



FY22 Operating Budget: Committee Consent Calendar

T&E Committee #2a

April 15, 2021

Department/Office: Fleet Management Services (Department of General Services)

Staff: Naeem M. Mia, Legislative Analyst

1. Staff Recommendation

Council staff recommends approval of the FY22 Fleet Management Services Budget as submitted by the County Executive.

2. Summary of FY22 Recommended Budget

The County Executive's complete FY22 Recommended Operating Budget for Fleet is attached at ©1-8.

Fleet Management Services	FY21 Approved	FY22 CE Recommended	Change from FY21 Approved
Internal Service Fund (Motor Pool)	\$87,921,419	\$83,590,037	-4.9%
Personnel Costs	\$24,233,823 211.10 FTEs	\$24,982,787 211.10 FTEs	3.1% 0.0 FTEs
Operating Costs	\$63,687,596	\$58,607,250	-7.9%
Total Expenditures (All Funds)	\$87,921,419 211.10 FTEs	\$83,590,037 211.10 FTEs	-4.9% 0.0%

3. Summary of FY22 Recommended Changes/Adjustments

Internal Service Fund (Motor Pool) - With Service Impact

- A net increase of \$ 168,000 for the purchase of two (2) portable solar vehicle chargers for the light-duty/administrative vehicles.
 - The chargers will provide electric vehicle (EV) charging capability in areas of the County where the installation of a fixed EV charger is difficult or cost-prohibitive; the portable chargers can also function as a temporary emergency generator in the case of power outages. The County currently has approximately 40 EVs and is planning to purchase ten (10) additional EVs in the coming year.
- A reduction of \$168,538 to reflect the lapsing of four (4) vacant technician positions for six months to reflect delays in the full implementation of the Route 29 FLASH transit service in FY22.

- A reduction of \$454,255 of operating expenses (maintenance and parts) to reflect delays in the full implementation of the Route 29 FLASH transit service in FY22.

Internal Service Fund (Motor Pool) - No Service Impact

- An increase of \$ 772,486 for FY21 and FY22 compensation and benefit adjustments.
- An increase of 204,108 for merit awards as stipulated in the MCGEO contract.
- A reduction of \$4,648,800 for one-time items funded in the FY21 approved budget, including parts, equipment, and components for transit buses, including hybrid and electric buses, replacement of aging vehicle lifts in all shops, and purchase of tools and equipment at the Brookeville facility.

This report contains:

1. County Executive's Recommended FY22 Operating Budget Publication –
Fleet Management Services

©1-8



Fleet Management Services

RECOMMENDED FY22 BUDGET

\$83,590,037

FULL TIME EQUIVALENTS

211.10

 DAVID DISE, DIRECTOR

MISSION STATEMENT




The mission of the Department of General Services Division of Fleet Management Services (DFMS) is to plan for, acquire, maintain, fuel, and dispose of the County's fleet of motor vehicles, buses, heavy equipment, and other vehicular equipment in support of the transportation and service delivery needs of all County departments. The Division maintains its four shop locations and thirteen fuel sites, and operates out of six depots Countywide.

BUDGET OVERVIEW


The total recommended FY22 Operating Budget for the Division of Fleet Management Services is \$83,590,037, a decrease of \$4,331,382 or 4.93 percent from the FY21 Approved Budget of \$87,921,419. Personnel Costs comprise 29.89 percent of the budget for 207 full-time position(s) and no part-time position(s), and a total of 211.10 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 70.11 percent of the FY22 budget.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

-  **A Greener County**
-  **Easier Commutes**
-  **Effective, Sustainable Government**

INITIATIVES

-  Construct the Brookville Depot P3 Electrification Grid, a large solar array system to be built over the existing parking lot at the Brookville Bus Depot. The array will collect sunlight during the day and transfer the energy collected into batteries for future use. The electric buses will be charged using the collected energy stored in the batteries. Additional energy, not needed for the buses, potentially will be sold back to the power company at a predetermined price. If needed, additional power can be purchased from the power company during peak times. This microgrid technology will be part of the County's sustainability plan.

