

## Report on Department Fleet/Mileage

Department: Energy and Environment

Secretary: Becky W. Keogh

The purpose of this report is to prompt an analysis of fleet management and mileage reimbursement within each Department and assist in the formulation of a report to the Governor on how to achieve greater efficiency and cost savings in this area. **The report template includes sections for three projects for your convenience. This number is not a goal or target. You may add or delete boxes for as many projects as you submit.**

### ACTION PLAN FOR PROJECT 1:

#### 1. Project Title: GPS (Efficient, Effective)

##### 1.1 Brief description of project, goal, and action plan.

*Background:* OGC field inspection vehicles are outfitted with Global Positioning System (GPS) capabilities and utilize TrackStar software. The ability to geolocate vehicles provides a layer of safety for traveling personnel and could potentially provide real-time information such as emergency alert notifications. GPS tracking also provides the data needed to analyze and determine efficient routing and use of each vehicle. The expansion of GPS tracking to all E&E vehicles will provide vitally important safety and security measures for people and property.

*Project:* Conduct a comprehensive evaluation of options for vehicle geolocation and notification telematics including scalable solutions based on vehicle type and usage.

*Goal:* Enhance safety measures for E&E employees, improve the security of state assets, and optimize the functionality of the Department's fleet through the addition of technology with geolocation and notification capabilities.

*Action Plan:* Research GPS telematics for E&E fleet to increase the efficient use of resources and improve effective management of the fleet. Scalable solutions should be considered based on the frequency and type of vehicle usage (pool cars, inspector vehicles, etc.). Evaluation will determine the level of GPS technology best suited for each vehicle type.

##### 1.2 Identify any additional resources required for the implementation and success of this plan.

Additional resources will be identified through the implementation of this project.

##### 1.3 Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs?

Yes, additional costs will be associated with any option determined essential for the best management of the E&E fleet.

OGC purchased GPS tracking software from TrackStar for approximately \$3,000.00 and pays \$180.00 per vehicle per year to retain a maintenance contract with TrackStar. GPS tracking equipment was purchased through a different vendor and costs were approximately \$800.00 per vehicle; however, the hardware purchased for OGC fleet also provides in-

vehicle Wi-Fi as an additional feature.

The expansion of OGC's contract with TrackStar to all E&E vehicles would result in additional upfront costs associated with the purchase of GPS tracking equipment plus approximately \$26,000.00 annually to maintain the contract with TrackStar. Additional research is needed to determine any potential cost savings associated with the expansion of OGC's current contract with TrackStar.

A preliminary review of geolocation tracking options offered through AT&T identified scalable solutions based on the vehicle use. The system includes management software as well as location tracking units with a range of additional available features based on need, such as speed notifications, extreme braking events, and panic alert.

Costs are estimated between \$20.00 and \$70.00 per vehicle per month based on the level of tracking features identified for vehicle types and associated work function. Total estimated annual costs for the E&E fleet range between \$35,000.00 and \$100,000.00 based on the level of tracking unit functionality.

Verizon Wireless and other companies offer GPS fleet tracking services and additional telematics. A thorough and complete review of the available options will better determine the potential costs associated with providing these features that provide enhanced safety and functionality of the Department's fleet.

**1.4 How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.**

- Fleet working group established
- Research completed
- Recommendations presented
- Features installed into fleet vehicles
- Policy and associated procedures established
- E&E staff training completed
- Track / analyze vehicle usage
- Track / analyze fuel costs
- Track maintenance costs
- Track repair costs
- Track fleet labor costs

**1.5 What is the implementation timeline and key action steps for this plan? How will you track progress?**

Phase I (0-3 Months):

- Establish a Fleet working group with representatives from each E&E division
- Initiate research phase for GPS and other geolocation telematics for E&E fleet vehicles
- Consider scalable options based on the type of use and associated work function

Phase II (4-12 months):

