

**OFFICE OF FLEET MANAGEMENT
FISCAL YEAR 2022 BUDGET TESTIMONY
MAY 10, 2021**

INTRODUCTION

Good Afternoon, President Clarke and Members of City Council. I am Joseph Rosati, Acting Fleet Manager for the City of Philadelphia. Joining me today is Dr. K Wilson, Deputy Fleet Manager for Administration. I am pleased to provide testimony on the Office of Fleet Management's Fiscal Year 2022 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission: The Office of Fleet Management (OFM) ensures that City vehicles and other automotive equipment are available, dependable, and safe to operate so that City departments and agencies can deliver services. OFM is responsible for the acquisition, repair, maintenance, and disposal of all City-owned vehicles and equipment. OFM also fuels City vehicles, as well as vehicles for quasi-city agencies (including the School District of Philadelphia), through its department-operated fuel stations. OFM maintains an active fleet of approximately 6,800 vehicles, including over 700 pieces of specialized equipment. From fire trucks to riding mowers, OFM makes sure City employees have the vehicles they need to do their jobs. OFM's efforts help City services operate efficiently and drive the City forward.

Plans for Fiscal Year 2022:

High School Internship / Apprenticeship Program: In FY22, OFM plans to continue its high school internship and automotive apprentice programs. Over the next five years, OFM will enroll 30 students and continue the automotive training program. Upon the successful completion of the 2-year training program, these students will be hired as Automotive Apprentice which is a permanent civil service position. After two years of successful training under automotive apprentice program, these candidates will become eligible for promotion to Automotive Technicians Positions. This program will help to reduce the racial disparity among the automotive technical staff. OFM encourages and focuses on hiring minority students to the internship program. Historically 88% of the interns were hired from minority groups, which enabled OFM to reduce the racial disparity among automotive technical staff.

Vehicle Availability: OFM will continue prioritizing vehicle availability of core mission vehicles which includes Radio Patrol Cars, Fire Medic Units, Fire Tiller Ladder and Street Compactors. This strategy will be attained by maintaining scheduled preventive maintenance inspections and reducing unscheduled or breakdown repairs. OFM's work order system (M5) will enable us to track and monitor scheduled and unscheduled repairs. This strategy will enhance vehicle safety and increase vehicle availability for the operating departments.

Optimal Vehicle Replacement Strategy: OFM will continue to pursue its Optimal Vehicle Replacement Strategy, which mainly focuses on replacing critical public health and safety vehicles, including vehicles

and equipment belonging to the City of Philadelphia Police, Fire, and Street Departments. This strategy will enable OFM to replace aged and inefficient vehicle and equipment with more fuel-efficient and technologically advanced vehicles. This strategy will be attained through the dedicated operating and capital vehicle acquisition funding. This initiative will enable OFM to continually provide safe and reliable vehicle and equipment to the operating departments to service the citizens of Philadelphia.

Alternative Fuel Initiatives: OFM will continue to support City's Environmental Initiative by purchasing Plug-In Electric Vehicles (PEV), Hybrid Electric Vehicles (HEV) and Compressed Natural Gas Vehicles (CNG) wherever applicable. In calendar year 2021 OFM will be taking delivery of 35 Ford Interceptor Hybrid Police SUVs and in FY22, OFM plan to purchase 100 HEV police patrol vehicles to replace older conventional gasoline powered patrol cars. In the future, OFM expects to purchase only Hybrid vehicles for use in the Police Patrol fleet of 750 vehicles.

BUDGET SUMMARY & OTHER BUDGET DRIVERS

Please refer to attached FY22 Budget Hearing Summary Charts in section 1: Staff Demographics Summary, section 2: Employment Levels, section 3: Financial Summary by Class, section 6: Participation Rate and Goal.

Proposed Budget Overview

Proposed Funding Request:

The proposed Fiscal Year 2022 General Fund budget totals \$54,089,028, a decrease of \$2,512,435 over Fiscal Year 2021 estimated obligation levels. This overall decrease primarily is due to the reduction of vehicle parts purchase funding, decrease in vehicle acquisition funding, decrease due to legal personnel payroll adjustment and payroll cost increases due to the addition of three Automotive Technician positions to support the Streets Department's Mechanical Street Sweeping operations.

The proposed budget includes:

- \$18,695,138 in Class 100, a decrease of \$378,317 over FY21. This funding decrease is due to legal personnel payroll adjustment, restoration of exempt employee salary reduction and for the salary of 3 additional Automotive Technicians positions to support the Street Department's street cleaning program.
- \$5,401,396 in Class 200, an increase of \$48,000 over FY21. This additional funding is due to the increase in garage parking expenditure.
- \$20,325,142 in Class 300, a decrease of \$1,692,231 over FY21 due to the reduction of vehicle parts expenditure budget.
- \$9,667,352 in Class 400, a decrease of \$489,887 from FY21 due to the reduction of vehicle acquisition funding.

