

## 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 on-road and off-road vehicles/equipment units operated by City departments. Vehicle/equipment service activities are performed 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 are prioritized based on risk and essential services.

#### Fleet Asset Availability

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

#### Fleet Asset Reliability

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

#### Fleet Asset Efficiency

- The lifecycle costs of fleet vehicles are minimized for targeted service levels.

#### Short Term Goals

- Fill vacant mechanic positions.
- Efficiently and effectively manage fleet related, global supply chain issues.
- Continued development of in-house training program.
- Continued development of quality assurance program.
- Rapid disposal of vehicles that have reached end of life status.
- Preventive maintenance program enhancements.
- Improved use of maintenance and parts data systems.
- Fleet plan updates.
- Improved communications with garage staff.
- Continued operating cost reductions.
- Ensure vehicle fuel availability under all conditions.
- Enhanced control of contracted services.

## FLEET MANAGEMENT

### Long Term Goals

- Transition to electric vehicle fleet.
- Maximize value achieved by the City from fleet assets.
- Minimize risk associated with fleet operation.
- Contracted services are secured and administered to provide best value for City.
- Minimize City expenses with the efficient and effective management of a vehicle pool (Fleet Share).
- Minimize cost of fleet maintenance.

**FISCAL YEAR 2024 BUDGET**

**Business Area Program Summary**

**Business Area: Fleet Management Department**

**Bus. Area No : 6700**

**Budget By Program (\$ in thousands):**

Program	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Executive Oversight	277	4,750	0	5,533	0	5,642
Fleet Asset Management	0	991	0	1,380	0	1,211
Fleet Operations	64,173	46,609	68,717	49,106	71,498	51,417
Fleetshare Management	0	990	402	540	404	556
Fuel Management	30,171	30,588	33,328	33,396	30,472	29,517
Human Capital Management	0	0	0	281	0	1,105
Outside Services	0	7,339	0	8,098	0	8,700
Parts Management	0	3,353	0	4,113	0	4,228
<b>Total</b>	<b>94,621</b>	<b>94,621</b>	<b>102,447</b>	<b>102,447</b>	<b>102,375</b>	<b>102,375</b>

**FTEs by Program:**

Program	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Executive Oversight	2.7	0.0	3.0	0.0	3.0	0.0
Fleet Asset Management	6.5	0.1	8.3	0.0	8.2	0.0
Fleet Operations	269.5	27.5	285.0	34.4	298.4	31.9
Fleetshare Management	4.4	0.0	3.0	0.0	3.0	0.0
Fuel Management	9.5	0.3	9.6	0.5	9.6	0.5
Human Capital Management	0.0	0.0	0.0	0.0	6.8	0.0
Outside Services	2.1	0.2	3.0	0.3	5.0	0.1
Parts Management	45.9	4.3	44.1	5.5	44.1	5.5
<b>Total:</b>	<b>340.6</b>	<b>32.4</b>	<b>356.0</b>	<b>40.7</b>	<b>378.1</b>	<b>38.0</b>

**FISCAL YEAR 2024 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:**

Provide department administration, strategic planning and implementation, risk minimization, workforce development, communicate with stakeholders, management of expectations, manage budget and transition from fossil-based fuels.

**Mayor's Priority:** Services & Infrastructure

(\$ in thousands)

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	277	4,750	0	5,533	0	5,642

**Staffing:**

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	2.7	0.0	3.0	0.0	3.0	0.0

**Performance Measure:**

Performance	FY2022 Actual	FY2023 Target	FY2023 Estimate	FY2024 Target
Annual percentage of alternative fuel vehicles purchased	N/A	N/A	N/A	25%
Rolling stock equipment in the City's fleet	13,700	12,500	13,200	13,000
Expenditures Adopted Budget vs Actual Utilization	105%	98%	104%	98%
Revenues Adopted Budget vs Actual Utilization	105%	100%	104%	100%

**FISCAL YEAR 2024 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:**

Manage capital program, Fleet sized and built to efficiently and effectively meet City needs and objectives. Maintain control of fleet vehicle lifecycle activities to maximize value achieved by the City from fleet assets. Data reporting to achieve operating efficiencies. Document fleet processing policies and procedures.

