Public Works Department
Fleet Management Division
Best Management Plan

Purpose

The purpose of this plan is to create a strategic/tactical plan for Fleet to follow for the next year. In addition, the plan will provide an ongoing strategic direction for Fleet to align. Additionally, the plan will be used to educate and to inform our customers about the goals we plan to reach this next year and to include them as partners in the process. Finally, presenting this plan to those individuals and/or other decision makers we need to partner with to achieve our goals will facilitate allocating resources appropriately among departmental and organizational needs.

Background

The Fleet Management Division of the Public Works Department for the City of Buckeye has continually evolved and will continue to keep up with the anticipated new size and growth of the City. Labeled "Fleet Management", and located in a six bay, 8000 square foot facility, with a 1200 square foot warehouse. Fleet Management now serves 56,400 citizens of our City by partnering with our departmental customers to provide all services related to the purchase, operation, maintenance and repair, as well as the disposal for 348 pieces of equipment (average age of five years 9 months) now needed to ensure outstanding, cost effective services in all areas of City government.

The Division operates in alignment with its purpose, mission and values outlined below:

Purpose: To do our part in ensuring the highest quality of life possible for all who live and/or work in our City.

Mission: To provide effective management, maintenance and repair of fleet assets, to keep costs down, and to keep departmental operations at peak efficiency and readiness.

Vision: Our workforce is engaged, enrolled, energized, empowered and enthusiastic to provide the highest level of fleet services to our customers.

Values:

- Best Quality - Do it right the first time
- Maintain a safe and wholesome work environment and opportunity for all employees
- Respect - Honor the opinions of all coworkers and customers
- Trust - Always do what we say we will do
- Innovation - Always open to and searching for new and better ways to do things
- Sense of Urgency - We value time and spend it well, realizing that every minute a piece of equipment is not available for our customers, productivity is lost
- A Commitment to Serve-Our customers and the citizens of our City
- A Commitment to **E**ngage, **E**nroll, **E**nergize, **E**mpower and **E**xcite our **E**mployees
- To be environmentally sound

Discussion

The Fleet Management Division is an **A**utomotive **S**ervice **E**xcellence (ASE) Blue Seal Shop. We have seven committed individuals (see organizational chart on page 13) dedicated to the maintenance, repair and management of fleet assets and to meet the needs and objectives of our growing and thriving City. Our four technicians and one intern have ASE Certifications and Emergency Vehicle Certifications. The remaining two (Fleet Manager and Fleet Coordinator) add additional value by managing our fleet program.

Fleet Management Program

- Inventory on fleet assets
- Work Orders-maintenance and repair records
- Warranty Tracking
- Tracking of labor hours
- Parts-Ordering, inventory and posting
- Compliance Notification-Preventive Maintenance, Emission and Department of Transportation Inspections
- Reports-Life cycle costs, departmental costs and fueling

The following is Fleets Three Prong Approach to Fleet Management:

Maintenance

- Preventive/Proactive
- Intervals
- Compliance
- Scheduling
- Timeliness
- Evaluation
- Competitive

Repair

- Correct
- Competitive
- Evaluation
    a. Vehicle
    b. Process

Replacement

- Economical Life Cycle
- Funding
    a. Depreciation
    b. Separate Fund
- Timeliness
    a. Customer Delivery
- Utilization
- Correct Equipment

Our Fleet branch has had both a challenging and rewarding year. We continue to be good stewards of our resources both financial and environmental. We were able to sustain a vehicle replacement fund (thru annual depreciation) of 1.3M for this past fiscal year (2013-14) which was used on purchasing new vehicles and equipment. We also were able to save $13,817 by monitoring and using factory warranty. With the effectiveness of our trained, dedicated, professional staff, we have continued to meet or exceed our key performance indicators that are based on industry standards (listed on pages 6-8) and those of our customers. We have continued to maintain our ASE Blue Seal Certification and for the sixth year in a row Fleet was recognized as one of the "Top Hundred Government Fleets" in North America. We continue to conserve valuable, non-renewable resources by using used re-refined engine oil for oil conservation and synthetic transmission fluid to help extend our service intervals.
An objective look at our operation includes a review of our strengths, weakness, opportunities and threats as follows:

Strengths:

- An unusually committed, and highly skilled work force
- Satisfied customers- latest survey indicates that 100% of customers rate our service as satisfied or very satisfied
- ASE Blue Seal Certification
- Master ASE Automotive Technician Certification (4)
- Master Emergency Vehicle Technician Certification (1)
- Master Medium/Heavy Truck Technician Certification (2)
- Combined total of 64 ASE Certifications
- APWA Certified Public Fleet Professional
- Extensive Preventive Maintenance Program
- Competitive Hourly Rate of $78.00 for repair

Weaknesses:

- Under staffed
- Rely on outside source for fueling
- Providing adequate training to keep staff updated with new technology
- No funding for employee incentives (certifications)

Opportunities:

- With renewed interest in outsourcing across the country, we can more easily incorporate a "managed competition" mindset within our organization
- Make sure fleet assets are utilized efficiently and to replace high life cycle cost fleet assets to save dollars for our City
- Expand our IGA with Buckeye School Districts and Buckeye Water District for maintenance/repair and emission testing

Threats:

- Slow economic growth
- Privatization

The goals and objective for the coming years are:

- Maintain our Service Level Agreement with Departments
- Alternative Energy Resources to Reduce Carbon Foot Print
- Continuation of Right Sizing of Fleet
- Continuation of Vehicle/Equipment Replacement/Depreciation Funding
- Training for all staff
- Continue/ Expand our IGA with Buckeye School District for emission testing and possibly other entities such as Buckeye Water District
- Do more with less
- Sustainability Plan
- Work towards Fleet Certification

Though our fleet organization has been on a steady course of continued improvement through the past year, we believe the next few years will be pivotal in handling future growth and ensuring future success. We need to ensure that the City's Capital Improvement Plan (CIP) includes the following:

- Fueling station which allows us to have better control on pricing and availability.
- Wash bay to keep our vehicles and equipment looking good and to insure that we are committed to be environmentally responsible.
- Because of the geography of Buckeye a new facility/ facilities, staffing (see proposed organizational chart page 14) that are strategically placed to meet the needs of City Departments especially Public Safety.