STAFFING LEVELS




The department is requesting 399 budgeted positions (All Funds) for FY22, an increase of 3 positions over FY21. This increase is attributed to 3 Automotive Technician positions to support the Streets Department's Mechanical Street Sweeping operations.

NEW HIRES

Please refer to attached FY22 Budget Hearing Summary Charts in section 8: New Hires Information.

PERFORMANCE, CHALLENGES, AND INITIATIVES




Fleet Administrative Services

Measure	 FY20 ACTUAL	 FY21 TARGET	 FY22 TARGET
Number of High School Interns	6	6	9
Number of Automotive Apprentices	13	10	8
Fuel Sites Improvements	2	2	2
Hybrid, Hybrid Electric Vehicle Additions	130	22	100
CNG Vehicle Additions	5	11	3
Employee turnover ratio	5.5%	5.0%	5.0%

Program FY22 Strategic Goals

- Continue OFM’s High School Student’s Internship Program and Automotive Apprentice Programs.
- Continue OFM’s Environmental Initiatives by purchasing hybrid, hybrid electric and CNG Vehicles.
- Continue Fuel Sites Upgrades and Fuel Tank Replacement Projects through capital projects.

Fleet Maintenance Services




Measure	 FY20 ACTUAL	 FY21 TARGET	 FY22 TARGET
Fleet availability - citywide	92.5%	90.0%	90.0%
Percent of SLA met for medic units	132.6%	100.0%	100.0%
Percent of SLA met for trash compactors	108.5%	100.0%	100.0%
Percent of SLA met for radio patrol cars	101.6%	100.0%	100.0%

Fleet availability - police radio patrol cars	91.8%	90.0%	90.0%
Percent of maintenance performed that is scheduled	76.6%	70.0%	70.0%
Percent of maintenance performed that is unscheduled	23.4%	30.0%	30.0%

Program FY22 Strategic Goals

- Maintain vehicle availability Service Level Agreements for the City’s core mission vehicles.
- Continue to focus on implementing and adhering to Scheduled Vehicle Maintenance.

Vehicle Acquisition and Disposal

Measure	 FY20 ACTUAL	 FY21 TARGET	 FY22 TARGET
Median age of vehicle: General Fund	4.0	4.0	4.0
Median age of vehicle: Water Fund	3.6	4.0	4.0
Median age of vehicle: Aviation Fund	4.0	4.0	4.0
Median age of vehicle: Citywide (years)	4.0	4.0	4.0
Median age of vehicle: Trash Compactors (years)	4.3	4.0	4.0
Median age of vehicle: Medic Units (years)	2.8	3.5	3.5
Median age of vehicle: Police Radio Patrol Cars (years)	3.1	2.5	2.5
Median age of vehicle: Fire Apparatus (years)	8.4	7.5	7.5
Number of Police Radio Patrol cars replaced / purchased	180	120	150
Number of medic units replaced / purchased	18	13	15
Number of trash compactors replaced / purchased	15	39	30

Program FY22 Strategic Goals

- Continue to replace Public Health and Safety vehicles as per the Optimal Vehicle Replacement Strategy.

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

Not Applicable.

CONTRACTING EXPERIENCE

Please refer to attached FY22 Budget Hearing Summary Charts in section 4: Contracts Summary.

OFM has only one large professional services contract to report for FY21. This contract does not have any minority, woman, and disabled-owned business (M/W/DSBE) participation. The department is committed to supporting the Administration's goal for M/W/DSBE participation in City contracting. Many of our contracts are technical due to the specificity of our requirements and specifications, particularly around the purchases of heavy equipment, vehicles, and other related parts and equipment. There are limited M/W/DSBE vendors for such contracts. We continue to review our contracts and always look for more opportunities as they arise.

EMPLOYEE DATA

Please refer to attached FY22 Budget Hearing Summary Charts in section 7: Staff Demographics.

LANGUAGE ACCESS

- 1. Provide the name of your language access coordinator, the date of your last department training, and a link to the posting of your language access plan.**

Marcia L. Miller, Human Resources Business Partner, is Fleet's language access coordinator. OFM's Executive staff and first-level managers received Language Access Training in 2018. Since OFM does not provide service directly to the public, OFM is covered by a master Language Access Plan created by the Managing Director's Office (MDO).

<https://www.phila.gov/media/20190313175227/MDO-LAP.pdf>

- 2. Breakdown new hires and existing staff by race and language. Breakdown how many front-line personnel are trained to provide language access services.**

Please refer to FY22 Budget Hearing Summary Charts section 8: New Hire Information/Language Access.

