



# Business Plan 2022-2027

Updated: October 2022

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## Vision and Mission Statements

### Vision

Uphold the superior standards of our profession while continuing to provide the highest quality of service and support for our customers.

### Mission

Establish and maintain efficient and effective provision of vehicle services to our customers.

## Core Services

- Maintenance and repair of City vehicles and equipment
- Providing vehicles and equipment for customers including those with only occasional needs through a Motor Pool throughout various City facilities
- Asset management, budgeting, and reporting; this includes vehicle and equipment replacement, scheduling, forecasting and specific analytics such as vehicle utilization, fuel usage, and maintenance costs.
- Fuel management, fuel system, consumables tracking, and reporting
- Specification development for procurement of vehicles and equipment with customer involvement to provide the most cost effective, reliable, and environmentally concise and sustainable vehicle and/or equipment for their operations.

## Operating Methodology

The Fleet Services division is an internal service fund organized to administer the City's fleet of vehicle assets and to provide all appropriate service, such as procurement, maintenance, analytics, contracts, and fuel as necessary. All services provided by the division are charged to other City operational departments in a monthly allocation charge to fund Fleet Services administrative costs, overhead, regular preventative maintenance, repairs associated with normal use, and tools and supplies necessary to provide services. Parts and sublet charges are passed through to the departments.

## **Current State**

The Fleet Services division is performing at a high level, nationally recognized in awards in each of the last four years. The customer service has improved by increased communications and providing value. The awards and customer service improvements are a direct result of a team environment created by empowering team members to have input in decisions and processes that affect the City departments, and Fleet Services.

A new fleet management information system (FMIS) was implemented in 2021, the new system will provide more opportunities to collect data for vehicle maintenance and repairs, fuel usage, and reporting.

The Fleet Services parts and supplies inventory is managed by NAPA IBS. The partnership has proved valuable during the current supply chain issues; NAPA IBS has a wide network to provide the City with parts. A recent integration between NAPA IBS and the FMIS has streamlined workflows, reduced downtime, and reduced administrative staff time with paperless billing.

## **Value**

Fleet Services recognizes the dedication and professionalism of our team members who provide these essential services to the City with lunches and barbecues to celebrate team and individual accomplishments that benefit Fleet Services and staff. Fleet Services recognized all staff for being one of the 100 Best Fleets for three consecutive years and recognized as the number 13 of the 100 Best Fleets in 2021. Celebration banners congratulating shop personnel were placed in the shop as well as a visit from the City Manager.

The Fleet Manager has developed a Wall of Fame for all Fleet personnel displayed in the shop, the wall has a photo of the team member, years of service with the City and number of Automotive Service Excellence (ASE) and Emergency Vehicle Technician (EVT) Certificates. Shop personnel who have used their own time to attend numerous training classes to earn ASE and EVT certification receive a cash incentive with every paycheck.

## **Deliver Quality Services**

Our commitment to our team members as well as our customers throughout the City includes continuous improvement, organizational development, and efforts to make data-driven decisions. We use the following continuous improvement framework and phased structured approach to transform our Fleet operations through business and system Improvements:

**Phase 1:** Assess and inventory the fleet division's functions and responsibilities by current business units and determine core services and programs.

**Phase 2:** Align tasks, activities, functions, and responsibilities with core services and programs. Determine, evaluate, and remove service duplications using proactive evaluation criteria.

**Phase 3:** Refine core services, programs and priorities and align them with technology investments or best practices and process improvement initiatives.

**Phase 4:** Finalize and prioritize streamlined core services, programs, and tasks with division leadership and staff.

**Phase 5:** Enlist team members to proceed with the creation of process improvement and budget saving initiatives.

**Phase 6:** Implement roadmap for each of the initiatives using City and Fleet's business processes and systems.

**Phase 7:** Establish financial and budgeting cost saving targets based on new core services, programs, priorities, technologies, and improvement initiatives.

**Phase 8:** Establish performance trend measurements to evaluate, determine and adjust internal and external impacts.

### **Take pride in our work**

Fleet Services creates a monthly report identifying key performance indicators and goals for the division. This report provides an overview of all aspects of Fleet operations such as asset management, operations, inventory, and fuel management.

