Fleet Optimization – Focus on Usage Management

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TOPICS COVERED

• WHY FLEETS SHOULD CARE
• CALTRANS NEED FOR CHANGE
• OPTIMIZATION GOALS
• KEYS TO SUCCESS
• MORE THAN USAGE
• RESULTS
WHY FLEETS SHOULD CARE

• ON AVERAGE CARS CAN BE PARKED 95% OF THE TIME

• UNDERUTILIZED VEHICLES ADD UNNECESSARY COSTS

• WELL UTILIZED FLEET CAN CREATE A PREDICTABLE REPLACEMENT CYCLE
IN THE CASE OF CALTRANS

CONTINUED UNDERUTILIZATION CREATED RISK TO LOOSE VEHICLES/EQUIPMENT AND ASSOCIATED RESOURCES
TAHOE WAKE UP CALL

- In 2015 some new Tahoes were about ‘mile out’ of warranty, others had very low miles.
- Swap high mile Tahoes with low mile Tahoe - simple right?
- Lessons learned:
  - 2WD vs. 4WD
  - No formal authority to move vehicles.
CHALLENGE & SOLUTION

• DIFFICULT TO MOVE VEHICLES ACROSS ORGANIZATIONAL BOUNDARIES, A SENSE OF OWNERSHIP

• IN 2015 FORMAL DELEGATED AUTHORITY GIVEN TO REASSIGN EQUIPMENT FOR OPTIMIZING USAGE TO THE CHIEF OF THE DIVISION OF EQUIPMENT
MORE THAN USAGE-OPTIMIZATION GOALS

• REMOVE HIGH REPAIR COSTS VEHICLES

• DETERMINE RENT VERSUS OWN CRITERIA

• STANDARDIZE (EQUIPMENT AND OPTIONS)
KEYS TO SUCCESS

TOOLS
• Telematics
• Monthly Usage Reports
• Quarterly Performance Measures

RESOURCES
• HQ Optimization Manager
• District Fleet Optimization Managers (FOMs)

• COMMUNICATION / PARTNERSHIP
TELEMATICS

ACCURATE

AUTOMATIC

DIFFICULT TO DISPUTE

33.8121° N, 117.9190° W
COMPREHENSIVE REPORTS

- DOWNTIME
- DAYS USED
- MILES DRIVEN
- REPAIR COSTS
- AGE
- REASSIGNMENTS
- 12 MONTHS OF USE DATA
- ‘UTILIZATION’ NUMBER e.g. 5555
USE OF USAGE REPORTS

COMPLIANCE MEASUREMENT

SPOTTING NEED

PATTERNS OVER TIME

REASSIGNMENT

POSSIBILITIES/ DOCUMENTATION
PERFORMANCE MEASURE
QUARTERLY REPORTING

1/4 OF ANNUAL RETENTION CRITERIA

• 31 DAYS OR 1,500 MILES IN A QUARTER

GOAL - 90% OF LD MEET CRITERIA

CURRENTLY 83% MEET CRITERIA (WINTER DECREASE)

2019 INCREASE GOAL TO 95%
ZERO EMISSION VEHICLES
SPECIAL CIRCUMSTANCES

RANGE-
• AFFECTS MILES DRIVEN
• ASSIGNMENT SUITABILITY

FUELING INFRASTRUCTURE-
• AFFECTS USAGE (MILES AND DAYS)
• ASSIGNMENT LOCATION

TELEMATICS- CAN BE INACCURATE
OPTIMIZATION - A FULL TIME JOB

DISTRICTS
Every district has a Fleet Optimization Manager

STATEWIDE/HQ
Statewide/HQ Fleet Optimization Manager (Ron the Repo Don)
COMMUNICATION / PARTNERSHIP
DON’T FORGET…

IT’S MORE JUST USAGE
PICK THE RIGHT EQUIPMENT

CAN ONE VEHICLE DO THE WORK OF TWO OR MORE? EXAMPLES: ROLL OFF BODIES, TOOL CARRIERS

CAN TRUCKS/OPTIONS BE STANDARDIZED SO THEY CAN BE TRANSFERRED?

IS THE EQUIPMENT OBSOLETE?
RENTING THE RIGHT EQUIPMENT

Empirical Knowledge

Rent vs. Own Tool

Cost Effective Rental Contracts

We have room for improvement…
UPTIME / AVAILABILITY

MINIMIZE DOWNTIME

BEST VALUE PURCHASING

RELIEF UNITS (SHOP MANAGED)
WHAT HAPPENED???

DRUM ROLL PLEASE...
REASSIGNMENT RESULTS

• 621 REASSIGNED OR REMOVED

• MANY MORE REASSIGNED TO POOLS
PERFORMANCE MEASURE RESULTS

[Graph showing the percentage of passed and failed metrics from Q1 2017 to Q1 2018.]

- Percent Passed
  - Q1 2017: 76%
  - Q2 2017: 86%
  - Q3 2017: 85%
  - Q4 2017: 88%
  - Q1 2018: 83%

- Percent Failed
  - Q1 2017: 24%
  - Q2 2017: 14%
  - Q3 2017: 15%
  - Q4 2017: 12%
  - Q1 2018: 17%
STANDARDIZATION RESULTS

REDUCED ASSET TYPES FROM 603 TO 310

• 28 types of plow trucks to 4 (or 5)
• 8 types of SUVs to 4
• only 4 types of passenger cars

CHANGES

• extended cab pickups, no more standard cabs
• mini pickups and ¾ tons, no more half tons
• all dump trucks have spreader and plow controls
• all front plows are the same
RESULTS SUMMARY

• IMPROVED UTILIZATION.
• SAVED RESOURCES
• CHANGED FLEET COMPOSITION
• LEADER IN THE STATE
• REPLACEMENT PURCHASES APPROVED
• POTENTIALLY/PROPOSED LESS EXTERNAL OVERSIGHT
QUESTIONS OR COMMENTS?
Thank You!