The continued use of our service level agreement will ensure all departments are aware of their responsibilities as they pertain to the City's Fleet assets and what Fleet Management will provide. With the help of the Fleet Management Cabinet and utilizing departments, we will work to continue the right sizing of the fleet. We will continue to ensure we do our part when it comes to utilizing "green" technology and a sustainable environment. We will work to find alternative fuel and clean fuel vehicles when possible and practical. Training our staff is one of our most important initiatives. By ensuring our technicians are up to date on the most recent tools, procedures and processes, we will be able to continue to keep up with the ever changing technology. Along with this, we will continue to be good stewards do more with less while we continue to see a strain on the City's budget.

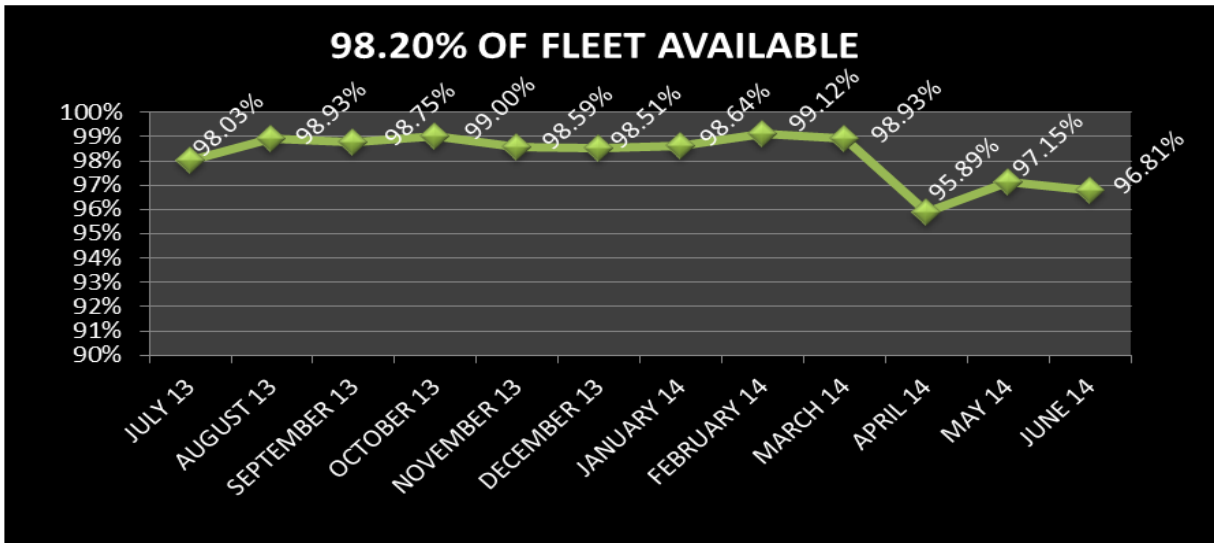
Summary

The Public Works Fleet Management Division is an Automotive Service Excellence (ASE) Blue Seal Shop that is committed to providing a full range of fleet management services. This division is committed to serving City departmental needs and continually stays abreast of new technologies and procedures related to fleet management. For the sixth year in a row we are a Top 100 Fleet in North America. We provide service on 348 vehicles and equipment that have been driven 2.4M miles this past fiscal year with a cost per mile at $ .49 (including police, fire and construction equipment), and assist 7 departments on special requests. Our budget for this fiscal year 2014-15 is at $860,604 a 12% increase from last year's budget of $763,101. We expended $718,074.19 for last fiscal year (see page 8). The business plan presented here is in keeping with the Department's goal to be good stewards of the City's resources. Our focus on providing outstanding customer service also ensures that the business of keeping the vehicles and equipment in a safe and well maintained condition which will enhance the mission of each department in the City.

Fleet Management 2013-14 Key Performance Indicators

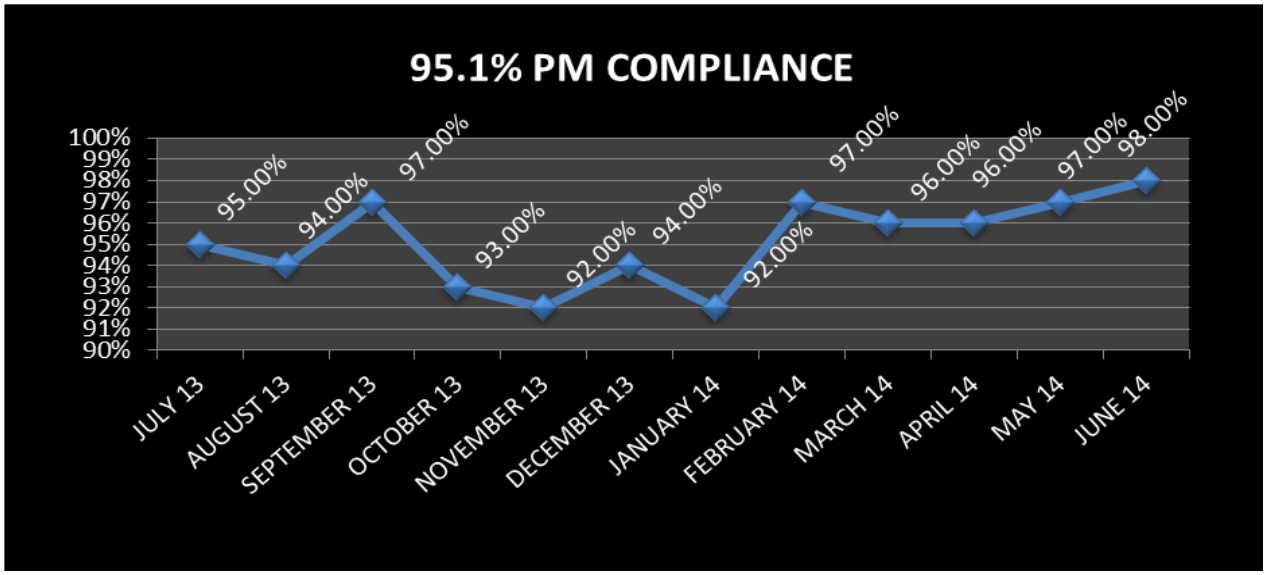
We processed 1,948 work orders during this year compared to 1,826 for fiscal year 2012-13, which is a tremendous effort from our staff. We were also diligent in managing our costs and came in $45,026.81 below budget. In addition, we received over $13,817 in warranty reimbursements, over $1,038.36 from used oil recycling and placed over $30,745.30 (auction proceeds) in the Vehicle Replacement Fund.