## **Fleet Services Performance**

### **Past Accomplishments**

- Improved fleet availability by 7AM from 88.4% in 2016, to 98.7% in 2021
- Earned the "EarthWise" certification from Marion County for sustainability initiatives in fleet operations
- Started using 99% Renewable Diesel in September 2019, this reduced the City fleet's CO<sup>2</sup> emissions by over 60%.
- Created Fleet Climate Action Plan
- Replaced legacy FMIS in 2021

- Outsourced inventory management in 2022
- Installed new Diesel Exhaust Fluid tank and dispenser in 2022

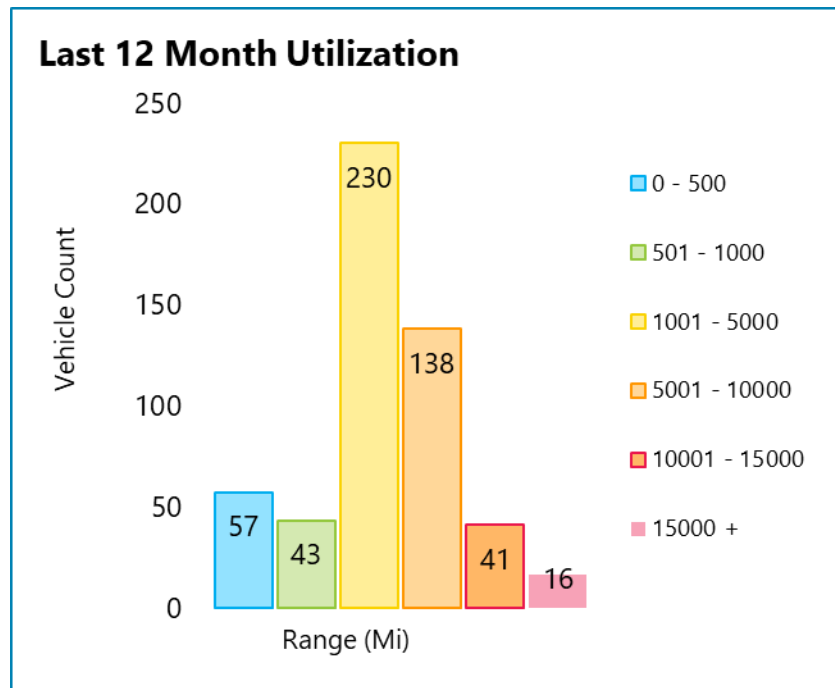
### **Fleet Fast Facts**

Fleet Services oversees the City's fleet assets listed by department and category below:

<b>Department</b>	<b>Number of Assets</b>
Community Development	33
Enterprise Services	63
Fire	91
Police	178
Public Works	762
Urban Development	17
<b>Total Assets</b>	<b>1144</b>

<b>Category</b>	<b>Number of Assets</b>
LIGHT DUTY	350
TRAILER	167
MEDIUM DUTY	116
SMALL EQUIPMENT	114
LARGE EQUIPMENT	106
HEAVY DUTY	74
ATTACHMENTS	56
CONSTRUCTION	41
ATV_UTV_CARTS	36
FIRE EQUIPMENT	31
CRANE	28
SHOP EQUIPMENT	25
<b>Total Assets</b>	<b>1144</b>

City vehicle utilization for the last twelve months as of October 15, 2022.