- Fleet working group to evaluate budgetary considerations and determine funding needs for associated costs

- Fleet working group to develop specific GPS recommendations and present them to the Secretary's Office

Phase III (13–36 months):

- Installation of GPS telematics units into fleet vehicles
- Establish telematics policy and procedures and train all E&E staff

#### **1.6 Identify any obstacles to the implementation and success of this plan.**

Potential costs and service fees

#### **1.7 How could Department of Transformation and Shared Services provide support to the Department?**

The Division of Emergency Management is provided a discount for AT&T services due to AT&T's contract with Arkansas First Responders. If it is possible for this discount to be extended to the Department of Energy and Environment or potentially all state entities for fleet services, a significant cost savings could be realized. Each Department has statutory requirements for state emergency management support and could potentially receive this discount.

A state enterprise agreement for fleet telematics services could also significantly lower any costs associated with safety and functionality of all state fleet programs.

### **ACTION PLAN FOR PROJECT 2:**

#### **2. Project Title: Fleet Management Software (Efficient, Effective)**

##### **2.1 Brief description of project, goal, and action plan.**

*Background:* Fleet management software is a critical tool for the best management of fleet resources. Currently, E&E divisions lack a comprehensive program capable of informing all aspects of fleet management including vehicle logging, reservations, maintenance, tracking, and reporting. A "one-stop-shop" solution for vehicle management will automate processes and improve efficiencies, the most effective management of the Department's fleet.

Vehicle telematics options identified in Project 1 above may provide fleet management software capabilities. Determining the most cost effective option available to both manage fleet processes (reservations, maintenance, reporting, etc.) and provide telematics (geolocation, mileage, alerts, etc.) will require extensive research.

*Project:* Research fleet management software options for the Department and provide a recommendation to the Secretary's Office.

*Goal:* Manage the Department fleet using innovative technology that eliminates redundant processes, improves reservation capabilities, allows for real-time reporting, and optimizes the use of fleet vehicles.

*Action Plan:* Complete an extensive review of fleet management software options and propose recommendations to the Secretary's Office.

##### **2.2 Identify any additional resources required for the implementation and success of this plan.**

There will likely be additional resources required to implement fleet management software.

However, those resources will be identified through the course of completing this project and are yet to be determined.

**2.3 Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs?**

Yes, there are anticipated costs associated with the implementation of fleet management software. A preliminary investigation into Fleet Share, the software currently used by the Department of Parks, Heritage, and Tourism, identified estimated annual costs around \$100,000.00 for the needs of the Department of Energy and Environment.

Fleet Share allows employees to access vehicles by employee badges, which automatically document who has the vehicle. The program tracks the location of the vehicle using GPS, calculates mileage, and monitors speed. Initial costs include tracking equipment, card reader, and installation fees totaling approximately \$1,028.00 per vehicle. The monthly fee of \$59.00 per vehicle could become quite costly; therefore, further analysis of Fleet Share, including which fleet vehicles would benefit most from all the available features, is necessary.

The estimated costs for Fleet Share are comparable to the costs of enhanced AT&T telematics referenced in Project 1 above. Further research is required to determine how both options compare in functionality and pricing.

**2.4 How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.**

- Research completed
- Recommendations developed
- Implement fleet management software
- Procedures developed and staff trained
- Track / analyze fleet metrics to identify efficiencies or additional opportunities
- Track / analyze vehicle type and usage so that appropriate vehicles are utilized for given tasks
- Track / analyze labor cost associated with fleet management
- Track / analyze fuel costs
- Track / analyze maintenance costs

**2.5 What is the implementation timeline and key action steps for this plan? How will you track progress?**

Phase I (0-3 Months):

- Identify fleet management software programs currently used by other state entities and determine if cost savings could be realized by expanding contracts already in place.
- Complete a review of fleet management software including Fleet Share, TrackStar, AT&T telematics, and other telematics solutions identified in Project 1 above.
- Determine which options are capable of syncing with WEX systems

Phase II (4–12 months):

- Develop a recommendation based on Department needs and available solutions
- Determine budgetary and funding considerations
- Present recommendation to the Secretary's Office

- Initiate procurement procedure for fleet management software
- Phase III (13–36 months):
- Purchase and implement fleet management software
  - Develop fleet management software procedures and train E&E staff

**2.6 Identify any obstacles to the implementation and success of this plan.**

The implementation of fleet management software is potentially quite costly.

