
Fleet Consolidation Update

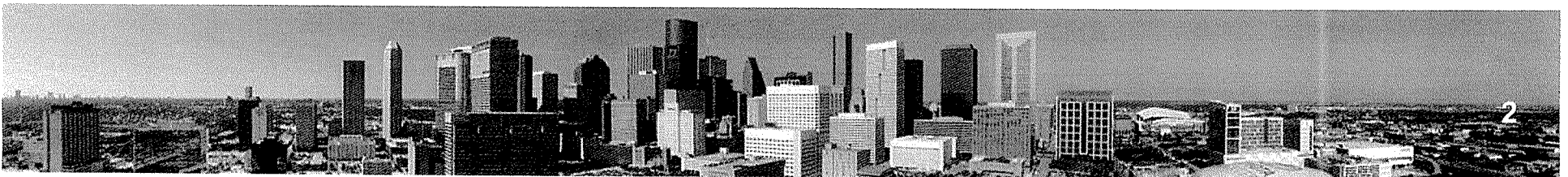
Lloyd Waguespack
Deputy Chief of Staff, Mayor's Office
Thomas Dowdy
Acting Director, Fleet Management Department

December 7, 2010



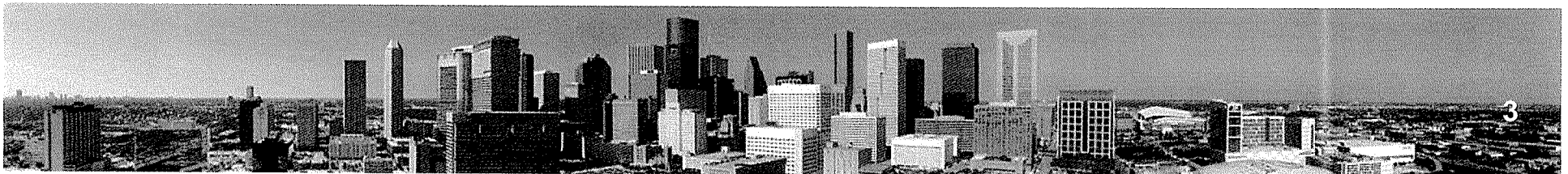
Fleet Management Department Movement Over Past 30 Days

- FMD and CST Fleet Services developed a derivative consolidation plan
 - The plan is a “living document”...the timeline and cost savings will be continually evaluated as the consolidation process evolves over the next eighteen months
- Fire Department’s Fleet Operations is in the process of being absorbed into FMD/ scheduled completion end of Jan 2011
- Finalized list of 24 fuel sites across Fire Department and 4 fuel sites at Aviation for closure/ HFD sites scheduled to be closed by end of FY11



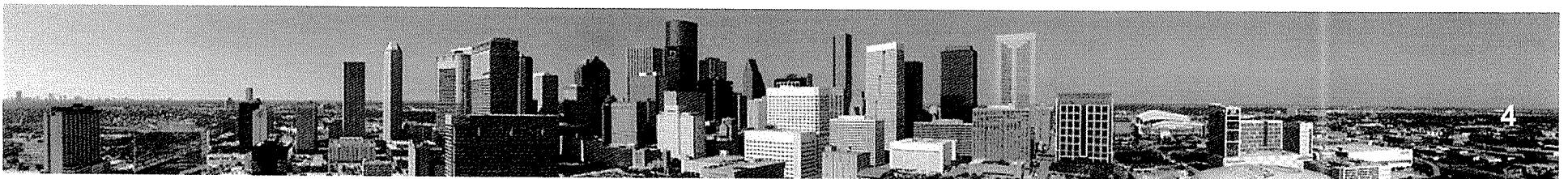
Fleet Management Department Movement Over Past 30 Days

- Contract award for Strategic Vehicle Parts Partnership (SVPP) pending in SPD/Legal
- Take Home Vehicle Chargeback policy distributed to Department Directors on 11/22/2010
 - \$98 payroll deductions effective with 12/31/2010 paychecks
- FMD is growing...Current Staff = 15
 - 5 members in core team
 - 10 additional employees including 7 Fuel Management personnel absorbed from General Services



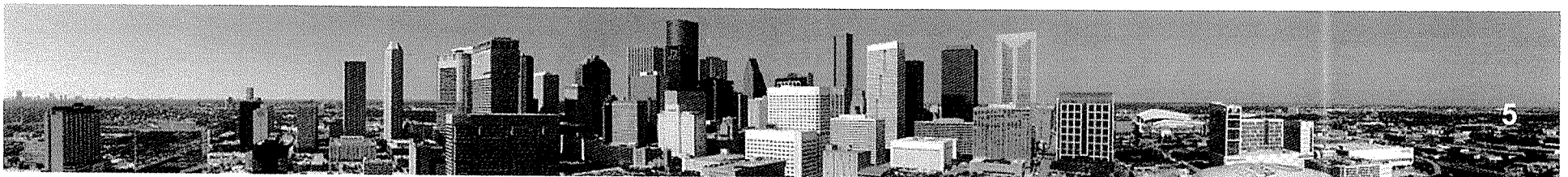
Organization Chart Workshops

- Building an organization and “*doing it right*” with transparency and collaboration across stakeholder departments
- Field visits to each fleet operation to discuss functional requirements and build goodwill
- Functions will be mapped to FMD org chart boxes, new org chart will be presented at January meeting
- All personnel decisions will be made in consultation with Human Resources Department



