

To: DAS Fleet Customers

RE: Fleet Customer Survey Results and Action Plan

Thank you for participating in the DAS Customer Service Survey. The results of the DAS survey are available at http://www.oregon.gov/DAS/directors_survey.shtml.

DAS Fleet greatly appreciates the effort our customers took to provide feedback on our service. Below are themes the Fleet management team saw in the comments and scoring as well as actions in place and actions in development to address issues raised.

DAS Fleet pledges to work together with our customers to find innovative solutions and to improve our service despite the fiscal challenges our state faces.

As state employees, we must balance safety, cost effectiveness, and efficiency with the fiscal and environmental health of our state.

Together, I know we will use our collective knowledge to respond to the challenges in a relationship of mutual respect as we create our own map to a better DAS Fleet.

Thank you to all our customers who provided us with directions for where we can start the journey

A handwritten signature in black ink, appearing to read "Brian King". The signature is fluid and cursive, with a long, sweeping tail that extends to the right.

Brian King
DAS Fleet Manager

Common Themes; Positive and Negative Out of 286 comments specific to Fleet customer service, 86 comments were about negative experiences, opinions on policies and practices, or unsatisfactory timeliness, quality and friendliness of service. Another 55 comments were directly related to customer impacts and disappointment with closure of the Portland and Eugene Motor Pools; almost all were for Portland Motor Pool. The remaining 145 comments were about positive experiences, service delivery, and praise for individual staff with a few comments that were neutral.

Themes	Additional Information	Completed Actions and Proposed Actions for Fleet Improvements
<p>Perception that Fleet service levels are degrading over time and that DAS focuses on cost of delivery rather than customer wants or needs.</p> <p>The wait for an additional vehicle can be over a year</p>	<p><i>We know that many of the decisions resulting from our state's financial crisis and the resulting reductions in Fleet services have impacted our customers. We will involve our customers wherever possible when targeting services for elimination due to budget constraints</i></p> <p><i>Fleet's budget and rates are built solely on funding for replacement of existing vehicles and we have very limited ability to accommodate requests for additional vehicles or to exchange one type of existing vehicle with a new, different one</i></p>	<ul style="list-style-type: none"> • Fleet explored additional limitation and funding options for addressing additional vehicle requests with Legislative leadership before the interim session; the request did not move forward • Analyzed different funding mechanisms to bring replacement criteria down over time while keeping rates stable. Fleet then initiated a Policy Option Package to increase our limitation to begin this process. The package was withdrawn at the request of the DAS Budget Stakeholder group who suggested Fleet seek other options to meet vehicle needs in 2011-13. The group also agreed if the options were not effective, DAS would move to reinstate the POP in the Governor's Recommended Budget.
<p>Fleet Costs are increasing too much over time</p>	<p><i>In 2005-2007, Fleet operational cost per mile and rates dropped significantly because of the attempt to switch to COP financing for vehicle purchases. Because this type of financing was used only for 07-09, rates returned to higher levels. Fleet cost per mile has fluctuated but the 2010 operational cost per mile is lower now than the 2003-2005 and 2007-2009 biennia . However, the drop in cost is primarily</i></p>	<ul style="list-style-type: none"> • Fleet and SPO exploring how to modify existing vehicle contracts to allow used car purchases. For many customers, a used sedan will meet their needs and bring down total cost for replacements. Also eliminates the rapid vehicle depreciation on new cars in their first few years. Fleet seeks to buy sedans three years old or less and below 30,000 miles • Fleet is seeking to purchase smaller vehicles to use where regular sedans are not required. Fleet can save up to \$5,000 per vehicle by purchasing smaller vehicles and also reduce greenhouse gas emissions because of greater fuel economy

	<i> tied to the budget reductions to purchase 60% fewer cars this biennium.</i>	
Maintenance Costs are increasing too much over time	<i>Over the last three fiscal years, the average monthly maintenance cost per vehicle has dropped from \$61 to \$57. However, it is true that some customers may have seen an overall increase to their maintenance bill as Fleet intentionally modified our rate and billing systems to ensure all vehicle related costs are attributed to the specific agencies that incur the cost.</i>	<ul style="list-style-type: none"> • Reviewing rate model with outside vendor to ensure rates are fair and equitable to customers. • Reviewing replacement model to ensure costs for maintenance balance with overall cost effectiveness to operate the vehicles • Examining service model in Salem Motor Pool Shop to ensure services provided are the most cost effective.
<p>A perception from some customers that outlying customers are not served as well</p> <p>55 comments about the impact of closing the other two motor pools; especially Portland</p>	<p><i>Unfortunately, Fleet can not cost effectively provide the same level of services throughout the state as we do in Salem. It is true that Fleet can and does provide additional services to customers close to our Salem Facility such as lock-outs, jumpstarts, tows, and some vehicle exchanges. Fleet relies on our Field Services Coordinators to facilitate repairs and maintenance outside the Salem area.</i></p> <p><i>Elimination of the Portland Motor Pool reduced the Fleet 09-11 budget by \$1.9 million and Eugene Motor Pool reduced it by \$1 million. We acknowledge that these closures shifted work and costs to customers we supported in those areas and apologize to those we could have done a better job for when we transitioned away those operations</i></p>	<ul style="list-style-type: none"> • Fleet eliminated a management position and established another Field Services Coordinator to enhance service for outlying customers • Field Services will follow up on a customer request to build a list of reliable service providers in outlying areas • At Eugene, Fleet rented the Motor Pool and provided vehicles to OSU to mitigate impacts to University of Oregon; the primary Eugene customer. • Fleet assigned more permanent vehicles to customers that rented frequently from the closed pools • Fleet continued to operate Portland Motor Pool at Swan Island as a card-lock fueling station for E-86, regular unleaded and Compressed Natural Gas • Over the last year Fleet switched out Compressed Natural Gas Vehicles that relied on Swan Island to fuel
Fleet does not provide	<i>Your safety is our top priority. Fleet</i>	<ul style="list-style-type: none"> • Fleet will continue to buy vehicles that meet safety standards and fit