***Fleet Availability Goal*: 96%- Actual 98.20%**



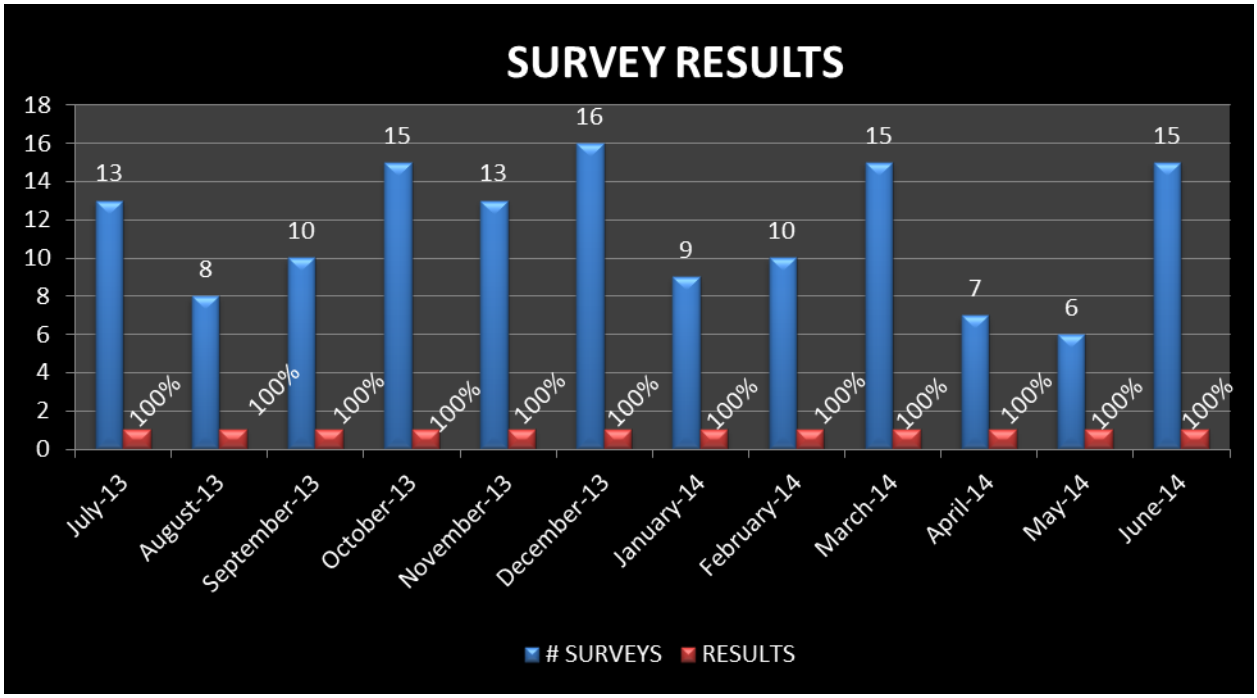
Fleet availability is defined as the percentage of vehicles/equipment available for use and not down due to maintenance or repairs.

***Preventive Maintenance (PM) Compliance Goal*: 95%- Actual 95.1%**

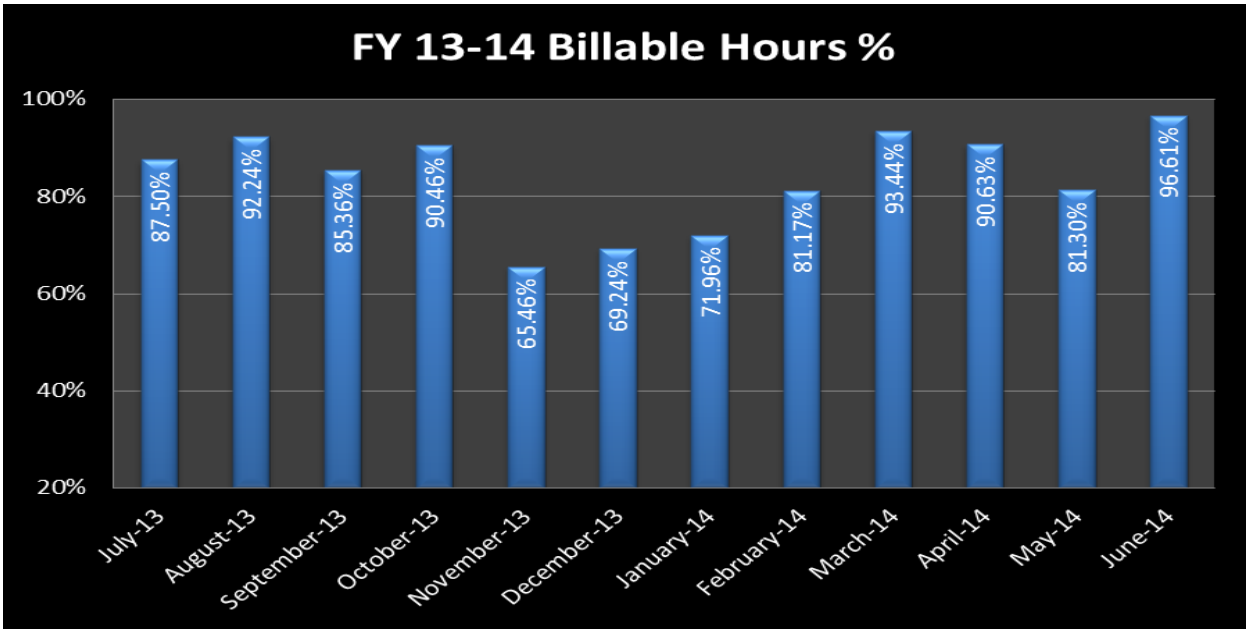


Preventive Maintenance is extremely important to the longevity of a vehicle; fleet places a high priority on accomplishing PM's as due.

