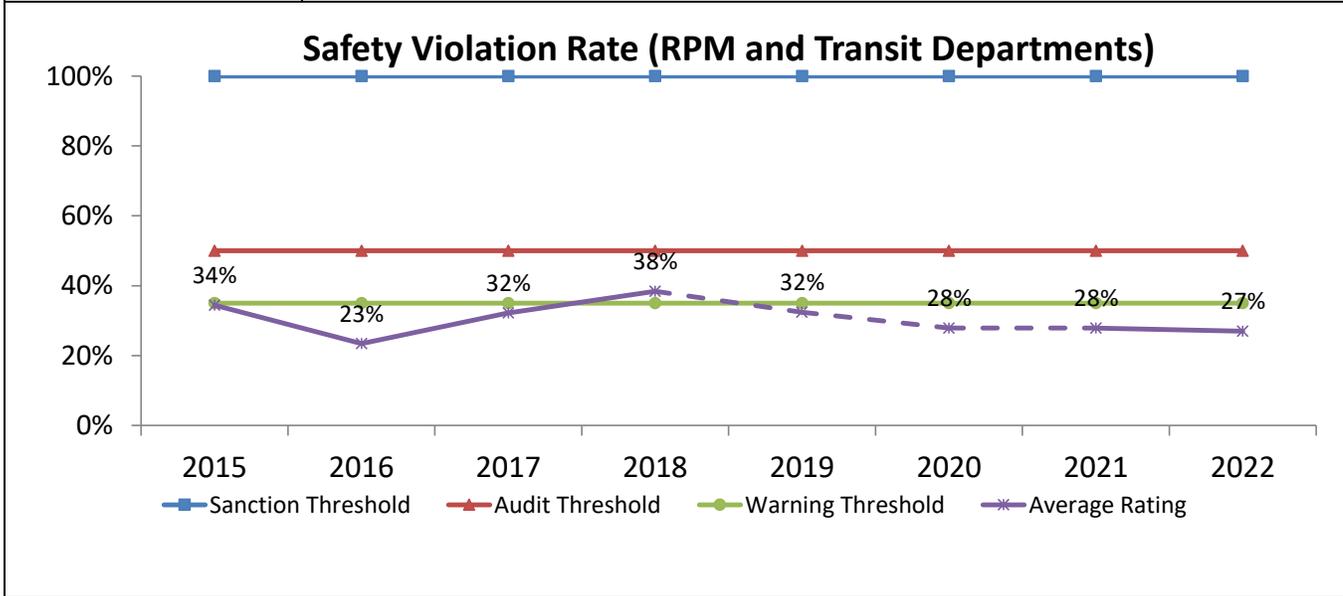
## How well did we do it?

Performance Measurement	Percentage of Customer Satisfaction
Story behind the data	There are very high expectations for engagement and service to internal customers. In an effort to meet customer demand, two vehicles have been retained from auction as we replace to ensure there are spare vehicles and business continuity can occur. Limited investment will be made to maintain these spare vehicles that are at their end of life. Based on the annual survey, a more positive working relationship is building however there is always more we can do to serve the internal customer including training, demo's and emphasis on green fleet. Long delays with procurement deliveries has lead to some customer dissatisfaction. Fleet is currently exploring opportunities to decrease delays with finance.



**Is anyone better off?**

<b>Performance Measurement</b>	Reduction in year over year Commercial Vehicle Operators Registration (CVOR) Safety Rating Percentage
Story behind the data	Change in hiring practices in Transit have lead to decreases in CVOR in Q3/4 2018 however full impact of changes in Transit will not be realized until Q1 2020. Low wages affect the skill and experience level of professional drivers that we can attract for our operational teams as well as the frequency that training must be delivered due to continuous onboarding at a high rate. Training can only help so much as experience is also critical. Time spent reviewing and analyzing CVOR incidents is critical as well as the recently implemented documentation audits.
Where do we want to go?	Attracting and retaining highly skilled drivers is a priority for both Transit and RPF. Converting some positions in RPF from temporary to permanent based on operational requirements will support this desired outcome. Additional staff resources are required to develop a formal re-training program for all professional drivers.



<b>Performance Measurement</b>	City fleet vehicle efficiency- Litres/100km (excluding transit bus)
Story behind the data	Green fleet innovation is rapidly evolving in the light duty market but has not yet seen any major developments to market in the medium and heavy duty vehicle/equipment sectors. Operator awareness is increasing on reducing idling and GHG emissions through driver behaviors.
Where do we want to go?	An update to the green fleet strategy (2008) is required as technology has changed significantly since that time across all fleet categories. A dedicated resource is required to complete proactive data analysis on fuel consumption and driver behaviours that affect fuel consumption. We also need to provide internal customers with data to affect change and getting to carbon neutral in 2040. As green vehicles and equipment evolve and are proven to meet the needs of our business, we will continue to procure green these options. An investment in infrastructure must also be in place at facilities to allow for efficiencies through rapid charging, etc. Given the recent end to the electric vehicle incentive program, in the next 3-5 years, we can expect a higher cost to purchase however a equal or slightly lower cost of total ownership for these units comparatively to their traditional petroleum fueled equivalents.