<p>the safest or overall type of vehicle needed for the customer.</p>	<p><i>buys vehicles that meet safety standards for their class and carefully evaluates which vehicles will meet the need of the mission. Often, Fleet places a mix of vehicles in a field office to provide a mix of vehicle types. Fleet must balance customer requests while we fulfill state and federal policy requirements to purchase alternative fuel vehicles and reduce greenhouse gas emissions.</i></p> <ul style="list-style-type: none"> • <i>Fleet buys vehicles that meet all National Highway Traffic Safety and U.S. Department of Transportation safety standards</i> • <i>Fleet purchases all-wheel drive sedans and small, four-cylinder SUV's for situations where drivers face regular inclement weather conditions. Fleet is seeking a new all-wheel drive sedan to replace the Ford Focuses.</i> • <i>Fleet requires each vehicle to have an in-depth preventative maintenance check every 30,000 miles to detect and fix problems before they become an issue.</i> 	<p>the need for customer use.</p> <ul style="list-style-type: none"> • With customer input, Fleet developed a new request form designed with specific questions for how the driver will use the vehicle. This allows Fleet and the customer to determine the best vehicle for the situation.
<p>Praise for Fleet Staff and services rendered</p>	<p><i>Thank you to all customers that spent your valuable time to tell us when we've met your needs and done it well.</i></p>	<ul style="list-style-type: none"> • Fleet has multiple improvement projects schedule for this year that will engage customers as we improve the fleet's efficiency, cost effectiveness and ability to meet customer needs.
<p>Top Rated Service</p>	<p>Additional Information</p>	<p>Completed Actions and Proposed Actions for Fleet Improvements</p>
<p>Daily Rental Vehicles</p>	<p><i>Customers scored Fleet's Daily Rental</i></p>	<ul style="list-style-type: none"> • A Lean improvement project is schedule for July 2010 to streamline

<p>a.k.a. Salem Motor Pool</p> <p>Requests for online reservations</p>	<p><i>Vehicles the highest across all of DAS for the surveyed customer service criteria!</i></p> <p><i>Thank You!</i></p> <p><i>The Daily Rental Pool currently has 170 vehicles; this is 4% of the total vehicles Fleet manages statewide</i></p>	<p>processes and look at cost effectiveness to implement online reservation systems. A prime goal is to reduce the number of vehicles in the inventory without impacting the amount needed daily for our customers.</p> <ul style="list-style-type: none"> Fleets determined over 60% of daily trips are less than 180 miles round trip. These trips are within range of a Compressed Natural Gas vehicle and we have incorporated many of the cars from Portland to take advantage of their fuel efficiency, low fuel cost (about \$1.50 per gallon) and low greenhouse gas emissions. Fleet will continue to use more CNG vehicles for trips to maximize these vehicle's efficiencies.
<p>Least Valued Service</p>	<p>Additional Information</p>	<p>Completed Actions and Proposed Actions for Fleet Improvements</p>
<p>Permanently Assigned Vehicles</p>	<p><i>Primarily due to length of time to get additional vehicle when requested, lack of ability to provide specific, desired vehicles, and high mileage of vehicles before replacement</i></p> <p><i>Fleet has just over 4100 vehicles for permanent and seasonal assignment</i></p>	<ul style="list-style-type: none"> HB 5002 Workgroup exploring options to change business and budget model for Fleet will provide recommendations to Legislature to implement changes. Could provide mechanism for Fleet to meet customer needs more readily Fleet and SPO exploring how to modify existing vehicle contracts to allow used car purchases. For many customers, a used sedan will meet their needs and bring down total cost for replacements. Also eliminates the rapid vehicle depreciation on new cars in their first few years. Fleet seeks to buy sedans three years old or less and below 30,000 miles
<p>Policy with Greatest Negative Impacts</p>	<p>Additional Information</p>	<p>Completed Actions and Proposed Actions for Fleet Improvements</p>
<p>Vehicle replacement at 130,000 miles for standard fuel and 150,000 miles for hybrids</p>	<p><i>Customers routinely expressed unhappiness with the current replacement schedule of 130,000 miles and cited concerns about safety, additional maintenance costs and the lack of an age criterion for vehicles. For some lower usage vehicles, it could take more than 15 years to reach 130,000 miles.</i></p> <p><i>Fleet consulted with Risk Management</i></p>	<ul style="list-style-type: none"> Fleet explored costs and options for moving replacement criteria back down to 110,000 or 120,000 miles next biennium. The costs involved would require a substantial rate increase to cover vehicle expenditures or a COP, or a combination of funding mechanisms. The fiscal condition of the state will not support the additional cost to roll back the mileage replacement at this time. Fleet is developing a new replacement model that features different criteria for different types of vehicles and a maximum age. The model will allow Fleet to maximize life cycle costing on vehicles to seek the optimum point in a vehicle's life to replace it before the probability of major breakdowns, decreased value at sale, and lost

