



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: SEPTEMBER 19, 2017

DEPARTMENT: PUBLIC WORKS

FROM: LARRY ODA, MAINTENANCE SUPERINTENDENT

TITLE: FLEET MANAGEMENT SOFTWARE ACQUISITION

RECOMMENDED MOTION:

A motion to approve a Resolution to approve the purchase of Asset Works Fleet Management Information System Software for \$99,508.00.

RECOMMENDATION:

Staff recommends Council to approve the recommended Resolution to purchase the Fleet Management Information Software for \$99,508.00.

EXECUTIVE SUMMARY:

In Fiscal Year 2015-16, Mercury Associates, Inc. was retained to study the vehicle maintenance practices within the City and to determine if a consolidation effort could yield positive budgetary results. The study found that the disparate fleet programs in the various departments would benefit from a centralized and consistent vehicle maintenance management program, and a data driven decision-making process.

Following that assessment, Mercury assisted the City to identify a suitable vehicle maintenance management information system software program by reviewing the needs of the City and developing a Request for Proposals and distributed it to three software companies. Of the two companies that responded to the request, and after a comprehensive comparison of price and utility, the preferred choice was determined to be Asset Works Fleet Focus FA.

BACKGROUND:

In 2015, Maintenance Services was tasked with determining the feasibility and process for consolidating the management of the City's diverse fleets. The duplication of maintenance effort by Public Works, Police, and Fire looked to benefit from the economies of scale savings provided by a centralized fleet management system. The City owns a diverse fleet with around 500 pieces of rolling stock and 300 miscellaneous pieces such as trailers and small landscape equipment. The City spent around \$2.3 million last year to maintain and fuel the fleet.

Four departments currently are involved with fleet operations. Purchasing keeps a master asset list and coordinates replacement activities. Public Works operates the City's main garage and provides some fleet services to the other departments. The Fire Department handles its own fleet maintenance inside Fire Station #1, through vendors and rarely uses Public Works for routine services other than emissions inspections and testing. The Police Department uses a combination of Public Works and outside vendors for their repair and maintenance effort.

In the current system, there are no clear lines of responsibility between departments, a lack of readily available cost and operational data, and no clear strategy to optimize fleet performance.

The City's current decentralized approach is not optimal and is unusual for an organization of our size. Silos of independent fleet operations are inherently inefficient because they produce obvious duplication of effort and fail to capture economies of scale. Centralizing fleet operations in the City would certainly lower costs and produce improved service levels as consistent management practices are applied across departments.

All fleet management and maintenance functions are proposed to be centralized within Public Works. The City must make investments in its fleet program to insure success. In lieu of Public Works hiring new positions to implement this new protocol, staff proposes that Mercury Associates fulfill these duties on a temporary basis to assist the City with data transfer, fleet policy development, systems integration, and software implementation (see the September 19, 2017 staff report for the proposed agreement with Mercury for fleet management services).

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

STRATEGIC PLAN INITIATIVE:

This initiative aligns with City Council Strategic Plan IV – “Well Planned City and Excellent Infrastructure; . . . infrastructure systems that are well planned and maintained.” The acquisition of a fleet management information system is an effective tool to safely and efficiently manage the assets and infrastructure with which we have been entrusted.

FISCAL AND SUSTAINABILITY IMPACT:

The cost for the Fleet Management Information Software is \$99,508.00. Sufficient funds are allocated in Fleet Consolidation Capital Improvement Project 9226 to acquire the Asset Works Fleet Management Information software and to contract with Mercury Associates for integration and implementation assistance. The primary source of funding for CIP 9226 is Measure G.

ATTACHMENTS:

- a. Resolution
- b. Asset Works Software and Services Proposal