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- ★ Initiate a pilot program to evaluate the use of battery-electric vehicles in the County fleet. The Division of Fleet Management Services is purchasing six (6) Mustang Mach E electric vehicles to explore utilization in Police patrol and Ride On incident response applications.
 - ★ Accelerate the transition to a zero emissions fleet by piloting an alternative approach to electric vehicle charging infrastructure. The Division of Fleet Management Services is purchasing two portable solar-powered electric vehicle charging stations with battery storage. An off-grid, construction-free power solution that fits in a parking space, the system can be configured for any type of electric vehicle to provide sufficient electricity to drive approximately 245 miles per day. In the event of an emergency, the solar chargers can be used to provide emergency power.

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ★ The Division of Fleet Management Services (DFMS) has developed a technical specification for the County's electric bus program and is developing a Request for Proposals (RFP) to procure ten electric buses as part of a Federal Transit Administration (FTA) Bus and Facilities Grant. Buses will operate out of the Brookville Depot in Silver Spring which will include a solar canopy microgrid that will make the County's electric bus service truly green. The County's first four electric buses went into service in September 2020, with additional electric buses scheduled to be purchased and delivered in FY22.
- ★ To accelerate the transition to zero emissions of the Ride On Bus fleet, The Division of Fleet Management Services executed a Request for Information (RFI) to gauge market interest in and concept development for procuring transit assets as a service, with an emphasis on Public-Private Partnerships (P3) and Vehicle as a Service procurement models. DFMS is in the process of evaluating responses from interested parties with the goal of developing alternative procurement approaches for electric buses.
- ★ The Division of Fleet Management Services is developing a Zero Emission Fleet Plan to reduce emissions and streamline the County's fleet of light-duty vehicles and heavy trucks and equipment. Vehicle allocations will be re-examined to leverage the use of telework and reduce vehicle use while maintaining the current level of service delivery. Where practical, County vehicles will be targeted for either elimination due to low utilization or replacement with zero-emissions models. County fleet users will be encouraged to use mobility alternatives such as pooled vehicles, public transportation, or ride-sharing services.
- ★ The Division of Fleet Management Services developed and proposed a plan to remove the underground fuel storage tanks at the County Council Office Building (COB) and demolish the current fuel station building. This location will then become an electric vehicle charging station lot with multiple chargers.

PROGRAM CONTACTS

Contact Peggy Lynch of the Division of Fleet Management Services at 240.777.5759 or Gary Nalven of the Office of Management and Budget at 240.777.2779 for more information regarding this department's operating budget.

PROGRAM PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY21 estimates reflect funding based on the FY21 Approved Budget. The FY22 and FY23 figures are performance targets based on the FY22 Recommended Budget and funding for comparable service levels in FY23.

PROGRAM DESCRIPTIONS

Administrative Automotive Services

Administrative Automotive Services maintains and repairs the automotive light fleet for all administrative vehicles including automobiles, vans, and light trucks. The maintenance and repair service for the automotive and light truck fleet is provided through contractual services at the Seven Locks maintenance facility. DGS Fleet serves the transportation needs of 30 individual County departments and provides maintenance and repair services to several other agencies and governments in the area including fire departments and local municipalities. Without properly maintained vehicles, County residents would be severely impacted.

Program Performance Measures	Actual FY19	Actual FY20	Estimated FY21	Target FY22	Target FY23
Number of administrative vehicle work orders completed	6,002	6,358	6,485	6,615	6,747
Fleet Maintenance and Operations: Mean distance between failure: Administrative light equipment (in miles)	13,064	15,124	13,345	13,844	14,104
Turnaround Time: Average amount of time equipment is unavailable for operations during each shop visit: Administrative Vehicles (in days)	0.5	0.4	0.6	0.5	0.5

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	3,107,704	2.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(58,163)	(0.50)
FY22 Recommended	3,049,541	1.50

Business Support Services

Business Support Services prepares and monitors the budget, oversees financial management of the Motor Pool (MP) Internal Service Fund, payment processing, solicitations, requisitions, and purchase orders. Fleet prepares MP Fund financial statements for the Comprehensive Annual Financial Report (CAFR) including Balance Sheet, Statement of Revenues, Expenses, Changes in Fund Equity, and Statement of Cash Flow. Fleet's Parts Team provides tools, equipment and parts for the repair and maintenance of the Fleet via an end-to-end process flow including trained supervisors and technicians, stockroom policies and procedures, safety regulations, contracts, and a computerized inventory system that drives receiving, stocking, issuing, forecasting, reporting and accountability. Parts achieved significant improvements in inventory parts handling, implemented material handling upgrades for more efficient parts storage and processing, and implemented automated tool boxes and computerized locker systems to maximize tool availability for repairs.