**2.7 How could Department of Transformation and Shared Services provide support to the Department?**

Based on the outcome of this project, there may be an opportunity to identify cost savings through a global enterprise agreement or shared fleet management software contract for all state entities.

**ACTION PLAN FOR PROJECT 3:**

**3. Project Title: Wi-Fi (Efficient, Effective, Cost Savings)**

**3.1 Brief description of project, goal, and action plan.**

*Background:* OGC field vehicles equipped with wireless internet (Wi-Fi) allow inspectors to complete many job duties remotely and eliminate the need for additional and unnecessary use of fuel, mileage, and time associated with travel to and from offices. Implementing in-vehicle wifi and workstations provided a substantial and immediate increase in the volume of annual field inspections conducted by OGC staff. Likewise, LPGB inspectors utilize tablet-based fillable inspection forms which eliminates unnecessary travel to and from offices to complete paperwork. Other E&E inspectors do not currently benefit from in-vehicle Wi-Fi access. The ability to access Wi-Fi through state-issued equipment (mobile phone, tablet, or other device) has the potential to significantly increase efficiency and productivity by eliminating drive and office time for certain E&E positions based on work function.

*Project:* Conduct a thorough analysis of E&E positions that require substantial field vehicle use, such as inspectors, to determine for which positions access to Wi-Fi would increase productivity.

*Goal:* Increase productivity through the use of in-vehicle Wi-Fi accessibility.

*Action Plan:* Identify E&E positions that drive frequently to conduct inspections, site visits, or other mission-essential duties. Determine each position's work flow and process to complete specific tasks and evaluate whether in-vehicle Wi-Fi has the potential to increase productivity. Research available Wi-Fi service options and make recommendations based on need and cost effectiveness.

**3.2 Identify any additional resources required for the implementation and success of this plan.**

Additional resources will be identified through the implementation of this project.

**3.3 Are there any anticipated costs associated with the plan? Does your current budget**

**have sufficient funds to cover all anticipated costs?**

Yes, additional costs will be associated with any option to provide in-vehicle Wi-Fi service. Costs will be determined through the implementation of this project.

**3.4 How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.**

- Research completed
- Recommendations developed
- Wi-Fi equipment and service purchased and installed
- Procedures developed and staff trained
- Track / analyze number of inspections, site visits, etc.
- Track / analyze Wi-Fi costs and fees

**3.5 What is the implementation timeline and key action steps for this plan? How will you track progress?**

Phase I (0-3 Months):

- Initiate research of E&E positions that regularly use vehicles to complete job duties
- Identify work flow and processes that could benefit from Wi-Fi access
- Initiate research of in-vehicle Wi-Fi equipment and service to determine associated costs

Phase II (4–12 months):

- Make recommendations for specific positions
- Make recommendations for equipment and service
- Begin procurement process

Phase III (13–36 months):

- Purchase and install equipment
- Develop procedures and train staff

**3.6 Identify any obstacles to the implementation and success of this plan.**

Potential equipment costs and service fees

**3.7 How could Department of Transformation and Shared Services provide support to the Department?**

We are unaware of ways the Department of Transformation and Shared Services could provide support at this time.