	<p><i>and found no industry data to suggest a properly maintained vehicle with 130,000 or 150,000 miles is less safe than a properly maintained vehicle with 110,000 miles.</i></p> <p><i>While the older vehicles will require additional maintenance, Fleet's current analysis shows that the increased maintenance cost does not impact overall cost per mile to operate the vehicle. In other words, we do pay to fix the cars again rather than sell them but, overall, we get enough extra miles from the vehicles to justify the cost. Fleet examines high mileage vehicles that need repair on a case by case basis to determine cost effectiveness of repairing the vehicle or whether we should just sell it. .</i></p> <p><i>By raising the replacement to 130,000 miles, Fleet reduced its 2009-11 budget by \$10 million dollars. However, this did move a group of vehicles forward for replacement into 2011-13 and impacted the seasonal vehicle pool.</i></p> <p><i>Since additional funding is highly unlikely for 2011-13, Fleet will need to push some vehicle replacements to 140,000 miles.</i></p>	<p>productivity to agency customers become a factor.</p> <ul style="list-style-type: none"> • Examining Capital Leasing as a viable alternative or in addition to new vehicle purchases in 2011-13. This may allow Fleet to meet the higher number of projected replacement vehicles needed without the need for significant increases in rates, capital outlay, and limitation. • Meetings with customers to provide vehicle usage data and guidance on how to reduce under and over utilized vehicles. Begins process to reduce the overall number of underutilized vehicles and reduces impacts of over utilized vehicles. This may free up fiscal resources to replace older, high mileage vehicles • Develop a workgroup of seasonal vehicle customers to find solutions and alternatives to provide vehicles for these uses
<p>Additional Areas for Fleet Improvement and Ease of Implementation</p>	<p>Additional Information</p>	<p>Completed Actions and Proposed Actions for Fleet Improvements</p>

<p>Improve Fleet communication and availability of information (Easy)</p>	<p><i>Customers requested more about the “why” surrounding Fleet decisions and policies. Customers also requested information about what is going on with Fleet to keep informed about issues.</i></p>	<ul style="list-style-type: none"> • Fleet Manager, Fleet Operations Manager and Fleet staff will meet with customers to provide data and gain customer input on vehicle usage. • New reports on our website displaying maintenance cost trends, usage trends, alternative fuels savings, cost comparisons to federal reimbursement rates, and fiscal health of Fleet • Hold quarterly meetings with the Fleet Liaison Advisory Group for customer input on Fleet activities
<p>Decrease delays in billing for vehicles coming off permanent and seasonal assignments (Medium)</p>	<p><i>Customers were rightly frustrated with billing delays of up to three months! Fleet has set low priorities on completing repairs on returned permanently assigned and seasonal vehicles in favor of repairing active Fleet vehicles. However, because all off assignment work is now done at Salem, delays have increased to unacceptable levels since the closure of Portland and Eugene Motor Pools; most seasonal vehicle preparation and repairs were done at these facilities</i></p>	<ul style="list-style-type: none"> • Improvement project in progress to streamline work flowing through Salem Motor Pool Shop. This project will determine which task can and should be moved to local vendors so our shop can concentrate on tasks better suited to Fleet's technicians. A main goal is to reduce customer costs and reduce billing time cycles
<p>Engage customers at the line level that are using the vehicles for better understanding of what is needed and where (Medium)</p>	<p><i>The details of what is truly needed to meet the mission are sometimes lost as information travels through chains of command to Fleet. We would also like develop a common understanding of what Fleet can do to meet customer needs</i></p>	<ul style="list-style-type: none"> • Fleet Managers and Staff are available for meetings with any agency customer groups and can tailor information presented to meet information requests or desired results • The Fleet Manager, Brian King, can be reached at 503-373-7723 or brian.king@state.or.us to provide information, explain policies and decisions, and to resolve Fleet issues.