

FLEET MANAGEMENT

Department Description and Mission

The mission of the Fleet Management Department (FMD) is to provide the City of Houston with the best value fleet management services. FMD oversees the lifecycle activities of more than 13,000 city operated vehicles and equipment units. Vehicle/equipment service is performed by in-house staff and contracted providers at FMD's 24 garage locations and 67 refueling sites.

The vision of FMD is to be recognized as the best managed fleet in the country. The department has assembled a strategic plan with the following objectives in pursuit of this vision.

Fleet Asset Effectiveness

- Fleet sized and built to meet City needs and objectives.
- Vehicle specifications optimized for intended purpose and targeted service levels.
- Asset service and replacement prioritized based on risk and essential services.

Fleet Asset Availability

- Vehicles readily available and prepared for intended purpose and targeted service levels.

Fleet Asset Reliability

- Vehicles perform their intended function through targeted service levels without issue.

Fleet Asset Efficiency

- The lifecycle costs of fleet vehicles are minimized for targeted service levels through cost and process controls.

Short Term Goals

- Fill vacant mechanic positions.
- Increase accountability through effective performance reporting.
- Reduce operating costs.
- Develop in-house training program and quality assurance program.
- Rapid disposal and optimized financial return on end-of-life vehicles.
- Preventive maintenance enhancements.
- Improve data systems (maintenance, equipment availability and location, fuel, mileage, parts).
- Optimize fleet procurement decisions and processing.
- Improve communications with garage staff.
- Ensure vehicle fuel availability under all conditions.
- Improve fuel transaction tracking.
- Optimize use and control of contracted services.

FLEET MANAGEMENT

Long Term Goals

- Continuous improvement.
- Optimize cost and process controls.
- Transition non-emergency vehicles to electric.
- Develop the best workforce possible.
- Maximize fleet value and benefits.
- Minimize fleet related risk.
- Optimize control of contracted services.
- Optimize vehicle pool (FleetShare) efficiency and effectiveness.
- Become recognized as the best managed fleet in the country.

FISCAL YEAR 2025 BUDGET

Business Area Program Summary

Business Area: Fleet Management Department
Bus. Area No : 6700

Budget By Program (\$ in thousands):

Program	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Executive Oversight	19	5,344	0	5,945	0	5,943
Fleet Asset Management	0	1,260	0	1,121	0	1,089
Fleet Operations	65,718	46,545	73,209	50,640	75,738	53,345
Fleetshare Management	0	722	809	567	931	670
Fuel Management	33,490	32,991	31,342	31,365	32,569	31,567
Human Capital Management	0	401	0	728	0	884
Outside Services	0	8,265	0	11,043	0	11,650
Parts Management	0	3,699	0	3,951	0	4,090
Total	99,227	99,227	105,360	105,360	109,238	109,238

FTEs by Program:

Program	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Executive Oversight	2.8	0.0	3.0	0.0	2.6	0.0
Fleet Asset Management	6.1	0.0	4.0	0.0	6.6	0.0
Fleet Operations	255.7	31.3	269.2	37.8	298.7	36.5
Fleetshare Management	4.1	0.0	2.2	0.0	3.0	0.0
Fuel Management	9.1	0.4	8.0	0.2	9.6	0.2
Human Capital Management	0.6	0.0	4.8	0.0	6.3	0.0
Outside Services	3.0	0.1	5.4	0.1	7.0	0.1
Parts Management	42.1	5.1	42.9	5.7	45.1	6.0
Total:	323.5	36.9	339.5	43.8	378.9	42.8

FISCAL YEAR 2025 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Executive Oversight

Description:

Provides strategic and operational leadership to the department. Sets goals, strategies, and performance indicators necessary to ensure an efficient and effective execution of the department's mission. Develops plans, policies, and procedures to align all department activities with City objectives. Responsible for communication of department information to internal and external stakeholders. Oversees budget development and adherence.

Goal:

Department fulfills mission and achieves vision through execution of well-defined plans, strategies, objectives, and goals.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	19	5,344	0	5,945	0	5,943

Staffing:

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	2.8	0.0	3.0	0.0	2.6	0.0

Performance Measure:

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
Number of Electric Vehicles purchased	N/A	N/A	282	350
Rolling stock equipment in the City's fleet	13,172	13,000	13,200	13,000
Expenditures Adopted Budget vs Actual Utilization	100%	98%	103%	98%
Revenues Adopted Budget vs Actual Utilization	100%	98%	103%	98%

FISCAL YEAR 2025 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Fleet Asset Management

Description:

Responsible for fleet planning and the following vehicle lifecycle activities: vehicle budgeting, specification, procurement, acquisition, on-boarding, assignment, preventive maintenance scheduling, performance monitoring and reporting, and disposal. Oversees the collection and reporting of vehicle maintenance information. Analyzes performance and maintenance data to identify issues and optimize performance. Oversees maintenance software systems and vehicle databases.

