

Branch — Fleet Services

Introduction

Fleet Services continues to be an important partner to City of Edmonton departments and external clients that deliver public programs and services to citizens. The Branch ensures that vehicles and equipment are meeting client needs by being well maintained, equipped, safe, and available for use on a daily basis. Fleet Services bases its ability to maintain effective relationships with clients through collaboration, accountability and resource stewardship.

Managing a fleet and associated infrastructure valued in excess of \$600 million, Branch personnel are the City's experts in vehicle and equipment procurement, vehicle and equipment maintenance, fleet engineering, fabrication services, fuel management, and fleet administration.

Staff are knowledgeable, proficient, and proud of the work they do. They develop innovative solutions to complex mechanical, fabrication, and engineering challenges, which helped Fleet Services to be recognized as one of North America's 100 Best Fleet in 2012, ranked in the top 20.



In 2012 Fleet Services...

- Worked closely with clients to procure and commission over 440 fleet vehicles and equipment including fire trucks, transit buses and light duty vehicles for a fleet of over 4,700 units
- Improved on the time it takes to perform bus mechanical and body midlife refurbishments by 19%
- Reduced overtime by 39%, 10,000 hours from 2011
- Was awarded a new maintenance contract for Alberta Health Services; integrated 125 additional ambulance units into the maintenance schedule
- Partnered with Edmonton Transit System (ETS) to initiate a Compressed Natural Gas (CNG) bus pilot; procured 10 Passport community buses and 16 DATS buses to meet client needs
- Reduced heavy truck fleet downtime by 29% through redesign of shifts and production line management at Ellerslie maintenance facility
- Scheduled to complete 18,128 personnel hours in fleet-related technical, safety and operational training
- Client focused expansion into Edmonton Waste Management Centre to provide onsite services, work on equipment at the landfill, increase fleet availability and reduce travel time
- Opened Ellerslie repair facility for operation, providing bus body and heavy truck maintenance. Facility renovations were accomplished 14% (eight million dollars) under budget
- Provided user departments with proactive and preventative Fleet Safety programs
- Reduced lost time frequency by 18% and lost time severity by 83%



Our mission is to operate a comprehensive fleet management organization with a focus on client satisfaction, operational excellence and value to the City of Edmonton and its citizens

Branch — Fleet Services

Approved 2013 Budget – Branch Summary

(\$000)

| | 2011 Actual | 2012 Budget | 2013 Budget | \$ Change '12-'13 | % Change '12-'13 |
|--|-------------------|----------------|----------------|-------------------------|------------------------|
| Revenue & Transfers | | | | | |
| External Maintenance Revenue | \$ 7,520 | \$ 8,525 | \$ 8,983 | \$ 458 | 5.4 |
| External Fuel Revenue | 3,297 | \$ 3,193 | \$ 2,674 | (519) | (16.3) |
| Intra-municipal Maintenance Recoveries | 115,660 | \$ 127,644 | \$ 134,678 | 7,034 | 5.5 |
| Intra-municipal Fuel Recoveries | 35,817 | \$ 38,151 | \$ 39,596 | 1,445 | 3.8 |
| Total Revenue & Transfers | <u>162,294</u> | <u>177,513</u> | <u>185,931</u> | <u>8,418</u> | <u>4.7</u> |
| Expenditure & Transfers | | | | | |
| Personnel | 59,846 | 65,805 | 67,798 | 1,993 | 3.0 |
| Materials, Goods & Supplies | 28,368 | 26,765 | 31,159 | 4,394 | 16.4 |
| External Services | 8,496 | 5,646 | 6,149 | 503 | 8.9 |
| Fuel | 37,949 | 39,442 | 41,261 | 1,819 | 4.6 |
| Intra-municipal Services | 8,230 | 8,827 | 9,098 | 271 | 3.1 |
| Utilities & Other Charges | 18,202 | 27,514 | 29,090 | 1,577 | 5.7 |
| Transfer to Reserves | 2,918 | 3,478 | 1,376 | (2,102) | (60.4) |
| Total Expenditure & Transfers | <u>164,009</u> | <u>177,477</u> | <u>185,931</u> | <u>8,454</u> | <u>4.8</u> |
| Net Income (Loss) | \$ (1,715) | \$ 36 | \$ - | \$ (36) | (100) |
| Full-time Equivalents | 672.0 | 723.0 | 723.0 | - | |