Program Performance Measures	Actual FY19	Actual FY20	Estimated FY21	Target FY22	Target FY23
Amount spent on parts (in dollars)	\$10,514,997.00	\$9,004,243.09	\$9,184,327.95	\$9,368,014.50	\$9,555,374.79
Fiscal inventory parts turn rate	2.0	1.9	2.0	2.0	2.1
Percent of workorders completed without delay for parts	83%	84%	85%	84%	85%

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	15,273,352	35.00
Decrease Cost: Lease Payment	(62,460)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	82,312	0.00
FY22 Recommended	15,293,204	35.00

☀ Heavy Equipment Services

Heavy Equipment Services (HES) maintains and repairs heavy equipment, including heavy dumps, straight trucks, construction equipment, snow plows, leafers, mowers, backhoes, hydraulic excavators, and other specialized pieces of equipment. HES provides maintenance support for police, fire, and sheriff vehicles, as well as other County vehicles that provide support services to constituents because without properly maintained vehicles, County services to residents would be severely impacted. Fleet is a 24/7 operation that includes maintenance on the County's dump trucks before, during, and after a storm so the trucks that plow the streets have high availability enabling emergency vehicles and resident's safe routes to travel. HES provides direct vehicle maintenance support at the Gaithersburg, Poolesville, Damascus, Bethesda, Colesville, and Silver Spring depots.

Program Performance Measures	Actual FY19	Actual FY20	Estimated FY21	Target FY22	Target FY23
Number of heavy equipment work orders completed	5,011	4,977	5,027	5,077	5,127
Turnaround Time: Average amount of time equipment is unavailable for operations during each shop visit: Heavy Equipment (in days)	1.7	1.9	1.8	1.8	1.8
Fleet Maintenance and Operations: Mean distance between failure: Heavy equipment (in miles)	13,175	14,563	13,839	13,859	14,087
Heavy equipment fleet availability	92.0%	89.3%	90.0%	91.0%	91.0%

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	6,081,522	35.50
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	223,589	2.00
FY22 Recommended	6,305,111	37.50

☀ Operational Management

Operational Management provides policy development and planning; operational, personnel, and management oversight and support for division activities. The focus is to become the benchmarked leader of innovative fleet operations, maintenance excellence, and exceptional teamwork by leveraging technology to maximize operational efficiencies, fleet accountability, and customer service. Performance Metrics illustrate trends, the results of work efforts, and the effects of policies. The Green Fleet strategy combines sound management, Fleet rightsizing, alternative fuel, innovative technology to reduce fuel consumption and acquiring environmentally compliant vehicles, including flex-fuel, hybrid, electric, CNG and clean diesel.

Program Performance Measures	Actual FY19	Actual FY20	Estimated FY21	Target FY22	Target FY23
Number of fleet work orders completed	44,998	45,451	45,450	45,300	45,400
Fleet Maintenance and Operations: Internal customer survey satisfaction rating (scale of 1-4)	3.0	3.5	3.5	3.5	3.5
Clean Air Commitment - Gallons of diesel/unleaded used	5,184,375	4,661,366	4,895,821	4,749,167	4,644,918
Clean Air Commitment - Gallons of alternative fuels used ¹	1,538,449	1,368,497	1,489,758	1,518,626	1,571,586

¹ The measurement for gallons of alternative fuels used is in Gasoline Gallon Equivalents.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	35,163,486	18.10
Increase Cost: Merit Awards per MCGEO Contract	204,108	0.00
Add: Portable Solar Electric Vehicle Charging Stations	168,000	0.00

FY22 Recommended Changes	Expenditures	FTEs
Increase Cost: Holiday Pay	4,485	0.00
Reduce: Adjust Operating Expenditures for Ramp Up of Transit Service	(454,255)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(3,837,402)	(2.00)
FY22 Recommended	31,248,422	16.10

Public Safety Automotive Services

This program is responsible for the maintenance, repair and upfitting of the automotive light fleet for police, fire, sheriff and Public Safety Automotive Services maintains and repairs the automotive light fleet for police, fire, sheriff and corrections vehicles including automobiles, vans and light trucks. The maintenance and repair service for this fleet is provided through contractual services at the Seven Locks maintenance facility. Without properly maintained Public Safety vehicles, protective services to residents, neighborhoods and the community would be severely impacted.