Goal:

Optimize asset processing and control. Optimize collection and reporting of accurate and reliable operating information.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	1,260	0	1,121	0	1,089

Staffing:

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	6.1	0.0	4.0	0.0	6.6	0.0

Performance Measure:

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
Vehicle disposal processed 2 weeks from requests	N/A	98%	98%	100%
Vehicle on-boarding complete 2 weeks from delivery	N/A	98%	98%	98%
Vehicle purchase package complete and submitted within 6 weeks of quote	100%	95%	100%	100%

FISCAL YEAR 2025 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Fleet Operations

Description:

Responsible for management and oversight of all vehicle maintenance activities at each of the 24 garage locations. Works with customer departments to meet vehicle and equipment readiness requirements. Performs maintenance and repairs of vehicles and equipment used by City of Houston departments.

Goal:

Ensure vehicles readily available for intended purpose and targeted service levels, vehicles perform reliably. Minimized fleet maintenance. Vehicles maintained in a safe state of repair.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	65,718	46,545	73,209	50,640	75,738	53,345

Staffing:

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	255.7	31.3	269.2	37.8	298.7	36.5

Performance Measure:

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
Preventive maintenance inspections performed within target Interval	89%	90%	83%	90%
Vehicle availability: maintain critical operational readiness	92%	93%	90%	93%

FISCAL YEAR 2025 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Fleetshare Management

Description:

Responsible for management and oversight of the City's shared motor pool for all City departments. This includes the procurement and deployment of vehicles, administration of the reservations system, analysis of vehicle utilization, vehicle maintenance, onboarding and training of users, and customer service.

Goal:

Ensure motor pool availability and manage costs to provide best value for the City.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	722	809	567	931	670

Staffing:

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	4.1	0.0	2.2	0.0	3.0	0.0

Performance Measure:

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
FleetShare vehicle utilization hours	5,000	5,000	42,000	50,000

FISCAL YEAR 2025 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Fuel Management

Description:

Responsible for acquisition of unleaded gasoline, diesel, and jet fuel for citywide use. Manages inventory and distribution of fuel at 67 city refueling sites. Conducts daily fuel site inspections to ensure operating compliance with local, state, and federal regulation. Repairs, monitors, and maintains fuel sites to keep fuel readily available for City use. Oversees the City of Houston's Fuel Card Program.

Goal:

Minimize costs and risk associated with fuel purchasing, storage, and distribution.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	33,490	32,991	31,342	31,365	32,569	31,567

Staffing:

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	9.1	0.4	8.0	0.2	9.6	0.2

Performance Measure:

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
Station compliance -TCEQ inspections passed	N/A	100%	100%	100%
Station uptime - % of operational dispensers	N/A	95%	95%	95%

FISCAL YEAR 2025 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Human Capital Management

Description:

Manages the implementation and administration of the FMD training and personnel development program, oversees quality assurance activities, creates and administers employee policies and procedures based on industry best practices, regulatory compliance, and departmental strategic initiatives. Oversees strategic recruiting and retention plans.

Goal:

Create a skilled and high performing workforce.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	401	0	728	0	884

Staffing:

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	0.6	0.0	4.8	0.0	6.3	0.0

Performance Measure:

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
Employee training hours	N/A	11,200	15,000	11,200
Technician recruiting: community hiring events	N/A	25	30	25
Technician vacancies	20%	15%	19%	15%
Training: automotive high school interns	10	10	10	10

FISCAL YEAR 2025 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Outside Services

Description:

Responsible for overseeing contracted maintenance/repairs of vehicles and equipment used by City departments. The Outside Services Division works with vendors and customer departments to meet vehicle and equipment readiness requirements in a cost-effective manner. Reviews purchase requisitions and completes invoice receivers in SAP.

Goal:

Optimize value achieved from contracted services through cost and performance controls

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	8,265	0	11,043	0	11,650

Staffing:

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	3.0	0.1	5.4	0.1	7.0	0.1

Performance Measure:

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
Invoices processed: early pay discounts	N/A	90%	95%	90%
Percentage of City's Vehicle at external vendor repair facility over 8 months	N/A	5%	5%	4%
Vendor in-person contacts per week	N/A	N/A	9	10

FISCAL YEAR 2025 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Parts Management

Description:

Responsible for management of the FMD inventory and distribution system for spare parts and vehicle maintenance related supplies. Oversees 24 parts warehouse locations, reviews outside services and purchase requisitions for contract compliance, and completes invoice receivers in SAP. Establishes third-party vendor contracts, and conducts compliance meetings and contract reviews with vendors.