***Survey Results Goal*: 98% - Results 100% Very Satisfied**

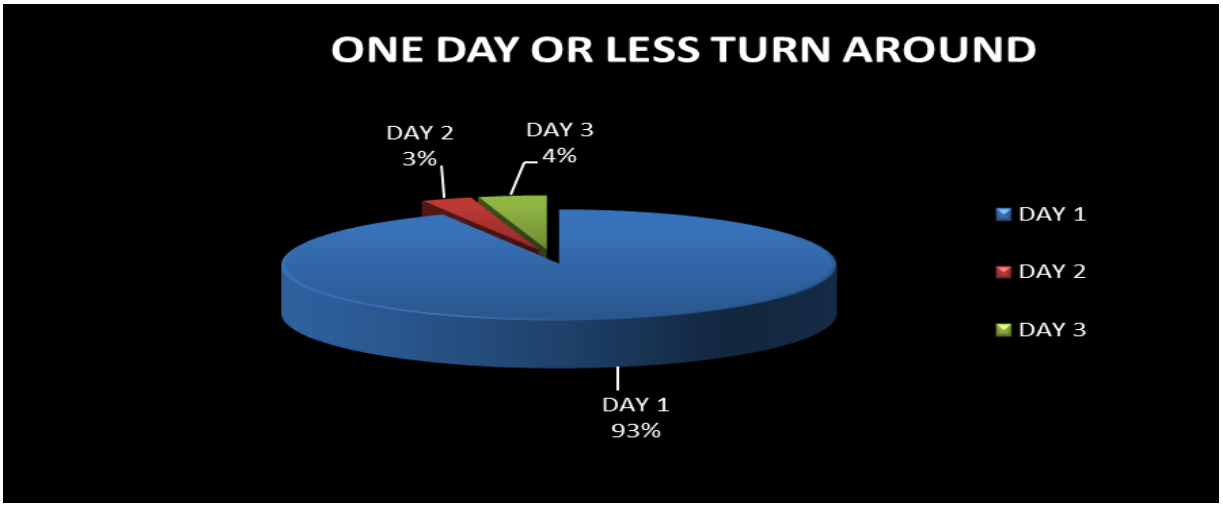


***Billable Hours Goal*: 78%- Actual 79 %**



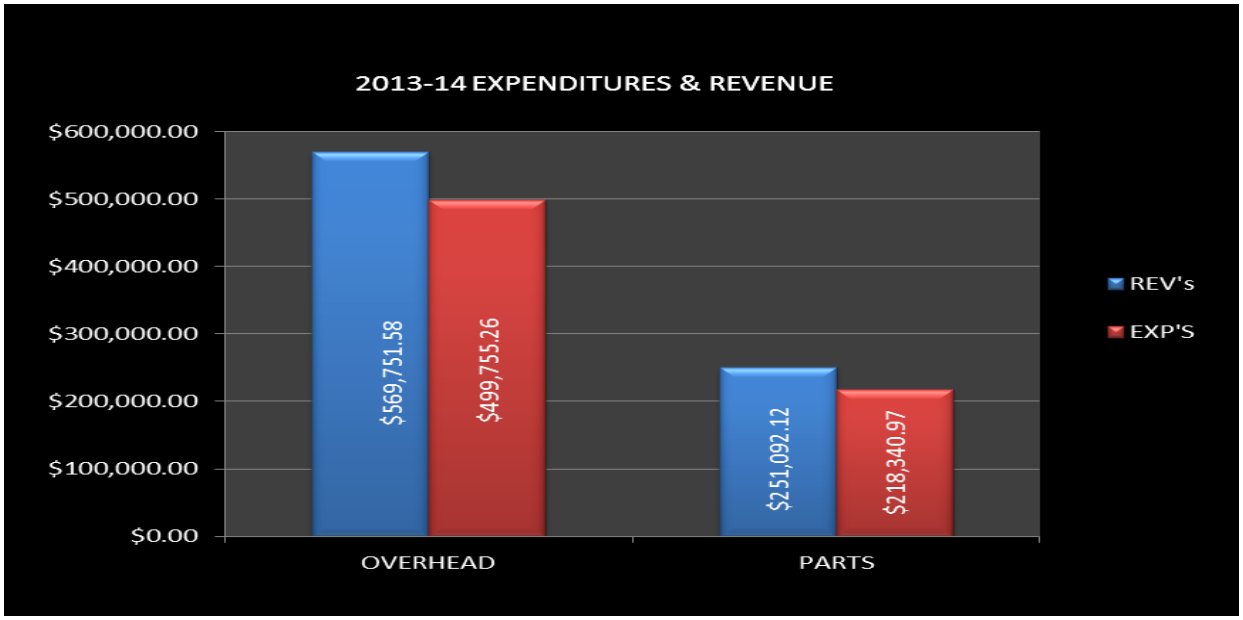
Billable hours are based on a 40 hour work week and we were at 79% for the 2013-14 fiscal year. Indirect hours (21%) make up tasks such as holiday time, breaks, training, vacation time, sick time, shop housekeeping, parts retrieval, etc.