**Mayor's Priority:** Services & Infrastructure

(\$ in thousands)

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	991	0	1,380	0	1,211

**Staffing:**

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	6.5	0.1	8.3	0.0	8.2	0.0

**Performance Measure:**

Performance	FY2022 Actual	FY2023 Target	FY2023 Estimate	FY2024 Target
Performance reports issued per schedule	N/A	N/A	N/A	100%
Vehicle disposal processed 2 weeks from requests	N/A	N/A	N/A	98%
Vehicle on-boarding complete 2 weeks from delivery	N/A	N/A	N/A	98%
Vehicle purchase package complete and submitted within 6 weeks of quote	N/A	N/A	N/A	95%

**FISCAL YEAR 2024 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:** Services & Infrastructure

(\$ in thousands)

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	64,173	46,609	68,717	49,106	71,498	51,417

**Staffing:**

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	269.5	27.5	285.0	34.4	298.4	31.9

**Performance Measure:**

Performance	FY2022 Actual	FY2023 Target	FY2023 Estimate	FY2024 Target
Preventive maintenance inspections performed within target Interval	N/A	N/A	N/A	90%
Vehicle availability: maintain critical operational readiness	93%	93%	93%	93%

**FISCAL YEAR 2024 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 City.

**Mayor's Priority:** Resilient Houston

(\$ in thousands)

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	990	402	540	404	556

**Staffing:**

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	4.4	0.0	3.0	0.0	3.0	0.0

**Performance Measure:**

Performance	FY2022 Actual	FY2023 Target	FY2023 Estimate	FY2024 Target
# of vehicles inspected annually for quality and reliability	N/A	N/A	N/A	1,225
FleetShare vehicle utilization hours	N/A	4,400	4,400	5,000

**FISCAL YEAR 2024 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:** Services & Infrastructure

(\$ in thousands)

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	30,171	30,588	33,328	33,396	30,472	29,517

**Staffing:**

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	9.5	0.3	9.6	0.5	9.6	0.5

**Performance Measure:**

Performance	FY2022 Actual	FY2023 Target	FY2023 Estimate	FY2024 Target
Fuel dispensed annually (gallons in millions)	9.7	10.5	9.8	10
Station compliance -TCEQ inspections passed	N/A	N/A	N/A	100%
Station uptime - % of operational dispensers	N/A	N/A	N/A	95%



**FISCAL YEAR 2024 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 high performance workforce through talent sourcing and skills development. Recruit and retain skilled automotive technicians. Manage a high school automotive internship program as a source of technicians and in support of hiring initiatives in local communities.

**Mayor's Priority:** Services & Infrastructure

(\$ in thousands)

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	0	0	281	0	1,105

**Staffing:**

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	0.0	0.0	0.0	0.0	6.8	0.0

**Performance Measure:**

Performance	FY2022 Actual	FY2023 Target	FY2023 Estimate	FY2024 Target
Employee training hours	N/A	N/A	N/A	11,200
FMD policies/procedures completed	N/A	N/A	N/A	75
QA processes and inspections	N/A	N/A	N/A	640
Technician recruiting: community hiring events	N/A	N/A	N/A	25
Technician vacancies	N/A	11%	19%	15%
Training: automotive high school interns	4	10	8	10

**FISCAL YEAR 2024 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:**

Minimize the cost of fleet maintenance. Maximize the availability of fleet vehicles. Maximize fleet reliability. Maintain vehicles in a safe state of repair. Motivate contractor action. Minimize budget encumbrances.

**Mayor's Priority:** Services & Infrastructure

(\$ in thousands)

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	7,339	0	8,098	0	8,700

**Staffing:**

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	2.1	0.2	3.0	0.3	5.0	0.1

**Performance Measure:**

Performance	FY2022 Actual	FY2023 Target	FY2023 Estimate	FY2024 Target
Invoices processed: early pay discounts	N/A	N/A	N/A	90%
Percentage of City vehicles at external vendor repair facility over 12 months	N/A	N/A	N/A	5%
Requisition to PO processing time days	N/A	N/A	N/A	10

**FISCAL YEAR 2024 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:**

Supply and distribute parts managed to minimize costs and maximize vehicle reliability. Contracted services secured and administered to provide best value for City.

**Mayor's Priority:** Services & Infrastructure

(\$ in thousands)

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	3,353	0	4,113	0	4,228

**Staffing:**

Fund	FY2022 Actual		FY2023 Estimate		FY2024 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	45.9	4.3	44.1	5.5	44.1	5.5

**Performance Measure:**

Performance	FY2022 Actual	FY2023 Target	FY2023 Estimate	FY2024 Target
Inventory accuracy	93%	93%	92%	93%
Inventory adjustments	N/A	N/A	N/A	1%
Inventory value (\$ millions)	\$7	\$7.9	\$7.9	\$7.9
Invoices processed: early payment discounts	N/A	N/A	N/A	90%
Part availability: 'A' Classification Parts	N/A	N/A	N/A	85%