Program Performance Measures	Actual FY19	Actual FY20	Estimated FY21	Target FY22	Target FY23
Number of public safety vehicle work orders completed	18,467	18,695	19,069	19,450	19,839
Fleet Maintenance and Operations: Mean distance between failure: Public Safety light equipment (in miles)	26,600	29,629	27,041	27,757	27,757
Percent of customers satisfied with police vehicle maintenance	97.5%	98.0%	98.0%	98.0%	98.0%
Turnaround Time: Average amount of time equipment is unavailable for operations during each shop visit: Public Safety light equipment (in days)	0.9	1.2	1.5	1.2	1.3
Police vehicle fleet availability	98%	98%	98%	98%	98%

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	6,538,493	2.50
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	60,707	0.50
FY22 Recommended	6,599,200	3.00

Transit Equipment Services

Transit Equipment Services (TES) provides scheduled and non-scheduled maintenance and repair of the Ride-On Bus fleet at three locations; Brookeville Maintenance Facility (BMF), Equipment Maintenance and Transit Operation Center (EMTOC) and Small Transit Shop (STS). TES supports FLASH, the new bus-based rapid transit system with features that improve reliability and capacity, FLEX, the new on demand transit service that helps residents get around in defined Rockville and Glenmont /Wheaton zones, and Electric buses. TES implemented a preventive maintenance contractor-based business model which supplemented operations and increased capacity to meet federally mandated requirements. The Transit technician on-boarding and training program contributed to improved equipment availability and injury reduction.

Program Performance Measures	Actual FY19	Actual FY20	Estimated FY21	Target FY22	Target FY23
Number of transit work orders completed	15,518	15,421	15,470	15,780	16,095
Percent of transit preventive maintenance completed within 6,000 miles of previous PM	97.0%	93.0%	95.0%	97.0%	97.5%
Fleet Maintenance and Operations: Mean distance between failure: Transit equipment (in miles) ¹	13,007	14,701	14,157	13,955	14,271

Program Performance Measures	Actual FY19	Actual FY20	Estimated FY21	Target FY22	Target FY23
Turnaround Time: Average amount of time equipment is unavailable for operations during each shop visit: Transit equipment (in days)	1.5	1.7	1.6	1.6	1.6
Average days out of service per bus for parts	3.32	4.10	3.20	3.50	3.20

¹ The Federal Transit Administration requirement is 12,000 miles.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	21,756,862	118.00
Reduce: Lapse Four Vacant Technician Positions for Six Months Due to Ramp Up of Transit Service	(168,538)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(493,765)	0.00
FY22 Recommended	21,094,559	118.00

BUDGET SUMMARY

	Actual FY20	Budget FY21	Estimate FY21	Recommended FY22	%Chg Bud/Rec
MOTOR POOL INTERNAL SERVICE FUND					
EXPENDITURES					
Salaries and Wages	18,286,900	18,564,767	19,306,383	19,439,901	4.7 %
Employee Benefits	5,566,213	5,669,056	5,535,237	5,542,886	-2.2 %
Motor Pool Internal Service Fund Personnel Costs	23,853,113	24,233,823	24,841,620	24,982,787	3.1 %
Operating Expenses	42,487,108	53,043,933	48,169,571	47,858,047	-9.8 %
Capital Outlay	6,557,376	10,581,203	10,581,203	10,749,203	1.6 %
Debt Service Other	0	62,460	0	0	-100.0 %
Motor Pool Internal Service Fund Expenditures	72,897,597	87,921,419	83,592,394	83,590,037	-4.9 %
PERSONNEL					
Full-Time	208	208	208	207	-0.5 %
Part-Time	0	0	0	0	—
FTEs	211.10	211.10	211.10	211.10	—
REVENUES					
Insurance Recoveries	1,841,798	1,786,236	1,786,236	1,788,108	0.1 %
Investment Income	402,010	210,410	23,450	6,770	-96.8 %
Miscellaneous Revenues	808,928	203,000	239,280	203,000	—
Motor Pool Charges/Fees	74,405,967	84,298,240	73,974,736	80,141,176	-4.9 %
Other Charges/Fees	0	0	86,282	69,000	—
Other Intergovernmental	45,000	0	0	0	—
Motor Pool Internal Service Fund Revenues	77,503,703	86,497,886	76,109,984	82,208,054	-5.0 %