***One Day or Less Completion Goal*: 70%- Actual 93%**

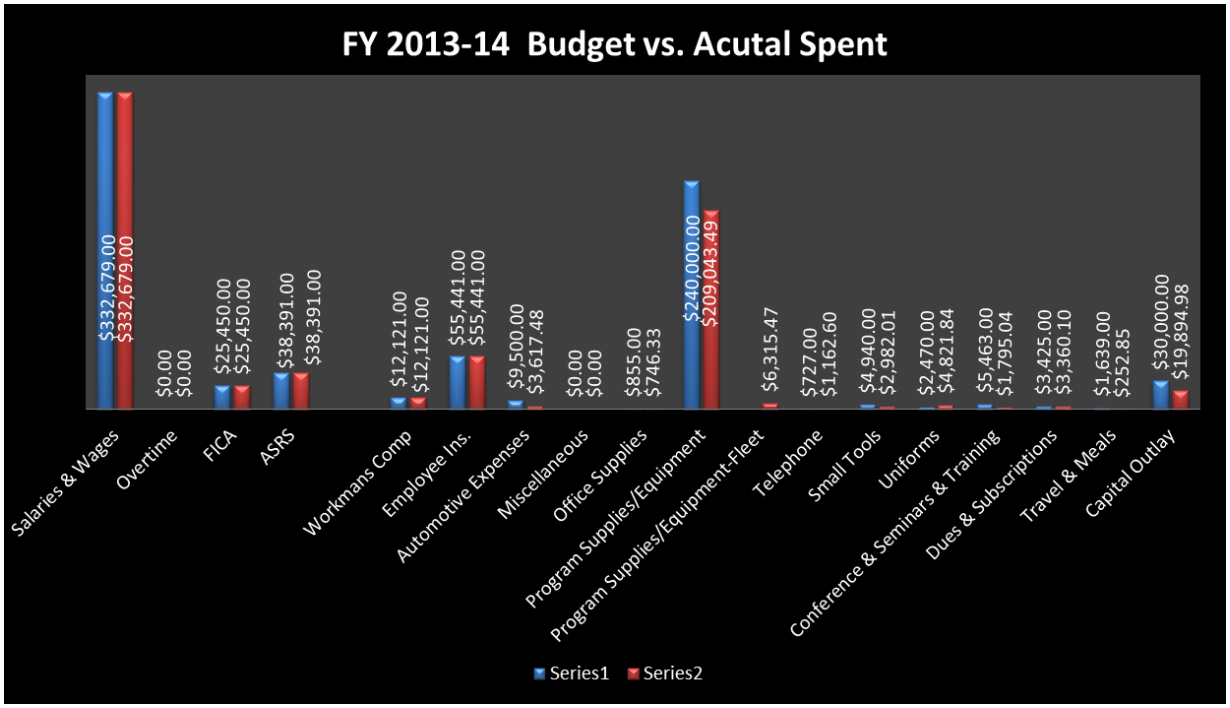


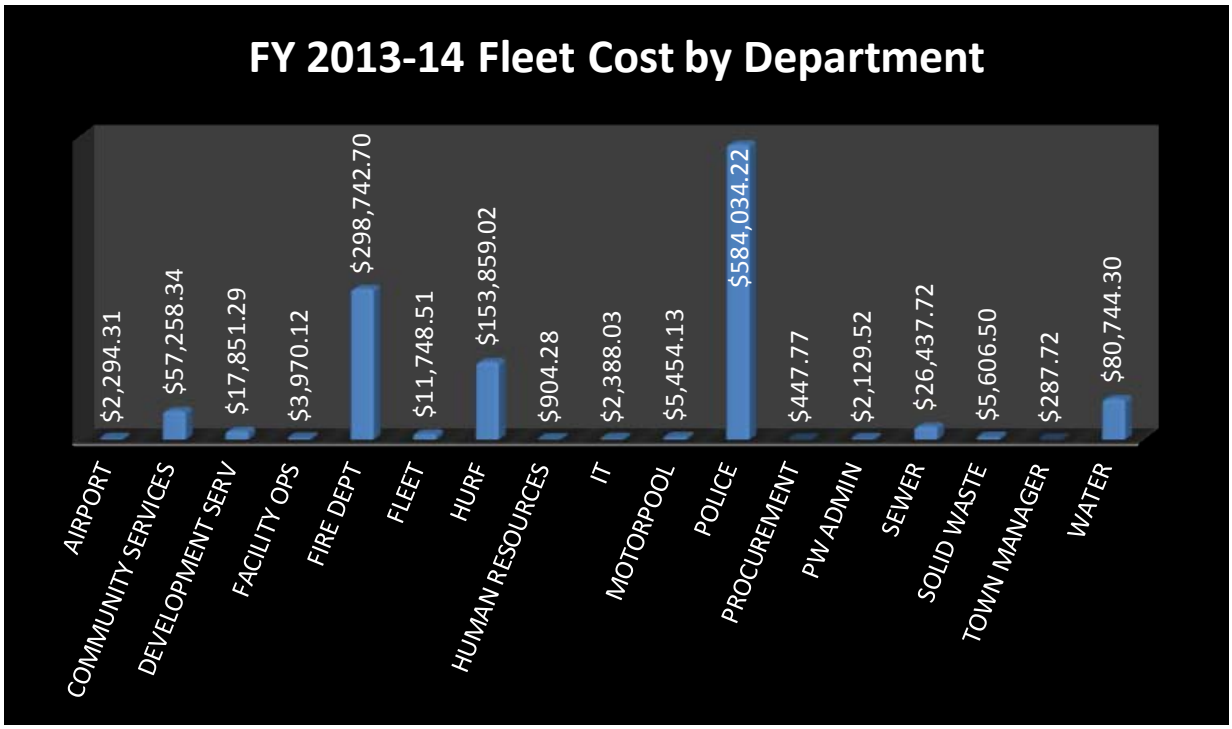
The one day or less completion goal is based on repairs or maintenance being completed within a day of it being scheduled into the shop. The goal Fleet set was 70%. The weekly tallies are grouped into three categories, one day or less, two days and three or greater. Fleet has averaged a one day or less completion rate of 93% for the fiscal year. With the tremendous effort of our Fleet staff and the efforts of the departments to schedule routine maintenance, we were able to achieve our goal.

FY 2013-14 Budget and Expenditures



Based on 100% of fiscal year 2013-14 Finance Department Report (**EXP'S**) and based on information from Fleet Management System (**EXP'S** +**REV'S).**Overhead was formulated by overhead costs plus 15% markup on outside labor. Parts is formulated by parts purchased plus 15% markup.). Labor rate fiscal year 2013-14 was $76.00.