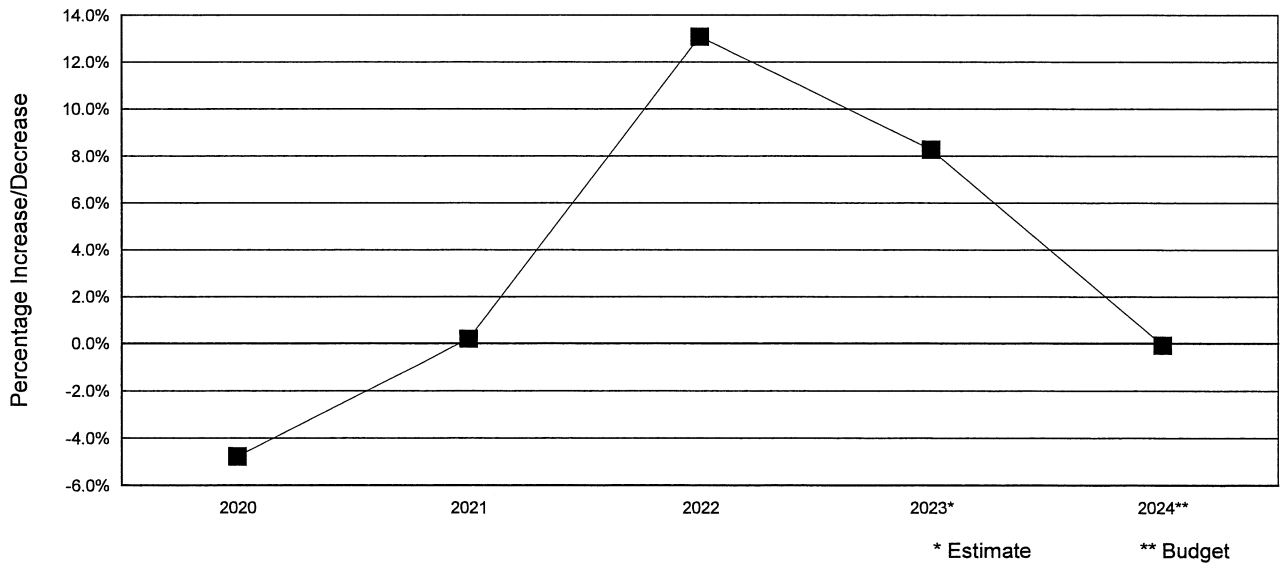
**FISCAL YEAR 2024 BUDGET**

**Business Area Budget Summary**

**Fund Name** : Fleet Management Fund  
**Business Area** : Fleet Management Department  
**Fund No. /Bus. Area No.** : 1005 / 6700

		FY2022 Actual	FY2023 Current Budget	FY2023 Estimate	FY2024 Budget
Expenditures	Personnel Services	32,234,066	34,443,789	34,443,789	37,821,038
	Supplies	49,404,679	53,759,583	53,759,583	49,429,998
	Other Services and Charges	12,948,427	14,237,546	14,237,546	15,065,760
	Equipment	33,875	6,301	6,301	58,000
	Non-Capital Equipment	(75)	0	0	0
	Total M & O Expenditures	94,620,972	102,447,219	102,447,219	102,374,796
	Debt Service & Other Uses	0	0	0	0
Total Expenditure	94,620,972	102,447,219	102,447,219	102,374,796	
Revenues		94,620,972	102,447,219	102,447,219	102,374,796
Staffing	Full-Time Equivalents - Civilian	340.6	356.0	356.0	378.1
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	340.6	356.0	356.0	378.1
	Full-Time Equivalents - Overtime	32.4	40.7	40.7	38.0
Significant Budget Changes and Highlights	o The FY2024 Budget includes funding for health benefits, pension contribution, and municipal employees contractual pay increases.				
	o The FY2024 Budget provides continued fleet management support to departments citywide.				
	o The FY2024 Budget includes a continuation of a pilot internship program for High School students.				
	o The FY2024 Budget includes funding for the Human Capital Management program overseeing recruitment and retention.				

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



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**FISCAL YEAR 2024 BUDGET**

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**Business Area Revenues Summary**

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**Business Area : Fleet Management Department**

**Business Area No. : 6700**

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<b>Category</b>	<b>FY2022 Actual</b>	<b>FY2023 Current Budget</b>	<b>FY2023 Estimate</b>	<b>FY2024 Budget</b>
Charges for Services	24	0	0	0
Direct Interfund Services	93,804,819	102,003,400	102,044,860	101,970,307
Miscellaneous/Other	816,129	443,819	402,359	404,489
<b>Grand Total</b>	<b>94,620,972</b>	<b>102,447,219</b>	<b>102,447,219</b>	<b>102,374,796</b>