Fuel Consolidation

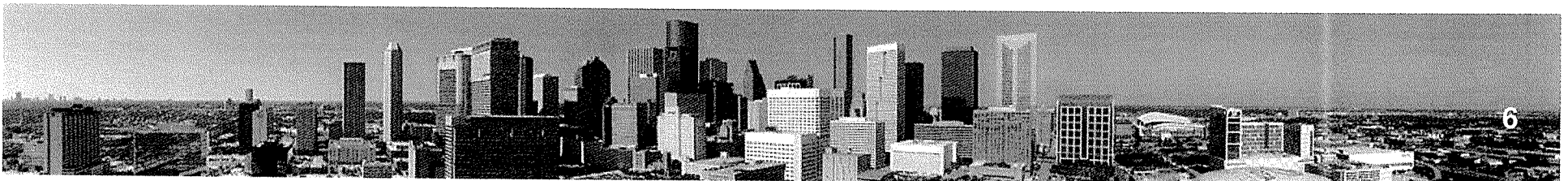
- Documented process for closing fuel sites that meets City and TCEQ requirements
- First wave of fuel site closings will include tank removal at 24 sites across Fire Department as funding allows
- Cost of closing will be covered by HFD CIP budget originally targeted for fuel tank replacement
- Savings will be garnered through reduction in future maintenance costs



Take Home Vehicle Chargeback Overview

Take Home Chargeback policy issued on November 22, 2010 to Department Directors

- \$98 to be deducted from paychecks per pay period
- December 31, 2010 is first affected paycheck
- Form to authorize deduction or cancel Take Home privileges due on 12/8/2010 to Mayor's Office
- Number of drivers electing deduction forthcoming...



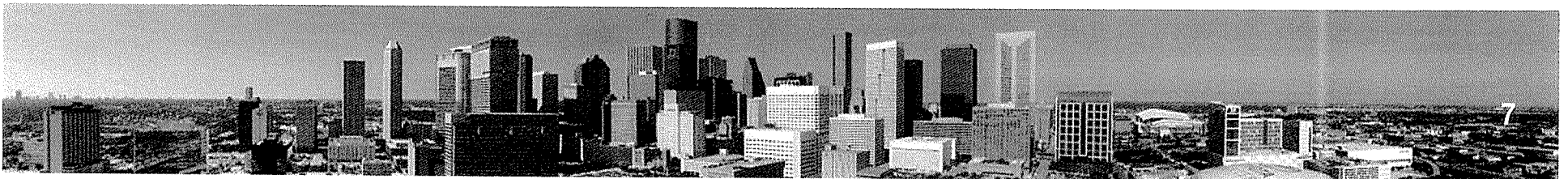
Take Home Vehicle Chargeback Overview

Currently:

- 608 City employees with Take Home vehicles *without* chargebacks
- 660 HPD employees with Take Home vehicles *with* chargebacks

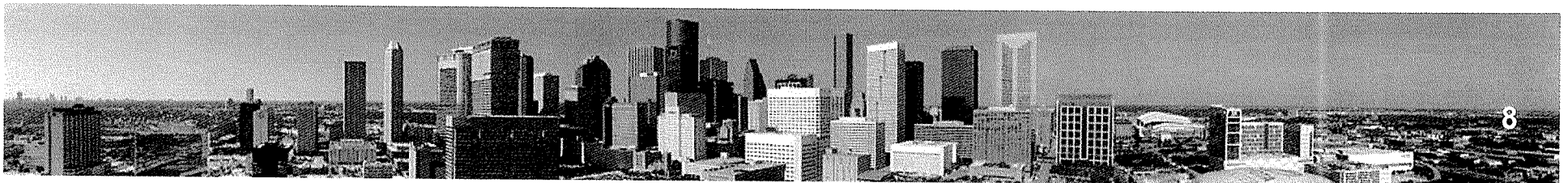
Forecast savings @ \$98 per pay period:

- \$59,584 per pay period from drivers not currently paying
(\$774K projected in FY2011)



Fleet Management Department Next 30 Days...

- Draft RFP to close 24 fuel sites, funded by CIP
- Finish analysis of fleet organizational functions and draft FMD Org Chart
- Continue to absorb HFD Fleet Maintenance
- Present SVPP RCA to Council for approval
- First Take Home Vehicle chargebacks begin on 12/31/2010 paycheck
- Preliminary meetings with SWD, HPD and PR prior to their absorption into FMD – SWD Feb 1st, HPD May 1st, PR Jun 1st



Actual vs. Projected Savings Summary

Projected Savings

FUEL SITE CLOSURES	\$ 22,460	FY 11 Fuel site repair maintenance and tank monitoring
VEHICLE PARTS	\$ 2.2 million \$ 829,000	FY11 Inventory buyout estimate FY11-FY12 Net labor savings
TAKE-HOME VEHICLES	\$ 774,000 \$ 417,000	FY11 Payroll deductions FY11 Operating costs for the reduction of 164 take-home vehicles
REAL ESTATE	\$ TBA	Identified acreage next to the closed HFD maintenance facility on Dairy Ashford. Property adjacent to the facility will be evaluated by GSD for future sale.
STAFFING	\$ TBA	Dependent upon HR policy, FMD organizational chart design, and an undetermined amount of banked PTO hours that would be paid out based on reductions.