Budget Changes for 2013

(\$000)

Revenue & Transfers - Changes

External Maintenance Revenue \$458

Maintenance service price increase based on negotiated contracts with Alberta Health Services and EPCOR

External Fuel Revenue (\$519)

Alberta Health Services (AHS) fuel recoveries reduced by (\$637) due to the discontinuation of using City fuel sites. \$118 relates to an increase in fuel prices and projected volumes used by EPCOR. All Fuel recoveries are fully offset in Fuel expenditures.

Intra-municipal Maintenance Recovery \$7,034

Changes to internal accounting practices records the materials charged to capital programs as flow through costs in the Fleet Services budget. This is not a new expenditure; these costs were previously charged directly to capital projects. The \$2,773 is offset in Materials, Goods & Supplies expenditures. The maintenance charge increase is related to additional Waste Processing & Disposal usage, travelling to the Ryley Landfill, \$1,390. The remainder is mainly due to inflationary increases.

Intra-municipal Fuel Recovery \$1,445

The increase reflects both increased client demand of \$925 and increased fuel prices of \$520.

Branch — Fleet Services

Expenditures & Transfers - Changes

Personnel \$1,993

Movement within the salary ranges, changes in benefits, and the settlement of union contracts for \$2,035. Annualization and adjustments of Transit service increased costs by \$365, and a savings of (\$407) is related to a bus fleet efficiency improvement.

Material, Goods & Supplies \$4,394

Increased parts costs of \$1,605 due to inflation and increased demand. Annualization and adjustments of Transit service increase costs by \$109. Changes to internal accounting practices records the materials charged to capital programs as flow through costs in the Fleet Services budget. This is not a new expenditure; these costs were previously charged directly to capital projects. The \$2,773 is offset in Intra-municipal Maintenance Recovery. Operating impacts of additional municipal vehicles increase costs by \$96. The reduction of \$(189) is related to a bus fleet efficiency improvement.

External Services \$503

This item is primarily related to an increase in externally contracted fleet services for the Waste Management Utility vehicle usage travelling to the Ryley Landfill.

Fuel \$1,819

The increase reflects both increased client demand and increased fuel prices. Fuel expenditures are decreased as Alberta Health Services (AHS) is no longer utilizing City fuel sites.

Intra-municipal Services \$271

The increase is primarily inflation on internal services.

Utilities & Other Charges \$1,577

A (\$319) reduction has been included due to lower utilities consumption. Additional amortization of \$1,870 resulting from capitalization of the Ellerslie Building and additional fleet growth. The remainder \$26K is an adjustment of the sumping contract from External Services.

Transfer to Reserves (\$2,102)

This item represents the budgeted offset to the net decrease in reserve recoveries of \$232 (Intra-municipal Recoveries) which is transferred to the vehicle reserve account at year end. This also includes an offset to increased Amortization Expense of \$1,870 (Utilities and Other Charges) which is transferred to Equity in Tangible Capital Assets. The transfers to reserves and equity have no impact on the tax levy as offsetting costs are represented elsewhere in Fleet's budget.

Full-time Equivalents - Changes

No changes to Full-time Equivalents.

Branch — Fleet Services

Approved 2013 Budget – Program Summary (\$000)

Program Name - Emergency Services and External Fleet Maintenance

Results to be Achieved

Fleet Services Branch provides fleet repair and maintenance services to emergency services (Edmonton Police Service, Fire Rescue Services, Alberta Health Services) and EPCOR in a cost effective and efficient manner. The Branch relies on professional staff to provide fleet maintenance services on specific vehicles and equipment for our customers.

