



Committee of the Whole Report

Report Number: FL2021-001
Meeting Date: February 9, 2021
Title: Fleet Services Review
Description: Independent third party review of the Full City Fleet Management program
Author and Title: Todd Bryant, Manager of Fleet and Transit

Recommendation(s):

That Report FL2021-001, **Fleet Services Review**, be received; and

That this recommendation be brought forward to Council for consideration at the next Regular Council Meeting.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

The City applied for and received money from the Municipal Modernization Program. The intent of the Ontario program is to find smarter, more efficient ways to operate our business. The scope of this Fleet Services Review included both the general and emergency service fleet inventories; specifically, Fire, Paramedic and Kawartha Lakes Police Services were included in the review.

Currently Fleet Services manages 377 pieces of equipment plus numerous attachments for all non emergency services. Paramedics 22 vehicles, Fire Services 76 vehicles and Police Services 17 vehicles each manage their Fleets separately. Each of these business units operates and maintains their respective Fleet inventory independently using industry standard as guidelines for service delivery.

This report addresses the Municipal Modernization Program outcomes.

Rationale:

The City of Kawartha Lakes sought an independent third-party review of its Fleet Management Programs, inclusive of expenses and best practices for lifecycle optimization, service/maintenance best practices, fuel management, vehicle use and deployment. This comprehensive review included analysis of both general and emergency service fleet inventories. The intent was to develop recommendations regarding program savings, efficiencies, service enhancements, staffing levels, maintenance locations and structures, and greenhouse gas emission reductions all fleet services inventories.

On March 17 2020, the City issued its Request for Proposals (RFP) 2020-008-OP for a Review of Services: Fleet Management Program. Richmond Sustainability Initiatives (RSI) was selected to complete the review. RSI is a not-for-profit Canadian consulting firm. Fleet Challenge is their fleet management consulting arm, with offices in Canada and the United States.

RSI observations included quick facts about the City of Kawartha Lakes combined fleet inventory:

- 492 units including vehicles and equipment
- Original purchase price: \$61,735,888
- Current-day book (depreciated) value: \$28,240,340
- Replacement value: \$78,030,965
- Kilometers-travelled: 3,787,692

- Annual fuel used: 1,517,469 liters
- Repair and maintenance costs: \$3,884,827
- CO2 emissions: 3,855 metric tonnes
- Average age of the fleet: 8.3 years

Upon review of the City of Kawartha Lakes Public Works, Transit, Fire Rescue, Paramedic and Police fleets; each fleet with its own unique operating environments and challenges, RSI observed all departments are generally performing at a high level. As in every fleet, there are enhancements that can take operations to the next levels of success. Their report goes beyond the typical parameters of a fleet review – it can also be a blueprint for the future in that it includes not just observations and recommendations but also guidance around the adoption of contemporary and proven best-in-class fleet management practices.

Of the 21 key recommendations in this report, (78 recommendations in total) many are currently in place with several more being adopted through policy change. Others are being contemplated for long term decision making and require a detailed business plan, costing and interdepartmental discussions with recommendations to department heads for consideration.

Recommendation	In Place	Considered
Regular follow up surveys to gauge user group customer satisfaction	No	To be independently considered by all 4 operating units.
Life Cycle Analysis	Yes. This has taken place since 2014 and adapted to CKL requirements	
Long-Term Capital Budget Planning Prepare annual and long-term capital budgets based on: (1) the optimal economic lifecycles determined by lifecycle analysis for each vehicle	Yes. 10-year replacement in place.	
Asset Management Consider implementation of a fleet asset management information system (FMIS).		To be independently considered by all 4 operating units.

