



Division of
**Fleet
Operations**
SERVICES ELEVATED

Agenda of the Motor Vehicle Review Committee

Tuesday, September 24, 2013
Utah State Capitol Complex
State Capitol, Room 250
Salt Lake City, Utah
9:00 AM

Approval of Minutes from July 9, 2013

Telematics in the State Fleet

Vehicle Service Center Decision

Vehicle Utilization Rule

Driver Eligibility Board Changes

Motor Vehicle Review Committee



July 9, 2013

MINUTES

Motor Vehicle Review Committee Members in attendance:

Marilee Richins	Department of Administrative Services
Tyler Burningham	Department of Natural Resources
Keith Davis	Department of Human Services
Mike McKay	Department of Public Safety
Jeffrey Casper	Department of Transportation
Paul Mash, substitute Chair	Division of Purchasing
Barbara Young	Utah Valley University
Dave Duey for Robin Erickson	D and S Services

Fleet Operations and Guests in attendance:

Sam Lee	Division of Fleet and Surplus Services
Gary Robertson	Division of Fleet and Surplus Services
Scott Bingham	Division of Fleet and Surplus Services

On Tuesday, July 9, 2013 the Motor Vehicle Review Committee held their regularly scheduled meeting in room 250 of the State Capitol, Salt Lake City, Utah. The meeting was called to order at 9:07 am by Paul Mash.

1. Approval of Minutes from the December 11, 2013 meeting.

There was not a quorum of committee members to approve the minutes.

2. Telematics in the State Fleet

Sam Lee stated Fleet Operations has been testing telematics for two and a half years. Fleet is coming to a decision point do a broad implementation to the State Fleet.

Fleet recommends implementing telematics as an agency by agency implementation with the exception of law enforcement and undercover vehicles.

Dave Duey asked if there would be any positive training for drivers along with the implementation. Mr. Lee stated Risk Management has an online driver training which drivers are required to take every two years.

Mr. Duey asked if the devices would be used after one vehicle life. Mr. Lee stated we have not tested long enough to know the life of the device.

Marilee Richins asked how Fleet Operations would know who was driving. Mr. Lee stated on the low end device we do not know who the driver is for sure. There is not a code which identifies the driver. With the Inthink device there is a card the driver would swipe and we could track who is driving. That device is about \$500.00 per device. Approximately eighty percent of the vehicles are assigned one driver.

Ms. Richins asked if there was a mileage comparison done with the pilot. Mr. Lee stated yes there was a mileage comparison but the pilot was only done for 6 months which doesn't really give a good comparison.

Mike McKay asked how are you going to make sure issues are being addressed by the agency. Mr. Lee stated administrative rules would need to be created. Lt. McKay stated if we fail to supervise we can put the State at risk when an accident occurs. Lt. McKay stated the consequences need to be consistent across all agencies. Human Resources should be involved in the rule making.

LT. McKay stated it would better to use it as a tool to track problem driver's rather than blanket the entire fleet. It could end up being a fishing expedition for the media with all of the data which will be collected.

Jeff Casper stated during the pilot one of the hardest parts was staffing to watch the data.

Keith Davis stated there are instances where they do not know who is driving the vehicle. Most of their vehicles are shared and the mileage logs are not always filled out.

Tyler Burningham stated he agreed with Lt. McKay about the amount of data that comes into the agency and the liability involved with keeping it. Mr. Burningham also agreed with Mr. McKay about needing to have rules set up with Human Resources to determine the disciplinary action to be taken depending on the offense. This would keep consistency across agencies.

Barbara Young stated she likes the idea of the telematics, but the cost associated with it is a concern.

Mr. Lee stated yes there is a liability we are taking on, but hopefully we can save that high risk accident and not have a fatality.

Jeff Casper stated his concerns are not using the voice response unit. Employees didn't like having the unit and would put tape over the speaker or throw it in the glove box. His next concern is employees unplugging the device. The state should buy the hard wired unit. Mr. Lee stated he agrees with the voice response unit proved to be ineffective. There is a big cost difference between the plug in unit and the hard wired unit. The low end device will alert us if it has been unplugged and is not receiving data. Mr. Lee stated we wouldn't go after the unplugging the unit each time it happens we would say 5 or more times a month and then send the incident over to the agency.