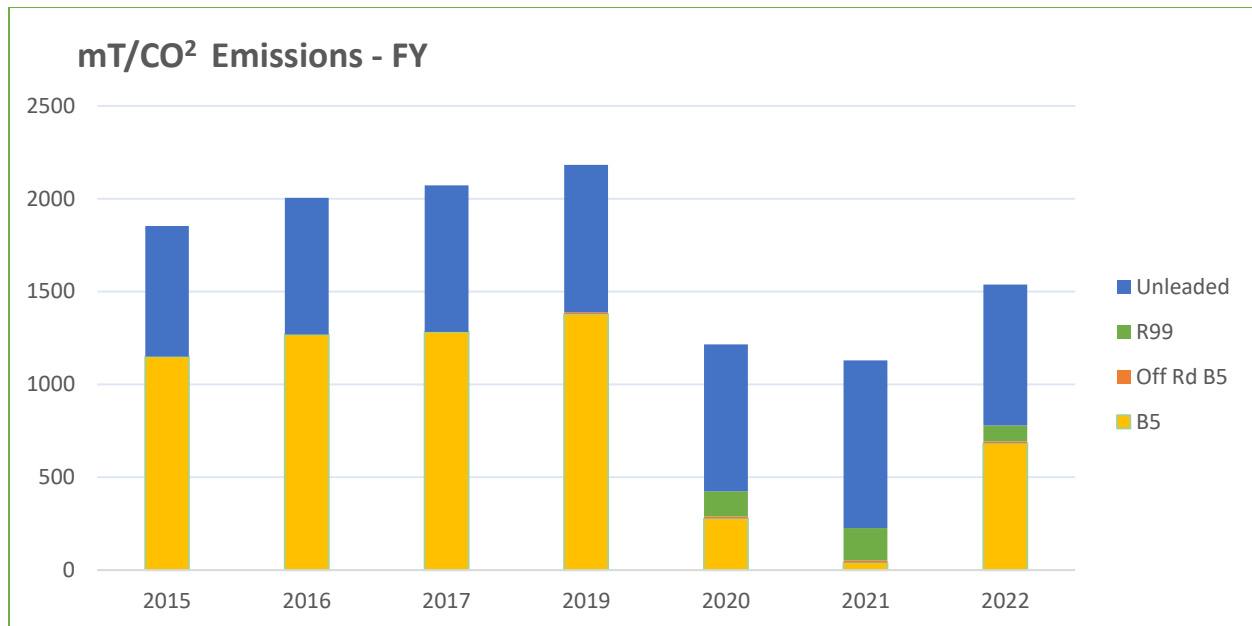
Fiscal Year 2022-23 Budget Consists of the following:

- 16 Fleet positions
- \$4.8 million operating budget
- \$940,000 budgeted for parts
- \$1.98 million budgeted for fuel

### **Green House Gas (GHG) Emissions**

Fleet Services is pleased to share the significant progress in GHG reduction of the City's fleet. The 55.7% reduction in CO<sup>2</sup> emissions is attributed to using 99% renewable diesel (R99) starting in fiscal year 2019-2020. A supply chain issue reduced the availability of R99 in fiscal 2021-2022.

Metric Tons of CO<sup>2</sup> Emissions by Fiscal Year as of 10/15/2022



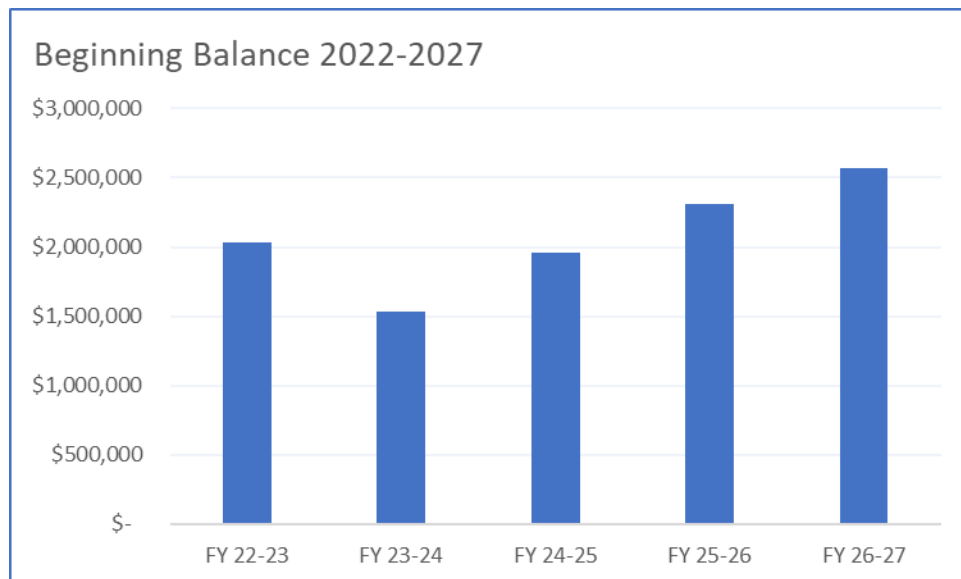
## Fleet Services Division Goals 2022-2027

Our top priority is to provide value to our customers in accordance with the City's strategic plan of Good Governance. The Fleet Services division seeks to be fiscally sustainable, provide quality services, be forward thinking, build capacity and partnerships to prepare for the future.