**4. Project Title: Replacement Policy (Efficient, Effective)**

**4.1 Brief description of project, goal, and action plan.**

*Background:* The state vehicle management handbook outlines criteria that must be met to replace a state vehicle. Currently, approximately 73% of the Department's fleet meets at least one criterion for replacement under those guidelines. Older vehicles with high mileage increase maintenance and repair costs and liability for the Department. E&E divisions do not have written policies or procedures outlining a schedule for vehicle replacement.

*Project:* Develop a vehicle replacement policy with corresponding replacement schedule for

the E&E fleet.

*Goal:* Ensure that safe, reliable, and practical vehicles are available to carry out the mission of the Department.

*Action Plan:* Establish a working group, determine fleet needs and requirements for each division, develop a replacement schedule, and produce a draft vehicle replacement policy.

**4.2 Identify any additional resources required for the implementation and success of this plan.**

Not known at this time.

**4.3 Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs?**

Not known at this time.

**4.4 How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.**

- Complete review
- Replacement schedule drafted
- Draft policy developed
- Policy implemented
- Staff trained
- Track / analyze vehicle age
- Track / analyze vehicle mileage
- Track / analyze maintenance costs

**4.5 What is the implementation timeline and key action steps for this plan? How will you track progress?**

Phase I (0-3 Months):

- Establish working group comprised of members from each E&E division
- Begin a review of vehicle needs and current inventory

Phase II (4–12 months):

- Develop a replacement schedule
- Draft a replacement policy
- Present the policy and schedule to the Secretary's Office for review and approval

Phase III (13–36 months):

- Department-wide implementation of the vehicle replacement policy
- Staff trained on new policy

**4.6 Identify any obstacles to the implementation and success of this plan.**

Funding for vehicle replacement

**4.7 How could Department of Transformation and Shared Services provide support to the Department?**

A review of the global processes and procedures in place to receive approval for the replacement of vehicles meeting the state's criteria for replacement would greatly benefit all

Department fleet programs. The ability to replace vehicles with high mileage is critically important to ensure essential services are consistently provided to citizens of Arkansas.

## **5. Project Title: Assignment Policy (Efficient, Effective, Cost Savings)**

### **5.1 Brief description of project, goal, and action plan.**

*Background:* Department vehicles are assigned to employees based on position type in all E&E divisions. There is currently no process in place to determine the necessity, prioritization, or efficiencies associated with vehicles assigned to individual employees. Furthermore, there is no system in place to evaluate the need for a specific vehicle type (truck, four wheel drive, high clearance, sedan, van, etc.) as it relates to the work function carried out by the assigned position (inspector, engineer, ecologist, etc.).

A concrete structure to determine the assignment process for E&E vehicles will provide a consistent method for the continued evaluation of needs and efficient use of Department resources.

*Project:* Evaluate assigned vehicle usage for all E&E divisions and recommend a process to determine how, when, and the type of vehicles that are assigned to individual employees.

*Goal:* Optimize the use of Department vehicles by determining a manner in which to assign vehicles to individual employees.

*Action Plan:* Conduct an extensive review of assigned vehicle use, including a cost benefit analysis to determine when personal vehicle mileage reimbursement is more efficient than the use of a Department vehicle. Develop a process for the E&E fleet to guide vehicle assignment determinations, including the vehicle type required for specific work functions.

### **5.2 Identify any additional resources required for the implementation and success of this plan.**

There are no additional resources required for this project.

### **5.3 Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs?**

There are no anticipated costs associated with this project.

### **5.4 How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.**

- Completion of comprehensive review and associated analyses
- Process developed to make vehicle assignment determinations
- New process and associated vehicle assignment policy implemented throughout the Department
- Procedures developed and staff trained
- Track / analyze number of assigned vehicles
- Track / analyze number of pool vehicles
- Track / analyze daily use of all vehicles

### **5.5 What is the implementation timeline and key action steps for this plan? How will you**

## **track progress?**

### Phase I (0-3 Months):

- Initiate a comprehensive review of the daily use of Department vehicles that are assigned to individual employees including the frequency of use and type of job duties associated with each position and assignment
- Complete a cost benefit analysis to determine if cost savings could be realized by reimbursing personal vehicle mileage

