Fleet Preventive Maintenance

Objective

The objective of this audit was to determine if City vehicles are being serviced according to established maintenance schedules and how the cost of services compares to industry practices.

Background

The Fleet Services Department (Fleet Services) is responsible for managing the City's fleet of vehicles and equipment, which includes performing preventive maintenance.
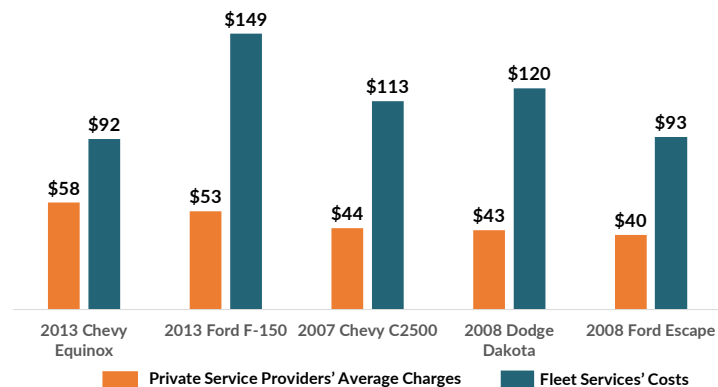
Preventive maintenance includes services such as oil changes, air filter changes, state inspections, and routine inspections of the entire vehicle.

The City's fleet consists of approximately 3,500 vehicles, of which approximately 1,500 are considered light duty, non-public safety vehicles.

What We Found

Generally, Fleet Services performed timely preventive maintenance on City vehicles. Fleet Services also notified departments when vehicles were due for service based upon mileage forecasts and metrics. However, an oil change and multipoint inspection performed by Fleet Services costs more than twice the amount charged by private service providers, as seen in the chart below. Fleet Services also inspects more than twice as many items on a routine multipoint inspection as compared to both private service providers and surveyed peer cities.

Cost Comparison Breakdown by Vehicle for an Oil Change Service with Multipoint Inspection

Vehicle	Private Service Providers' Average Charges	Fleet Services' Costs
2013 Chevy Equinox	$58	$92
2013 Ford F-150	$53	$149
2007 Chevy C2500	$44	$113
2008 Dodge Dakota	$43	$120
2008 Ford Escape	$40	$93

SOURCE: Office of the City Auditor expense analysis for five of the most common light duty, non public safety vehicles, January 2017

What We Recommend

We recommend the Director of Fleet Services:
- reduce the frequency of more extensive preventive maintenance services,
- adjust the number of preventive maintenance items inspected so that Fleet Services performs primarily services recommended by the manufacturer, and
- perform a cost benefit analysis for light duty, non-public safety vehicles to determine if it makes sense to continue performing select preventive maintenance services internally as opposed to contracting these services.