Paul Mash asked what the anticipated schedule would be for installing the units. Mr. Lee stated if you wanted to approve today Fleet would implement within our own department. We would like to turn off the Inthink and Network Fleet pilot programs since they are not cost effective. It would take approximately a year to get the data set from Administrative Services and have the rules in place.

Keith Davis stated running telematics across the Fleet Operations attorney to see if there are any implications of having the telematics data and what risks are associated with keeping that data.

MOTION: Keith Davis motioned to get more information from Fleet Operations on the Attorney General's office view of the information in terms of the GRAMA request. Also get information from DHRM and Risk Management on rules for the data and how it is to be used. Second by Dave Duey.

Motion passed unanimously.

MOTION: Marilee Richins motioned to end the current pilot with Inthink and Network Fleet. Second by Keith Davis.

Motion passed unanimously.

3. Vehicle Service Center Pilot

Scott Bingham explained the Vehicle Service Center (VSC) pilot to the committee.

Keith Davis stated they were really excited to be on the VSC pilot. They were very frustrated with ARI.

Tyler Burningham stated it is a step in the right direction to have it at a local level instead of having it in the control in the hands of someone thousands of miles away.

Meeting adjourned at 10:26 a.m.



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Motor Vehicle Review Committee

MEMORANDUM

To: Motor Vehicle Review Committee
From: Sam Lee
Date: September 24, 2013
Subject: **Telematics in State Vehicles Owned by DFO**

COMMITTEE ACTION: Voting on the proposal by the Division of Fleet Operations (DFO) for broad installation of telematics into non-law-enforcement vehicles owned by DFO.

BACKGROUND: During the July 9, 2013 Motor Vehicle Review Committee meeting, two questions were raised by committee members for DFO to research and report on during the September 2013 meeting.

QUESTIONS/RESPONSES

Question #1

Will the data gathered by telematics devices from state vehicles be available to the public and media sources through GRAMA requests?

Answer to Question #1

According to Paul Tonks of the Attorney General's Office (Attorney assigned to Administrative Services) there are very few reasons why a private citizen or media source would be restricted to telematics data via a GRAMA request for information through Fleet Operations.

Question #2

What is DHRM's recommendation as to discipline for employees known to have poor driving patterns gathered and verified through telematics installed in state vehicles? Is DHRM planning to create broad discipline rules for the violation of certain poor driving behaviors identified by telematics devices?

Answer to Questions #2

DHRM intends to leave individual discipline decisions related to poor driving decisions identified through telematics to the individual agency. DHRM requires consistency within an agency but will not control disciplinary actions between agencies for similar violations of poor driving habits identified by fleet telematic devices.

RECOMMENDATION: DFO proceed with an agency by agency implementation of telematics (with the exception of law enforcement or undercover state vehicles) to determine the reliability of a return on investment for a state-wide telematics implementation.



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Motor Vehicle Review Committee

MEMORANDUM

To: Motor Vehicle Review Committee
From: Scott Bingham
Date: September 24, 2013
Subject: **Vehicle Service Center Pilot**

COMMITTEE ACTION: Approve the Division of Fleet Operations to open and manage a full scale Vehicle Services Center (VSC). The VSC will manage the authorization of repair, maintenance, towing, and other vehicle related services and authorize invoice approval. This will include all 4549 vehicles currently being leased from Fleet Operations.

BACKGROUND: The State of Utah, Division of Fleet Operations (DFO), has used Automotive Resources International (ARI) contracts for 13 years. ARI manages repair and maintenance authorization for DFO owned vehicles. Using call center technicians, ARI staff coordinates the services performed, payment of work order invoices, towing, and completion of services.

During the past several years, DFO staff has grown increasingly concerned with repairs that have been authorized through ARI systems.

In June 2012, DFO opened the Vehicle Services Center (VSC) under a pilot program status. This pilot has tested the efficiency and cost effectiveness of repair and maintenance authorization, and has been operated by DFO staff. During the initial stages of the VSC pilot, Administrative Services vehicles were included, shortly after the Commerce Department and the Department of Human Services vehicles were added as well.

Efficiencies include: 26% cost reduction, enhanced vehicle repair times through improved vendor relations, ability to dispatch towing services using local contracted vendors, negotiations made prior to vehicle service, call center hold times significantly reduced, and the Repair Price Management (RPM) system provides an efficient tool for the techs giving them market based pricing structures.