FY22 RECOMMENDED CHANGES

	Expenditures	FTEs
MOTOR POOL INTERNAL SERVICE FUND		

FY22 RECOMMENDED CHANGES

	Expenditures	FTEs
FY21 ORIGINAL APPROPRIATION	87,921,419	211.10
Changes (with service impacts)		
Add: Portable Solar Electric Vehicle Charging Stations [Operational Management]	168,000	0.00
Reduce: Lapse Four Vacant Technician Positions for Six Months Due to Ramp Up of Transit Service [Transit Equipment Services]	(168,538)	0.00
Reduce: Adjust Operating Expenditures for Ramp Up of Transit Service [Operational Management]	(454,255)	0.00
Other Adjustments (with no service impacts)		
Increase Cost: FY21 Compensation Adjustment	507,922	0.00
Increase Cost: FY22 Compensation Adjustment	264,564	0.00
Increase Cost: Merit Awards per MCGEO Contract [Operational Management]	204,108	0.00
Increase Cost: Holiday Pay [Operational Management]	4,485	0.00
Decrease Cost: Print and Mail Adjustment	(142)	0.00
Decrease Cost: Annualization of FY21 Personnel Costs	(17,729)	0.00
Decrease Cost: OPEB Adjustment	(33,530)	0.00
Decrease Cost: Retirement Adjustment	(45,848)	0.00
Decrease Cost: Motor Pool Adjustment	(49,159)	0.00
Decrease Cost: Lease Payment [Business Support Services]	(62,460)	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY21	(4,648,800)	0.00
FY22 RECOMMENDED	83,590,037	211.10

PROGRAM SUMMARY

Program Name	FY21 APPR Expenditures	FY21 APPR FTEs	FY22 REC Expenditures	FY22 REC FTEs
Administrative Automotive Services	3,107,704	2.00	3,049,541	1.50
Business Support Services	15,273,352	35.00	15,293,204	35.00
Heavy Equipment Services	6,081,522	35.50	6,305,111	37.50
Operational Management	35,163,486	18.10	31,248,422	16.10
Public Safety Automotive Services	6,538,493	2.50	6,599,200	3.00
Transit Equipment Services	21,756,862	118.00	21,094,559	118.00
Total	87,921,419	211.10	83,590,037	211.10

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY22	FY23	FY24	FY25	FY26	FY27
MOTOR POOL INTERNAL SERVICE FUND						
EXPENDITURES						

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY22	FY23	FY24	FY25	FY26	FY27
FY22 Recommended	83,590	83,590	83,590	83,590	83,590	83,590
No inflation or compensation change is included in outyear projections.						
Elimination of One-Time Items Recommended in FY22	0	(168)	(168)	(168)	(168)	(168)
Funding to purchase solar electric vehicle chargers in FY22 will be eliminated from the base in the outyears.						
Restoration of Costs to Pre-COVID-19 Levels	0	623	623	623	623	623
Restoration of costs that were eliminated in the operating budget development year to return to pre-COVID-19 service delivery levels.						
Retiree Health Insurance Pre-funding	0	(78)	(155)	(238)	(255)	(255)
Shop Lift Replacements	0	(827)	(827)	(827)	(827)	(827)
Replacement of lifts in all shops is funded across FY21 and FY22.						
Labor Contracts	0	445	445	445	445	445
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	83,590	83,584	83,507	83,424	83,407	83,407