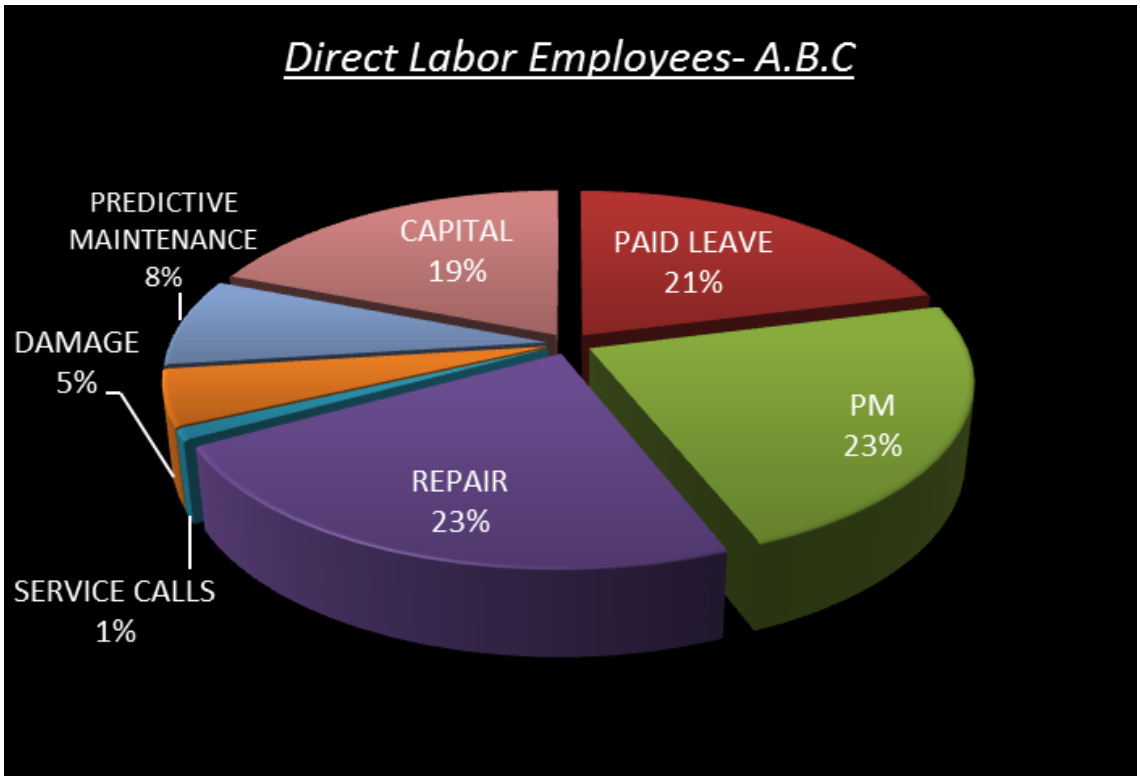




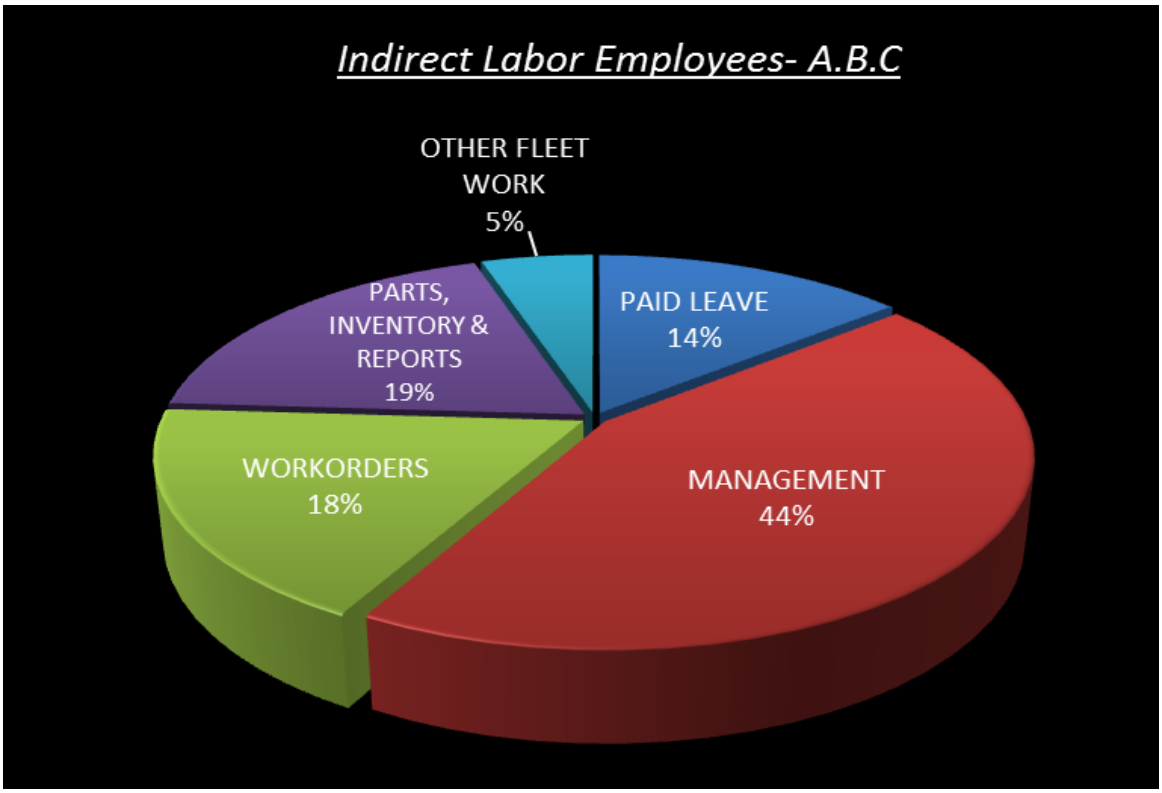
Based on information from Fleet Management System, includes parts, labor and capital expenses.

FY 2013-14 Activity Based Costing Analysis

The activity based costing, or ABC, provides the bottom line internal labor cost.



DIRECT LABOR EMPLOYEES			
SHOP	***STAFF HOURS***	***% TL LABOR***	***Annual Staff Cost***
TOTAL HOURS	8300		$325,182.00
PAID LEAVE	1763	21%	$68,288.22
PM	1944	23%	$74,791.86
REPAIR	1905	23%	$74,791.86
SERVICE CALLS	88	1%	$3,251.82
DAMAGE	379	5%	$16,259.10
PREDICTIVE MAINTENANCE	670	8%	$26,014.56
CAPITAL	1551	19%	$61,784.58
	8300	100%	**$325,182.00**