- 3. How many requests for language access services did your department receive in the past year? How many language access services were delivered by staff? Breakdown language access services provided, by language, including but not limited to the language line, translation of public notices and documents, website language services, and advertisement/publication services.**

None

- 4. Explain what your department has done to improve language access services over the past year.**

The Office of Fleet Management (OFM) does not provide service directly to the public. The Office of Fleet Management is covered by a master Language Access Plan created by the MDO. If OFM needs any language access service(s), OFM uses MDO's Language Access Plan and reaches out to the MDO coordinator, per the plan.

CLIMATE CHANGE

1. How has climate change affected your department's provision of services?

Warmer summer has placed a strain on vehicles, particularly vehicle cooling systems and air conditioning systems.

2. How might worsening climate change increase costs and demands for your department?

More severe winters will increase the need for support operations for cold, ice and snow events. Warmer summer will increase the need for vehicle air conditioning and cooling system service.

3. How does your department intend to mitigate and adapt to climate change?

Mitigation measures include purchasing alternatively fueled and hybrid vehicle that produce less emissions. Fleet is currently working with the Office of Sustainability on a municipal clean fleet plan to prioritize the purchasing of electric vehicles and plan for charging infrastructure.

FY22 Budget Hearing Summary Charts - Office of Fleet Management

1. Staff Demographics Summary

Staff Demographics Summary (as of December 2020)				
	Total	Minority	White	Female
Number of Full-Time Staff	349	189	160	25
Number of Exempt Staff	6	2	4	1
Number of Executive Staff (deputy level and above)	3	1	2	0
Average Salary, Full-Time Staff	\$56,497	\$53,300	\$60,274	\$56,756
Average Salary, Exempt Staff	\$111,680	\$106,997	\$114,021	\$95,893
Average Salary, Executive Staff	\$121,135	\$118,100	\$122,653	\$0
Median Salary, Full-Time Staff	\$54,928	\$53,928	\$57,596	\$48,890
Median Salary, Exempt Staff	\$111,745	\$106,997	\$111,745	\$95,893
Median Salary, Executive Staff	\$118,100	\$118,100	\$122,653	\$0

2. Employment Levels

Employment Levels (as of December 2020)		
	Budgeted	Filled
Number of Full-Time Positions	396	349
Number of Part-Time Positions	0	0
Number of Exempt Positions	7	6
Number of Executive Positions (deputy level and above)	3	3
Average Salary of All Full-Time Positions	\$55,500	\$56,497
Median Salary of All Full-Time Positions	\$54,728	\$54,928

3. Financial Summary by Class

Some departments may also want to provide financial summary tables for other funds, such as the Grants Fund. Departments should delete any budget lines that have \$0 in every year (i.e. if a department has no Class 500 appropriations, actuals, or proposed appropriations, the Class 500 row should be deleted).

General Fund Financial Summary by Class						
	FY20 Original Appropriations	FY20 Actual Obligations	FY21 Original Appropriations	FY21 Estimated Obligations	FY22 Proposed Appropriations	Difference: FY22-FY21
Class 100 - Employee Compensation	\$19,416,871	\$18,563,332	\$19,073,455	\$19,073,455	\$18,695,138	(\$378,317)
Class 200 - Purchase of Services	\$5,305,396	\$5,379,360	\$5,353,396	\$5,353,396	\$5,401,396	\$48,000
Class 300/400 - Materials, Supplies & Equipment	\$42,678,316	\$40,405,686	\$32,174,612	\$32,174,612	\$29,992,494	(\$2,182,118)
Class 500 - Contributions	\$0	\$500	\$0	\$0	\$0	\$0
	\$67,400,583	\$64,348,878	\$56,601,463	\$56,601,463	\$54,089,028	(\$2,512,435)

FY22 Budget Hearing Summary Charts - Office of Fleet Management

4. Contracts Summary

This table focuses on large professional services contracts with for-profit vendors.

"Large" is defined as meaning that an RFP was required.

Departments should focus on contracts that have been conformed to date.

Any departments that have large contracts with non-profit providers are encouraged to provide board makeup information in the optional "Non-Profit Vendor Demographics" table below.

M/W/DSBE Participation on Large Professional Services Contracts

Top Five Largest Contracts, FY21

Vendor Name	Service Provided	Dollar Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DSBE Participation Achieved	\$ Value of M/W/DSBE Participation	Total % Participation - All DSBES	Total \$ Value Participation - All DSBES	Local Business (principal place of business located within City limits) [yes / no]	Waiver for Living Wage Compliance ? [yes / no]
Cascor Incorporated	Warranty Administration	\$75,000	5/31/2020	7/1/2020	MBE:	0%	\$0	0%	\$0	No	No
					WBE:	0%	\$0				
					DSBE:	0%	\$0				

Non-Profit Vendor Demographics: N/A

5. Performance Measures Table

Please refer to the FY22 Budget Testimony narrative for Performance Measure data.