| Service Standards | Resources (\$000) | 2011 Actual | 2011 Budget | 2012 Budget | 2013 Budget |
|--|------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Every emergency services and external vehicle is maintained in compliance with legislated safety programs, the manufacturer's warranty and scheduled maintenance recommendations. Maintenance programs are supplemented with historical repair records to build a unique preventative maintenance package for each unit. The section provides a full range of fleet services that include: Road/Emergency Services, Preventative Maintenance, Maintenance Repairs, Accident Repairs, and Procurement Services. | Revenue & Transfers | \$ - | \$ - | \$ - | \$ - |
| | Expenditure & Transfers | 13,235 | 12,170 | 13,081 | 13,692 |
| | Net Income (Loss) | <u>\$ (13,235)</u> | <u>\$ (12,170)</u> | <u>\$ (13,081)</u> | <u>\$ (13,692)</u> |
| | Management | | 1.0 | 1.0 | 1.0 |
| | Exempt | | 4.0 | 6.0 | 6.0 |
| | Union | | 67.0 | 73.0 | 73.0 |
| | Temporary | | - | - | - |
| | Full - Time Equivalents | | <u>72.0</u> | <u>80.0</u> | <u>80.0</u> |

2012 Services

- Integrated 125 additional ambulance units into the maintenance schedule
- Maintain an external fleet of vehicles and effective workforce to meet client needs
- Met customer demand for continued growth by expanding our vehicle customization program
- Continued to provide maintenance and fleet requirements for emergency and external clients

Changes in Services for 2013

- Continue to meet vehicle customization requirements for the external fleet
- Continue to review Key Performance Indicators and work with clients to meet service expectations

Program Name - Municipal Fleet Maintenance

Results to be Achieved

Fleet Services Branch ensures that the vehicles used to provide daily City services to the public are safe, reliable, and are cost effectively managed cost effectively. The section provides fleet repair and maintenance services to City Departments in a timely fashion.

| Service Standards | Resources (\$000) | 2011 Actual | 2011 Budget | 2012 Budget | 2013 Budget |
|---|------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Each vehicle/equipment is maintained in compliance with legislated safety programs, the manufacturer's warranty and maintenance recommendations. Maintenance programs are supplemented with historical repair records to build a preventative maintenance package for each unit. Provide a full range of fleet services that include: Road/Emergency Services, Preventative Maintenance, Procurement Services Maintenance and Accident Repairs, Shop and Equipment Maintenance, Servicing and Fueling | Revenue & Transfers | \$ - | \$ - | \$ - | \$ - |
| | Expenditure & Transfers | 28,308 | 25,465 | 24,165 | 25,560 |
| | Net Income (Loss) | <u>\$ (28,308)</u> | <u>\$ (25,465)</u> | <u>\$ (24,165)</u> | <u>\$ (25,560)</u> |
| | Management | | 1.0 | 1.0 | 1.0 |
| | Exempt | | 4.0 | 4.0 | 4.0 |
| | Union | | 144.0 | 148.0 | 142.0 |
| | Temporary | | - | - | 6.0 |
| | Full - Time Equivalents | | <u>149.0</u> | <u>153.0</u> | <u>153.0</u> |

2012 Services

- Ellerslie repair facility opened for operation with renovations accomplished eight million dollars under budget
- Customer focused expansion into Edmonton Waste Management Centre to increase fleet availability and reduce travel time
- Helped create a comprehensive wheel safety program to improve operator safety and reduce the likelihood of wheel-off incidents
- Accelerated the DATS fleet replacement to reduce cost and improve availability of units to the client

Changes in Services for 2013

- Formalization of an Apprentice Program to minimize work force availability fluctuations and provide staff training development
- Improve customer interface by increasing transparency to our clients through a fleet information system
- Continue to provide maintenance and servicing to client fleet of vehicles and equipment with improved availability

Branch — Fleet Services

Approved 2013 Budget – Program Summary (\$000)

Program Name - Service Development, Standards and Infrastructure

Results to be Achieved

Fleet Services provides fleet procurement services, warranty management, disposal and fueling services that adhere to legislative requirements. The Branch maintains effective support services (Engineering, Planning, Technical Training and Fabrication Services), and continuously develops processes/procedures based on specific and measurable goals.