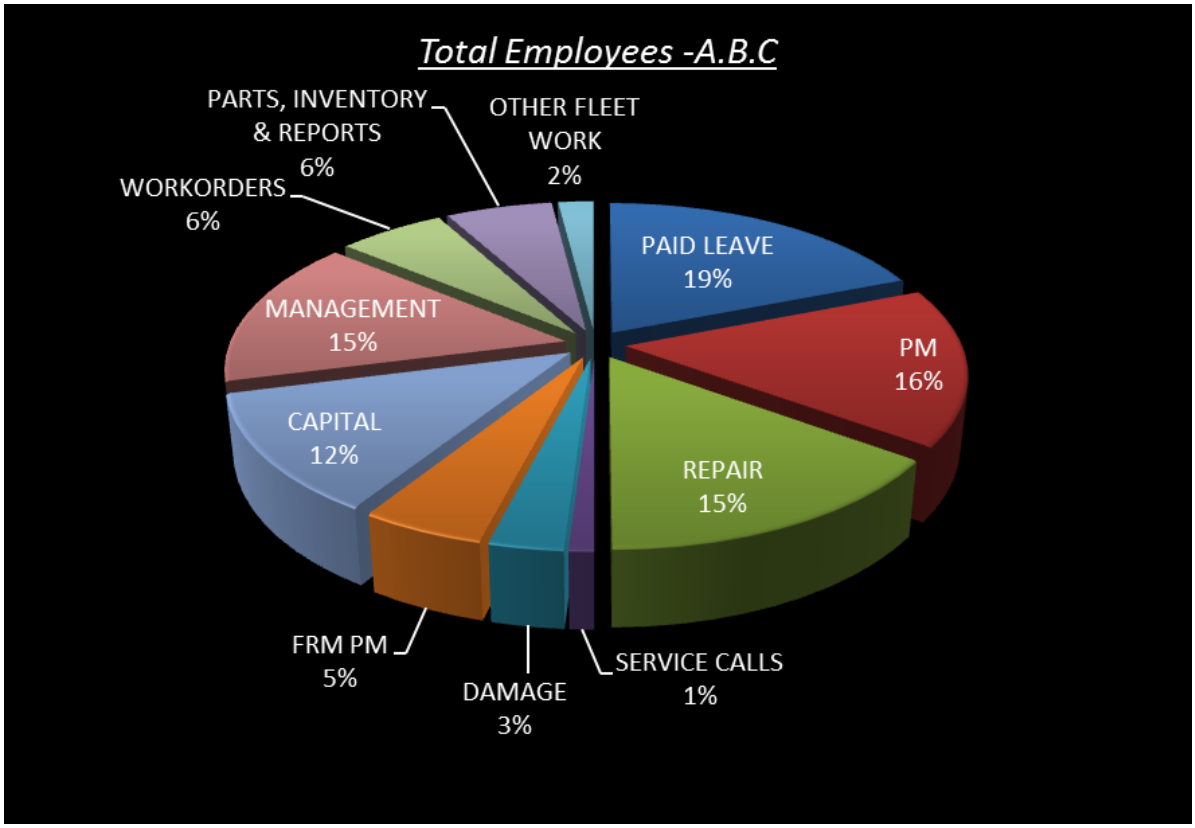
INDIRECT LABOR EMPLOYEES			
OFFICE	***STAFF HOURS***	***% TL LABOR***	***Annual Staff Cost***
TOTAL HOURS	4160		$138,900.00
PAID LEAVE	590	14%	$19,446.00
MANAGEMENT	1830	44%	$61,116.00
WORKORDERS	713	18%	$25,002.00
PARTS, INVENTORY & REPORTS	801	19%	$26,391.00
OTHER FLEET WORK	226	5%	$6,945.00
	4160	100%	**$138,900.00**