PROPOSED TIME LINE IMPLEMENTATION:

- 1. **June 1, 2012** Implement VSC with the DAS vehicles (138)
- 2. **September 1, 2012** Initial cost savings analysis
- 3. **March 1, 2013** Implement VSC with the Department of Commerce (26)
- 4. **May 1, 2013** Cost savings analysis
- 5. **May 1, 2013** Begin process of including HS fleet vehicles to the VSC
- 6. **May 23, 2013** Fleet Forum
- 7. **May 28, 2013** Reminder communication with DHS drivers
- 8. **June 1, 2013** Implement VSC with the DHS vehicles (497)
- 9. **September 1, 2013** Compile a full cost analysis of 651 vehicles
- 10. **September 24, 2013** Decision point to continue to a full fleet implementation
- 11. **October 1, 2013** Begin building the full VSC (staffing, location, vendor network, accounts payable systems, etc.)
- 12. **January 1, 2014** Open Fleet Operations Vehicle Services Center to all leased vehicles

COST SAVINGS USING FLEET OPERATIONS VEHICLE SERVICES CENTER (as of 9-10-2013)

Vehicles Managed by the VSC			
	Total Maintenance and Repair Costs	Miles Traveled	Cost Per Mile
ADMINISTRATIVE SERVICES	\$90,775.82	1,413,564	\$0.064
COMMERCE	\$6,751.95	157,391	\$0.043
HUMAN SERVICES	\$57,544.55	1,662,240	\$0.035
	\$155,072.32	3,233,195	\$0.048

Vehicles Managed by ARI			
	Total Maintenance and Repair Costs	Miles Traveled	Cost Per Mile
ADMINISTRATIVE SERVICES	\$113,823.44	1,357,268	\$0.084
COMMERCE	\$11,189.74	182,051	\$0.061
HUMAN SERVICES	\$81,646.92	1,662,256	\$0.049
	\$206,660.10	3,201,575	\$0.065

Savings provided by the VSC over ARI maintenance and repair authorization

26%



Motor Vehicle Review Committee

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MEMORANDUM

To: Motor Vehicle Review Committee
From: Sam Lee
Date: September 27, 2013
Subject: **Vehicle Utilization Rule**

COMMITTEE ACTION: Vote to approve the changes to administrative rule R27-4-13 to clarify the minimum steps taken by DFO before performing the reallocation or elimination of a vehicle.

The proposed re-write of administrative rule R27-4-13 modifies the title, removes references to rescinded code sections and adds new language which clarifies the minimum actions to be taken by the Division of Fleet Operations (DFO) before carrying out the approved reallocation and/or elimination of underutilized vehicles per rule R27-4-12 (6) and (7), referenced below.

The intent of the new language in R27-4-13 is to clarify the minimum steps to be taken by DFO before performing the reallocation or elimination, and to emphasize the benefit given to the agency, namely, the issuance of a capital credit for the vehicle being removed, or the right to petition the Executive Director for further consideration.

R27-4-13. Repossession and Disposal of Underutilized State Vehicles.

~~(1) State vehicles shall be disposed of in accordance with the requirements of Section 63A-9-801 and Rule R28-1.~~

(1) After vehicles have been reviewed in accordance to R27-4-12, and chronically underutilized vehicles have been identified, DFO shall initiate the steps necessary to repossess the vehicle and prepare it for reassignment or disposal.

(2) At a minimum, the steps taken by DFO prior to repossession must include:

(a) A review of the vehicle's history with the assigned agency;

(b) Review the vehicle history and receive direction from the Executive Director of the Department of Administrative Services, or their designee, regarding the proposed repossession;

(c) If approved by the Executive Director, give notice to the agency that they have rights per R-27-4 (7) to petition the Executive Director for further review.

(3) If the assigned agency voluntarily turns in the underutilized vehicle, a capital credit shall be established in accordance with R27-4-11.

(4) If the assigned agency disagrees with the action, they may exercise their right to have a review of the proposed repossession with the Executive Director.

(5) If there is agreement between DFO and the Executive Director, then DFO shall give notice to the agency that it has been given authority to affect the repossession from the agency.

