



**To the Mayor and Members of the City Council**

**March 22, 2022**

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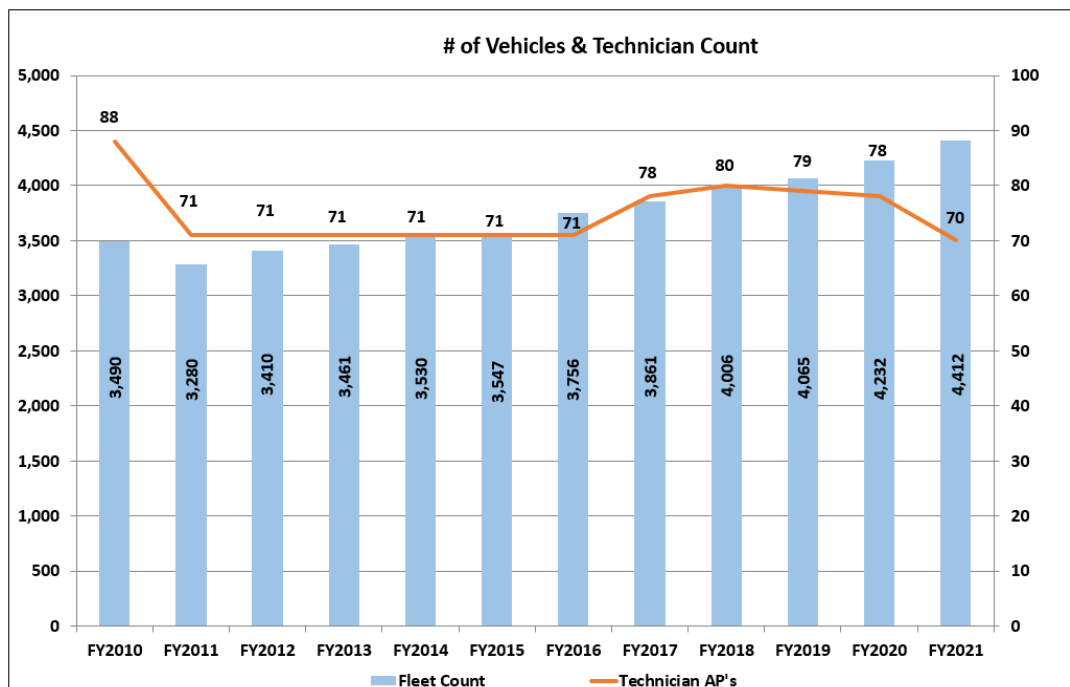
**SUBJECT: FLEET SERVICES REVIEW**

Property Management Department recommends third-party consultant review of its Fleet Division operations in response to City Council efficiency questions from a few weeks ago.

In 2010, the City's fleet operation went through a competitive assessment to determine the viability and efficiency of the services provided. At that time, the fleet was much smaller and had only a handful of contracted partners to assist in their mission. The fleet operation went through a comprehensive review by a national third-party fleet consultant. Using the recommendations in the final report, the City conducted a fleet services procurement solicitation to compare City fleet operations with private operations, and the City fleet proposal provided the best value compared to three other private providers. Property Management recommends another comprehensive review of the current service model and operations by a third-party fleet consultant.

The City's fleet has grown by more than 1,100 vehicles in the last decade to a total of 4,412. Since 2010, the Fleet Division has made significant improvements to its operations:

- Contracted with a private provider for comprehensive parts supply and parts distribution
- Secured over 100 private fleet vendor contracts
- Dramatically improved the fleet facilities with a new Water Utilities shop and the new North Service Center shop
- Perform thousands more work orders per year with fewer technicians and mechanics



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Of the total \$28M annual budget for fleet service, excluding \$7M for fuel, 51% of the funds support private partner contracts.

<b>FY2022 Total Operating Budget</b>	<b>\$28M</b>
Fuel Purchase Expense	\$7M
<b>FY2022 Operating Budget Without Fuel</b>	<b>\$21M</b>
Private Partner Contracts	\$11M
<b>FY2022 Net Operating Budget</b>	<b>\$10M</b>

The Property Management Department was created in 2015 to create continuity and accountability for city assets across the spectrum of fleet, buildings, and real property. The Equipment Services Department, which handled citywide fleet services, was absorbed into Property Management at that time. Fleet availability was around 91% and average fleet age was about 9.5-10 years. Since that time, fleet availability is consistently in the 95% range, consistent with the City's goal, and fleet age is currently 9 years.

Given the evolution of fleet operations over the last decade, it's prudent to have external review of the service model for efficiency and effectiveness and ensure the staffing model conforms to modern fleet best practices. Planning and Data Analytics will manage the consultant contract and report findings and recommendations to City Council. Property Management along with Planning and Data Analytics will also use the report to determine if any further private partnerships in the procurement of materials or services present themselves as viable opportunities.

Staff anticipates the contract will be executed and the review initiated by early June 2022.

Funding for this work will be covered by the fund balance in the Equipment Services Fund.

For any questions regarding the current fleet operation or processes, please contact Steve Cooke, Director of Property Management at 817-392-5134 or [steve.cooke@fortworthtexas.gov](mailto:steve.cooke@fortworthtexas.gov). For any questions regarding the study process or timing, please contact Mark McAvoy, Director of Planning and Data Analytics, at 817-392-6222 or [mark.mcavoy@fortworthtexas.gov](mailto:mark.mcavoy@fortworthtexas.gov).

**David Cooke**  
**City Manager**