Parts Inventory Report - 3/2014

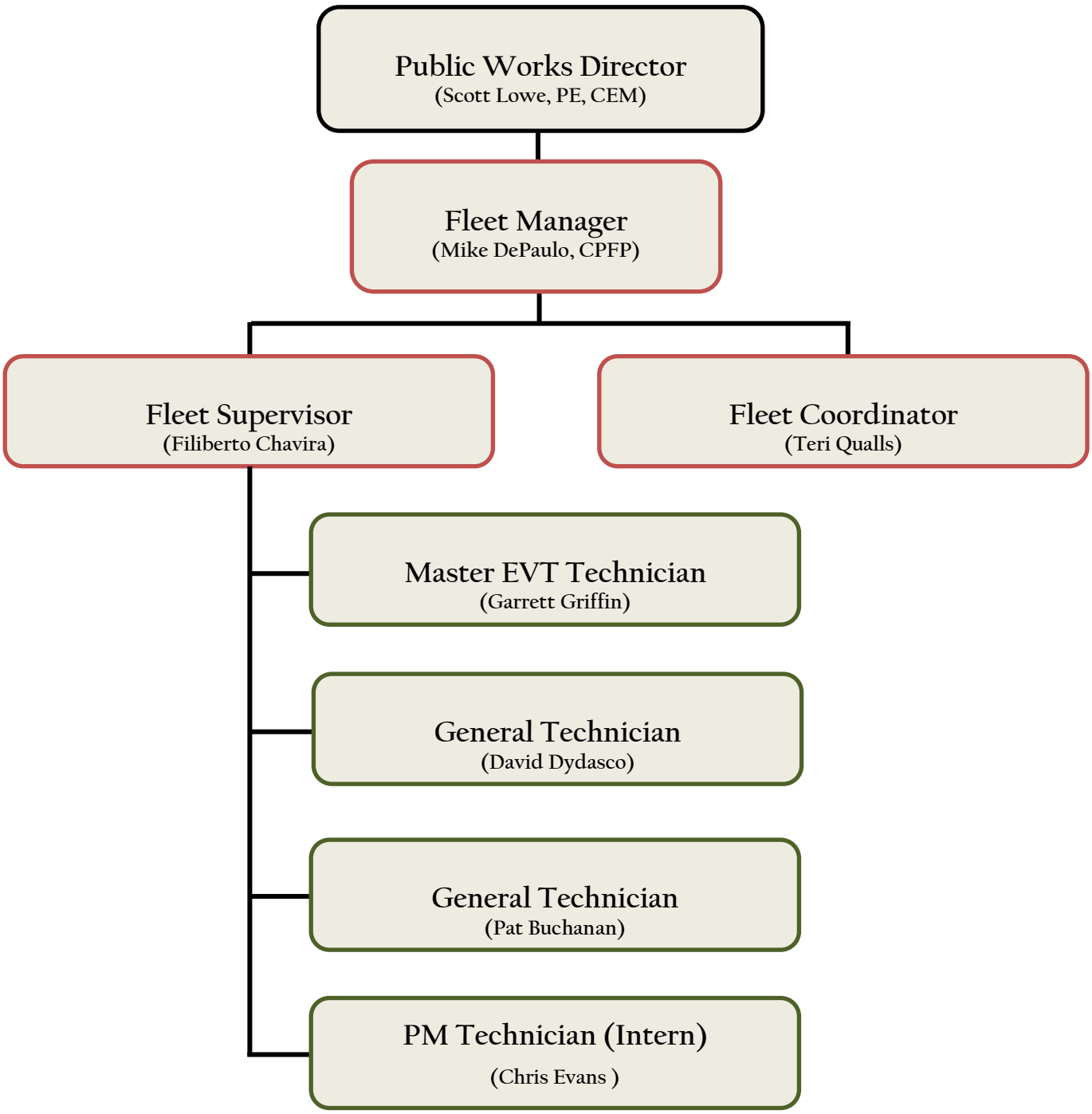
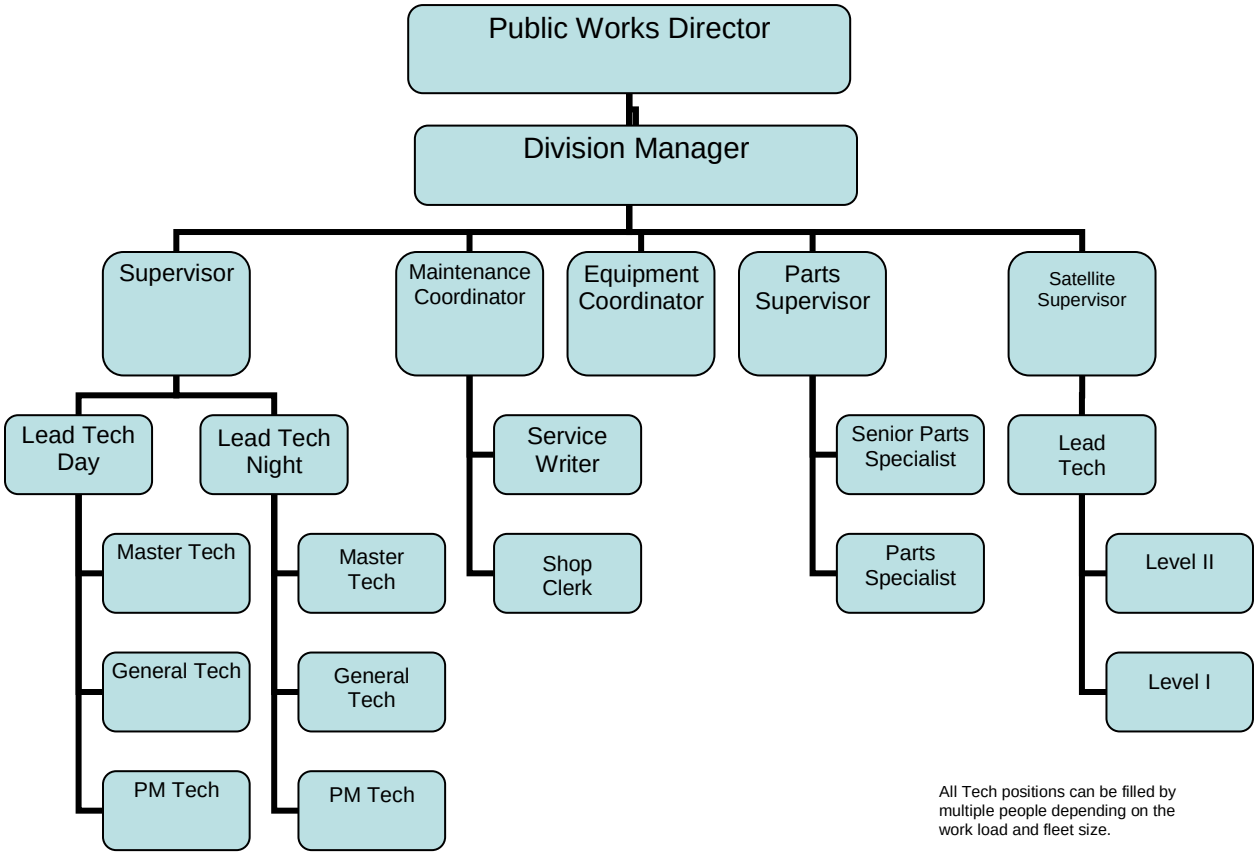
The City of Buckeye Fleet Management Division utilizes RTA Fleet Management software to monitor all inventories. The inventory is broken down into part category groupings.

Inventory discrepancies are monitored by running a periodic Inventory Discrepancy Report. The report shows a 2% difference. Deficiencies are monitored and investigated by Fleet Management supervisors and staff.

The current inventory consists of 486 stocked parts. The turnover rate for the 486 stocked parts was 3.07. The current inventory value is $40,477.61.



TOTAL EMPLOYEES			
SHOP AND OFFICE	***STAFF HOURS***	***% TL LABOR***	***Annual Staff Cost***
TOTAL HOURS	12460		$464,082.00
PAID LEAVE	2353	19%	$88,175.58
PM	1944	16%	$74,253.12
REPAIR	1905	15%	$69,612.30
SERVICE CALLS	88	1%	$4,640.82
DAMAGE	379	3%	$13,922.46
FRM PM	670	5%	$23,204.10
CAPITAL	1551	12%	$55,689.84
MANAGEMENT	1830	15%	$69,612.30
WORKORDERS	713	6%	$27,844.92
PARTS, INVENTORY & REPORTS	801	6%	$27,844.92
OTHER FLEET WORK	226	2%	$9,281.64
	12460	100%	**$464,082.00**


Public Works Director
(Scott Lowe, PE, CEM)
Fleet Manager
(Mike DePaulo, CPFP)
Fleet Supervisor
(Filiberto Chavira)
Fleet Coordinator
(Teri Qualls)
Master EVT Technician
(Garrett Griffin)
General Technician
(David Dydasco)
General Technician
(Pat Buchanan)
PM Technician (Intern)
(Chris Evans)

Fleet Management
(Proposed)