6. Participation Rate and Goal

The Contract Participation Goal table is for **all** contracts (Public Works, SS&E, and Professional Services, combined).

Contracts Summary (Professional Services only)

	FY18	FY19	FY20	FY21	FY22	FY21 YTD (Q1 & Q2)
Total amount of contracts	\$80,000	\$50,000	\$75,000	\$75,000	\$50,000	\$50,000
Total amount to M/W/DSBE	\$0	\$0	\$0	\$0	\$0	\$0
Participation Rate	0%	0%	0%	0%	0%	0%

Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies & Equipment; and Professional Services combined)

	FY20	FY21	FY22
M/W/DSBE Contract Participation Goal	5%	3%	5%

FY22 Budget Hearing Summary Charts - Office of Fleet Management

7. Staff Demographics

Biracial employees should be included under "Other."

Staff Demographics (as of December 2020)					
Full-Time Staff			Executive Staff		
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	115	20	<i>Total</i>	0	0
<i>% of Total</i>	33%	6%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$53,067	\$55,279	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$54,128	\$48,990	<i>Median Salary</i>	\$0	\$0
	White	White		White	White
<i>Total</i>	156	4	<i>Total</i>	2	0
<i>% of Total</i>	45%	1%	<i>% of Total</i>	67%	0%
<i>Average Salary</i>	\$57,596	\$66,831	<i>Average Salary</i>	\$122,653	\$0
<i>Median Salary</i>	\$60,106	\$64,424	<i>Median Salary</i>	\$122,653	\$0
	Hispanic	Hispanic		Hispanic	Hispanic
<i>Total</i>	28	1	<i>Total</i>	0	0
<i>% of Total</i>	8%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$50,984	\$46,001	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$53,616	\$46,001	<i>Median Salary</i>	\$0	\$0
	Asian	Asian		Asian	Asian
<i>Total</i>	18	0	<i>Total</i>	1	0
<i>% of Total</i>	5%	0%	<i>% of Total</i>	33%	0%
<i>Average Salary</i>	\$56,602	\$0	<i>Average Salary</i>	\$118,100	\$0
<i>Median Salary</i>	\$54,028	\$0	<i>Median Salary</i>	\$118,100	\$0
	Other	Other		Other	Other
<i>Total</i>	7	0	<i>Total</i>	0	0
<i>% of Total</i>	2%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$53,287	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$54,728	\$0	<i>Median Salary</i>	\$0	\$0
	Bilingual	Bilingual		Bilingual	Bilingual
<i>Total</i>	27	1	<i>Total</i>	1	
<i>% of Total</i>	8%	0%	<i>% of Total</i>	33%	0%
<i>Average Salary</i>	\$53,948	\$46,001	<i>Average Salary</i>	\$118,100	\$0
<i>Median Salary</i>	\$53,928	\$46,001	<i>Median Salary</i>	\$118,100	\$0
	Male	Female		Male	Female
<i>Total</i>	324	25	<i>Total</i>	3	0
<i>% of Total</i>	93%	7%	<i>% of Total</i>	100%	0%
<i>Average Salary</i>	\$56,477	\$56,756	<i>Average Salary</i>	\$121,135	\$0
<i>Median Salary</i>	\$55,374	\$48,890	<i>Median Salary</i>	\$118,100	\$0

Detail for non-binary employees, if applicable: None

FY22 Budget Hearing Summary Charts - Office of Fleet Management

8. New Hire Information/Language Access

Date range is 7/1/20 to December 2020 increment run. Detail for any hires since then can be added in the text box below the table.

New Hires (from 7/1/2020 to December 2020): N/A

Detail for new hires since December 2020, if applicable: Since 01/01/21, OFM hired 4 employees. Out of 4 employees 1 (25%) is Hispanic or Latino, 1 (25%) is Asian and 2 employees (50%) are Caucasian. Out of the 4 new hire, 2 (50%) employee are bilingual (Spanish & Vietnamese)

All Staff					
	English	Twi	Malayalam, Cambodian, Chines, Gujarati, Hindi, Vietnamese	Spanish	Albanian, Greek, Italian, French, Russian
Black or African American	135	1			
Asian	18		11		
Hispanic or Latino	29			9	
White	160				7
Other	7				
Total	349	1	11	9	7

Frontline Staff		
	English	Malayalam
Black or African American	2	
Asian	1	1
Hispanic or Latino	0	
White	6	
Other	0	
Total	9	1