### Phase II (4–12 months):

- Determine areas for improved use of assigned vehicles
- Develop a process for determining how and when vehicles are assigned to individual employees
- Develop a process to determine vehicle requirements for associated position types and work functions
- Present recommended process to the Secretary's Office

### Phase III (13–36 months):

- Implement Department-wide vehicle assignment policy based on recommended process
- Develop associated procedures and train staff

## **5.6 Identify any obstacles to the implementation and success of this plan.**

There are no known obstacles to successfully implement this plan.

## **5.7 How could Department of Transformation and Shared Services provide support to the Department?**

We are unaware of ways the Department of Transformation and Shared Services could provide support at this time.

## **6. Project Title: Overnight Use Policy (Efficient, Effective, Cost Savings)**

### **6.1 Brief description of project, goal, and action plan.**

*Background:* Efficiencies have been realized by OGC and LPGB inspectors who drive their assigned vehicles home at night. By allowing inspectors to take their assigned vehicles home each night, employees may gain valuable time they can then allocate to conducting more inspections or field work, rather than time spent commuting to pick up a vehicle.

Currently, OGC, LPGB, and DEQ maintain vehicles assigned to individual employees with specific work functions associated with various positions. The vast majority of these employees are inspectors that conduct daily, routine inspections and maintain assigned routes or regions throughout the state. With the exception of the emergency response coordinator, DEQ inspectors do not take their assigned vehicles home.

DEQ inspectors have the added responsibility of being called upon to respond to emergency incidents. On the occasion that DEQ inspectors must respond to an emergency response incident after hours, they must first drive to the office to retrieve their assigned vehicle before deploying to the scene. This can delay the response and contribute to additional and unnecessary costs associated with fuel and mileage.

Furthermore, employees who are not assigned a vehicle but identify a need to take a pool vehicle home would benefit from guidance related to the overnight use of fleet vehicles, which is currently lacking in all E&E divisions.

*Project:* Develop a draft policy outlining conditions, rules, and guidelines for the overnight use of E&E fleet vehicles.

*Goal:* To ensure consistent and unified E&E policies and procedures, to support the most efficient use of Department resources, and to increase productivity through the ability to drive fleet vehicles home overnight.

*Action Plan:* Establish a working group, review positions with assigned vehicles, conduct an analysis of commute distances and resource consumption, evaluate current division policies and draft a revised, unified E&E overnight vehicle use policy, present to the Secretary's Office, and implement new policy.

**6.2 Identify any additional resources required for the implementation and success of this plan.**

Not known at this time.

**6.3 Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs?**

There are no anticipated costs associated with this plan.

**6.4 How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.**

- Review of assigned vehicles completed
- Commute distances evaluated
- Current policies reviewed
- Revised policy drafted
- Draft policy presented
- Procedures established and staff trained
- New policy implemented
- Track / analyze fuel costs
- Track / analyze number of inspections, etc.

**6.5 What is the implementation timeline and key action steps for this plan? How will you track progress?**

Phase I (0-3 Months):

- Establish working group comprised of members from each E&E division
- Identify positions with assigned vehicles and evaluate routes and regions
- Begin an analysis of commute distances and associated costs

Phase II (4–12 months):

- Evaluate current division policies and practices related to overnight use of fleet vehicles
- Draft an overnight vehicle usage policy
- Present the policy to the Secretary's Office for review and approval

Phase III (13–36 months):

- Department-wide implementation of overnight vehicle use policy

- Train all E&E staff on new policy

**6.6 Identify any obstacles to the implementation and success of this plan.**

Not known at this time.

**6.7 How could Department of Transformation and Shared Services provide support to the Department?**

We are unaware of ways the Department of Transformation and Shared Services could provide support at this time.

**Additional thoughts/comments:**