| Service Standards | Resources (\$000) | 2011 Actual | 2011 Budget | 2012 Budget | 2013 Budget |
|---|------------------------------------|------------------|------------------|------------------|------------------|
| Adhere to all municipal, provincial and federal regulations regarding fleet vehicles, equipment and fuel dispensing. Work to achieve standards defined in client Service Level Agreements, monitor Key Performance Indicators, and ensure processes are constantly improved to deliver real value to clients. The section establishes/monitors preventative maintenance plans, inspects components, investigates in-service failures, mitigates risk, creates customized products and promotes a culture of safety. | Revenue & Transfers | \$ 162,294 | \$ 151,098 | \$ 177,513 | \$ 185,931 |
| | Expenditure & Transfers | 72,334 | 65,286 | 88,920 | 93,227 |
| | Net Income (Loss) | <u>\$ 89,960</u> | <u>\$ 85,812</u> | <u>\$ 88,593</u> | <u>\$ 92,704</u> |
| | Management | | 3.0 | 3.0 | 3.0 |
| | Exempt | | 23.0 | 21.0 | 21.0 |
| | Union | | 87.0 | 96.0 | 96.0 |
| | Temporary | | - | - | - |
| | Full - Time Equivalents | | <u>113.0</u> | <u>120.0</u> | <u>120.0</u> |

2012 Services

- Efficiently procured and commissioned 440 fleet vehicles and equipment for replacement and growth for clients
- Continued investigation of vehicle/equipment component failures and corrective actions for a cost effective and safe fleet
- Increased facility maintenance monitoring and management from 13 to 15 facilities (hoist replacements and fuel management)
- Met the technical training needs and ensured legislative compliance for commercial vehicles, drivers and motor carriers

Changes in Services for 2013

- Continue the standardization of fleet replacement and procurement procedures, and enhance the tool management program
- Increase the ratio of planned to unplanned work and increase unit availability through continuous investigations and studies
- Enhance use of the fleet information system to improve productivity and improve financial performance
- Work with clients to develop and implement proactive strategies related to collision management

Program Name - Transit Fleet Maintenance

Results to be Achieved

Fleet Services is responsible for working diligently to maintain and keep Edmonton Transit System's fleet of vehicles and buses safe, clean and reliable at a competitive cost to meet the daily book out. This includes collecting and reporting accurate/reliable information on maintenance activities to support client activities.

| Service Standards | Resources (\$000) | 2011 Actual | 2011 Budget | 2012 Budget | 2013 Budget |
|---|------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Vehicles maintained in compliance with legislated safety programs, manufacturer's warranty and scheduled maintenance recommendations. Maintenance programs are supplemented with historical repair records to build a unique preventative maintenance package for each unit. Provides a full range of bus fleet services that include: Road/Emergency Services/Changeovers at an average response time of 30 minutes, Preventative Maintenance, Body Work/Repairs/Serviceing, Booking | Revenue & Transfers | \$ - | \$ - | \$ - | \$ - |
| | Expenditure & Transfers | 50,132 | 48,280 | 51,311 | 53,452 |
| | Net Income (Loss) | <u>\$ (50,132)</u> | <u>\$ (48,280)</u> | <u>\$ (51,311)</u> | <u>\$ (53,452)</u> |
| | Management | | 1.0 | 1.0 | 1.0 |
| | Exempt | | 7.0 | 9.0 | 9.0 |
| | Union | | 330.0 | 360.0 | 354.0 |
| | Temporary | | - | - | 6.0 |
| | Full - Time Equivalents | | <u>338.0</u> | <u>370.0</u> | <u>370.0</u> |

2012 Services

- Improved on the time it takes to perform bus mechanical and body midlife refurbishments by 19%
- Implemented innovative solutions, piloted an electric engine fan which improved fuel economy and eliminated hydraulic leaks
- Worked in partnership with Edmonton Transit on repair and replacement campaigns for bike racks, Smart Bus technology and radios
- Performed product evaluations of many components, including batteries, mirrors, seats and brake materials to improve reliability
- Completed the Bus Midlife Refurbishment Program for 38 buses, extending their life by 8 – 10 years
- Partnered with ETS to gain approval to proceed with a two-bus Natural Gas pilot and acquired 10 Passport Community buses

Changes in Services for 2013

- Continue to work on bus midlife refurbishment program to increase the life and use of buses
- Support Edmonton Transit's Smart Bus program, pilot a remote bus-tire air pressure and heat monitoring system