(6) DFO shall reassign the vehicle to another fleet location, or begin the process of disposing of the vehicle.

R27-4-12. Inter-agency Vehicle Reassignment or Reallocation Guidelines.

(1) DFO is responsible for state motor vehicle fleet management, and in the discharge of that responsibility, one of DFO's duties is to insure that the state is able to obtain full utilization of, and the greatest residual value possible for state vehicles.

(2) DFO shall, on a quarterly basis, conduct a review of state fleet motor vehicle utilization to determine whether the vehicles are being utilized in accordance with the mileage requirements contained in the applicable replacement cycles.

(3) DFO shall provide the results of the motor vehicle utilization review to each agency for use in agency efforts to insure full utilization of all state fleet vehicles in its possession or control.

(4) In conducting the review, DFO shall collect the following information on each state fleet vehicle:

- (a) year, make and model;
- (b) vehicle identification number (VIN);
- (c) actual miles traveled per month;
- (d) driver and/or program each vehicle is assigned to;
- (e) location of the vehicle;
- (f) class code and replacement cycle.

(4) Agencies shall be responsible for verifying the information gathered by DFO.

(5) Actual vehicle utilization shall be compared to the scheduled mileage requirements contained in the applicable replacement cycle, and used to identify vehicles that may be candidates for reassignment or reallocation, reclassification, or elimination.

(6) In the event that intra-agency reassignment or reallocation of vehicles fails to bring vehicles into compliance with applicable replacement cycle mileage schedules within a replacement cycle, DFO may, in the exercise of its state motor vehicle fleet management responsibilities, reassign, reallocate or eliminate the replacement vehicles for vehicles that are chronically out of compliance with applicable replacement cycle mileage requirements to other agencies to ensure that all vehicles in the state fleet are fully utilized.

(7) Agencies required to relinquish vehicles due to a reassignment or reallocation may petition the Executive Director of the Department of Administrative Services, or the executive director's designee, for a review of the reallocation or reassignment made by DFO. However, vehicles that are the subject matter of petitions for review shall remain with the agencies to which they have been reassigned or reallocated until such time as the Executive Director of the Department of Administrative Services or the executive director's designee renders a decision on the matter.



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MEMORANDUM

To: Motor Vehicle Review Committee
From: Sam Lee
Date: September 24, 2013
Subject: **Driver Eligibility Criteria**

COMMITTEE ACTION: Vote on the decision to not hold employee driving eligibility hearings when motor vehicle violations specified in rule R27-7-3(b)(c) occur in a personal vehicle.

BACKGROUND: During the last four years the Driver Eligibility Board has conducted hundreds of hearings for state drivers according to administrative rule R27-7-3 (see the text below). Hearings involving violations from R27-7-3(b) and R27-7-3(c) were held regardless of whether the violation occurred in a state vehicle or a personal vehicle.

PROPOSED RULE CHANGES

The changes noted below to R27-7-3 highlight the shift to focus on just the risk to the State of Utah by employees driving state owned vehicles:

(3) The authority to operate a state vehicle may be suspended or revoked for up to three years by the Driver Eligibility Board for any of the following reasons:

(a) The authorized driver, while acting within the scope of employment, has been involved in 3 or more preventable accidents during a three (3) year period; or

(b) The authorized driver has 3 4 or more moving violations while driving a state vehicle within a 12 month period; or

(c) The authorized driver has been convicted of any of the following while driving a state vehicle:

(i) Alcohol related driving violations;

(ii) Reckless, careless, or negligent driving (including excessive speed violations);

(iii) Driving violations that have resulted in injury or death;

(iv) Felony related driving violations;

(v) Hit and run violations;

(vi) Impaired driving;

(vii) or any other driving violation determined by the Driver Eligibility Board as posing a significant risk to the safety or loss prevention of state vehicles.

(d) The unauthorized use, misuse, abuse or neglect of a state vehicle as validated by the driver's agency; or

(e) On the basis of citizen complaints validated by the agency, the authorized driver, while acting within the scope of employment has been found, pursuant to 63A-9-501, to have misused or illegally operated a vehicle three (3) times during a three (3) year period.

RECOMMENDATION: the committee vote to adopt the proposed changes in administrative rule R27-7-3 as specified above.