- Improve our preventative maintenance (PM) program to 90% on time
  - Learning the new fleet management information system (FMIS) will help utilize its capabilities to track PMs, and inform customers when PMs are coming due.
- Improve fleet utilization
  - Monitoring vehicle usage and communicating with depts
  - Dispose or repurpose underutilized vehicles
- Review the need for a motor pool
  - With virtual meetings the need for City vehicles to go to meetings has reduced
  - Monitor motor pool vehicle usage and adjust inventory as appropriate
- Develop Policies & Procedures
  - Develop purchasing policy for zero emission vehicles including electric,
  - Policies and procedures for shop operations to maintain and repair zero emission vehicles.

- Technology advancements
  - Electric vehicles – draft program developed, need policy
  - Develop predictive maintenance schedules using data from vehicle telematics
- Zero emission vehicles
  - Secure funding for electric vehicle charging infrastructure
  - Promote zero emission vehicles purchases
  - Procure 36 zero emission vehicles by 2027

## 5 Year Fleet Services Operating Beginning Balance Forecast



## Fleet Services Climate Action Plan

### Description of Action and Subtasks and Timing

#### 2020 – 2025 Actions

- Fleet Action 1: Develop and Implement Purchasing Policy
  - Action 1.1: Review Existing Policies from Peer Agencies
    - Many Peer Agencies policies reviewed
  - Action 1.2: Draft Salem Fleet Purchasing Policy
    - Updated draft to Fleet Manual
  - Action 1.3: Fleet Policy Review by Vehicle User Group
  - Action 1.4: Policy Adoption by Vehicle User Group and Department Directors
- Fleet Action 2: Fuel Conservation, Efficiency, and Telematics Data Collection
  - Action 2.1: Install Telematics on Vehicles / Equipment
    - Started in March 2020,
    - As of October 2022 – 496 vehicles have telematic devices installed

- *Action 2.2: Supervisors Review Data and Identify Opportunities*
  - *Supervisors have access to data, using to track vehicles*
- *Action 2.3: Vehicle User Group Review and Implementation of Opportunities*
- **Fleet Action 3: Electric Vehicles and Charging Infrastructure**
  - *Action 3.1: Purchase Small and Mid-sized EVs, Hybrid or PEHV's on Existing Replacement Schedule*
    - *October 2022 – 1 EV pickup and 13 hybrid patrol cars purchased*
  - *Action 3.2: Develop EV Chargers and Related Infrastructure*
    - *October 2022 – Quotes received with available grant funding from PGE*
- **Fleet Action 4: Renewable Diesel (R99) Substitution for Conventional Diesel**
  - *Action 4.1: Continue Strategic Partnerships to Source R99*
    - *Action 4.1 Started in September 2019*

## **2025 – 2030 Actions**

- **Fleet Action 1: Develop and Implement Purchasing Policy**
  - *Action 1.1: Review and Update Purchasing Policy as Needed*
- **Fleet Action 2: Fuel Conservation, Efficiency, and Telematics Data Collection**
  - *Action 2.1: Review Progress and Revise Action 2*
- **Fleet Action 3: Electric Vehicles and Charging Infrastructure**
  - *Action 3.1: Substitute Mid-Sized, and SUV EVs for Gasoline Vehicles on Existing Replacement Schedule*
  - *Action 3.2: Continue to develop EV Chargers and Related Infrastructure*
  - *Action 3.3: Review EV Market Conditions and Adjust Plan as Needed*
- **Fleet Action 4: Renewable Diesel (R99) Substitution for Conventional Diesel**
  - *Action 4.1: Continue Strategic Partnerships to Source R99*

## **Recognition and Awards**

### **The 100 Best Fleets in North America**

City of Salem Fleet Services has received national recognition as one of the top fleets in the 100 Best Fleets in North America program.

- 2022 – Ranked No. 20 of Top 100
- 2021 – Ranked No. 13 of Top 100
- 2020 – Ranked No. 100 of Top 100
- 2019 – Honorable Mention



## **Government Fleet Magazine Leading Fleets**

City of Salem Fleet Services has received national recognition as one of the top leading fleets by the Government Fleet Magazine Leading Fleets program.

- 2022 – Notable Fleet
- 2021 – Top 50 Leading Fleets
- 2020 – Top 50 Leading Fleets
- 2019 – Notable Fleet