Goal:

Efficiently and effectively optimize the purchase, inventory, and distribution of spare parts and supplies

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	3,699	0	3,951	0	4,090

Staffing:

Fund	FY2023 Actual		FY2024 Estimate		FY2025 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	42.1	5.1	42.9	5.7	45.1	6.0

Performance Measure:

Performance	FY2023 Actual	FY2024 Target	FY2024 Estimate	FY2025 Target
Inventory accuracy	93%	93%	94%	93%
Invoices processed: early payment discounts	N/A	90%	97%	94%
Part availability: 'A' Classification Parts	N/A	85%	84%	85%

FISCAL YEAR 2025 BUDGET

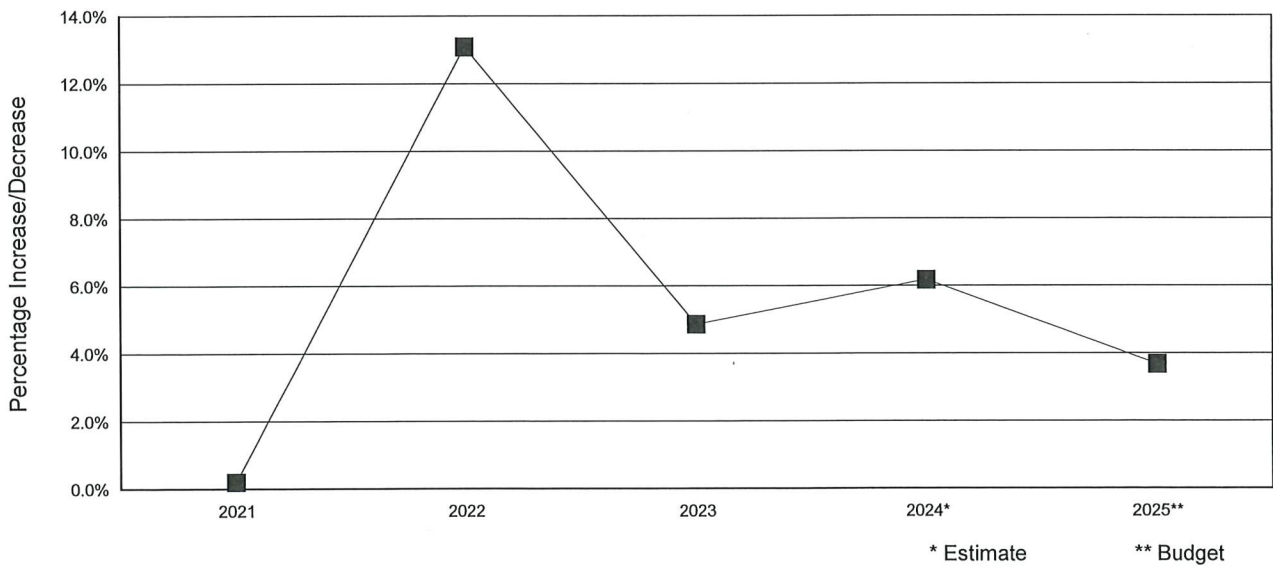
Business Area Budget Summary

Fund Name : Fleet Management Fund					
Business Area : Fleet Management Department					
Fund No. /Bus. Area No. : 1005 / 6700					
		FY2023	FY2024	FY2024	FY2025
		Actual	Current Budget	Estimate	Budget
Expenditures	Personnel Services	32,470,097	35,991,802	34,088,926	37,893,201
	Supplies	52,584,717	52,353,332	53,593,341	53,096,270
	Other Services and Charges	14,038,139	16,907,618	17,570,671	18,218,826
	Equipment	134,485	107,178	106,992	30,000
	Total M & O Expenditures	<u>99,227,438</u>	<u>105,359,930</u>	<u>105,359,930</u>	<u>109,238,297</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>99,227,438</u>	<u>105,359,930</u>	<u>105,359,930</u>	<u>109,238,297</u>
Revenues		99,227,438	105,359,930	105,359,930	109,238,297
Staffing	Full-Time Equivalents - Civilian	323.5	353.8	339.5	378.9
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	Total	323.5	353.8	339.5	378.9
	Full-Time Equivalents - Overtime	36.9	38.0	43.8	42.8

Significant Budget Changes and Highlights

- o The FY2025 Budget includes funding for health benefits and pension contributions.
- o The FY2025 Budget provides continued fleet management support to departments citywide.
- o The FY2025 Budget includes a continuation of a pilot internship program for High School students.
- o The FY2025 Budget includes funding for fleet service increases for Solid Waste Management Department (SWMD), Houston Police Department (HPD) and Houston Fire Department (HFD).
- o The FY2025 Budget includes funding for the Human Capital Management program overseeing recruitment and retention.

**Fleet Management Fund
Fleet Management Department
Year over Year Expenditure Change**



FISCAL YEAR 2025 BUDGET

Business Area Revenues Summary

Business Area : Fleet Management Department

Business Area No. : 6700

Category	FY2023 Actual	FY2024 Current Budget	FY2024 Estimate	FY2025 Budget
Charges for Services	24	0	8	0
Direct Interfund Services	98,736,960	104,955,441	104,549,427	108,307,162
Miscellaneous/Other	490,454	404,489	810,495	931,135
Grand Total	<u><u>99,227,438</u></u>	<u><u>105,359,930</u></u>	<u><u>105,359,930</u></u>	<u><u>109,238,297</u></u>