Recommendation	In Place	Considered
Vehicle Specifications Continue to practice vehicle standardization wherever possible	Yes, specifications are written annually based on department needs.	
Fleet Finance Consider fully-bundled, total cost recovery monthly "lease" charge approach as we've described which includes all direct and indirect vehicle costs and overheads.	Yes. Already use this process in Fleet Services	To be independently considered by 3 operating units.
Information Technology Consider full-function fleet management information system (FMIS)	No	To be independently considered by all 4 operating units.
Human Resources – Fleet Technicians. Consider Fleet Technician wage review	Yes. Working with HR on several solutions to fit CKL needs.	
Human Resources – Driver Training Consider engaging a driver trainer	Yes. Regularly use contracted services for this purpose Fire Service has a Driver Training Program approved by the MTO as well as a contracted service provider.	
Fleet Operations Consider routinely track, monitor, and report the utilization of all units to user department	Yes. Monitor Plow Truck usage and report quarterly. Police Services monitor for fuel consumption, mileage and maintenance costs	
Preventive Maintenance Consider monitoring downtime and associated costs for all vehicles	No	To be independently considered by all 4 operating units through a FMIS

Recommendation	In Place	Considered
Minimizing Fuel Consumption Consider using telematics to identify high engine idling	Yes. Have a MD detailing idling practice	To be independently considered by all 4 operating units through a FMIS
Fleet Safety (Legislative) Consider having a third party conduct a CVOR mock audit to identify any gaps.	No	Yes, considered by Fleet Services.
Environment (Vehicles & Fuels) Consider purchase of battery-electric EVs and plug-in hybrids that are available now in the light duty categories	Yes	To be independently considered by all 4 operating units.
Environment (Operations) Explore and use eco-friendly shop practices and new ways of being green in the fleet workplace.	Yes. This is a regular practice of management and requirement asked of contractors.	
Policies and Procedures Consider development of a Driver's Handbook	No. Not considered at this time.	Could be a costly duplication of efforts.
Fuel Procurement & Distribution. Review fuelling system(s) for compliance with Technical Safety Standards Authority (TSSA) compliance.	Yes. In place.	
Performance Management Consider performance measures for the Fleet & Transit Services team that would be beneficial in terms of personal motivation	No	To be independently considered by all 4 operating units.
Communications	Yes. Done at monthly and	

Recommendation	In Place	Considered
Consider communications that highlight stories about employee awards and other types of recognition	quarterly employee tailgate talks.	
Parts and Inventory Consider computerization of the parts and inventory with a modern fleet management information system (FMIS).	No	Yes. This could be accomplished through a Fleet Management Information System

Each business unit has reviewed the final modernization report and where deemed necessary by the respective leadership, will return to Council with detailed business plans and seek endorsement to implement recommendations.

Other Alternatives Considered:

There are no alternatives considered for this report. The grant program requires the fleet services review report to be presented and received by Council in order to qualify for the funding.

Alignment to Strategic Priorities

Goal 1 - Fiscally Responsible- The Fleet review is focused on being fiscally responsible in our core service delivery. Fleet Services continues to make informed decisions to ensure a sound financial future.

Goal 2 – Open and Transparent-Through the review of equipment, process and service delivery, we are committed to operating in an open, accessible and transparent manner. Annual performance measures ensure that operations stay on track and achieve strong performance results.

Goal 3 – Partner and Collaborate- From this review, we strengthen our relationships with external organizations to collaborate on projects and services. We support innovation and look for opportunities to partner to advance our common goals. We work with all levels of government to maximize investments.

Goal 4 –Service Excellence- We serve our community with pride. We seek to understand and meet the needs of those we serve within our available resources. Fleet Services is committed to accessible, timely, knowledgeable, courteous and fair service.

Financial/Operation Impacts:

There are no financial implications from receiving this report.

Servicing Implications:

N/A

Consultations:

Director Corporate Services
Deputy Fire Chief
Deputy Chief Operations, EMS
Kawartha Lakes Police Services
Manager of Corporate Assets
Executive Assistant Fire Services

Attachments:



January 11 2021
Final Report - City o

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Department Head: Bryan Robinson

Department File: FL 2021-001