

Use of Car Share Vehicles

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To:	Government Management Committee
From:	Chief Corporate Officer
Wards:	All
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SUMMARY

This report provides the results of a preliminary review to determine if the City can benefit from the use of car share vehicles to supplement the City's fleet. It also assesses the potential benefit of introducing additional technology to manage City vehicles. This report was requested by Government Management Committee at its meeting March 11, 2010.

Two companies in Toronto offer short-term rental to their members of vehicles parked throughout the City. A preliminary review indicates that the use of privately-owned car share vehicles could potentially benefit the City of Toronto by providing additional access to vehicles for occasional use. Fleet Services will propose the use of car-share vehicles to its client Divisions. If there is demand among the Divisions, Fleet Services will issue a competitive purchasing call and report on usage in the next Green Fleet Plan update.

Financial Impact

The financial implications cannot be determined at this time. Fleet Services is considering offering its client Divisions access to private car-share vehicles as a transportation alternative with the intent to reduce costs. Taking into consideration their operational needs, mileage reimbursements and fleet size, Divisions can assess the financial implications.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting March 11, 2010, Government Management Committee requested a report on the potential to use car share vehicles and/or vehicle management technology in the City of Toronto's vehicle fleet (GM29.23).

<http://www.toronto.ca/legdocs/mmis/2010/gm/decisions/2010-03-11-gm29-ds.htm>

This report responds to that request.

As background material, the request also referenced a report (PW26.3) adopted by Council Sept. 30 and Oct. 1, 2009. That report requested the General Manager of Transportation Services to initiate a pilot project providing on-street reserved parking spaces for car share vehicles.

<http://www.toronto.ca/legdocs/mmis/2009/cc/decisions/2009-09-30-cc40-dd.htm>

Fleet Services Division is implementing Toronto's Green Fleet Plan 2008-2011 to reduce fuel consumption and pollutant emissions from the vehicles and fuels used by the City's Divisions. http://www.toronto.ca/fleet/gfp_08_11.htm

ISSUE BACKGROUND

Car-sharing is a shared-use vehicle program offering a short-term rental service of motor vehicles owned by a car-share organization/company to individuals or businesses who are members. In Toronto there are two for-profit, car-share companies, AutoShare and Zipcar. Options for Cars is a third organization, a fledgling car-share co-operative that currently has two vehicles based at a condominium. To inform this report City staff met with both major companies to discuss potential issues and benefits to the City.

As noted by Transportation Services, for individual members, car sharing can provide the following benefits: eliminating the fixed cost of vehicle purchase and maintenance; reducing the operating cost of driving since the "pay as you go" structure creates an incentive to drive less; consequently reducing air pollution and fuel consumption; and providing a conveniently located vehicle to a driver. Some of these benefits could be realized by the City of Toronto.

The City of Toronto currently has City-owned pool vehicles. These are shared vehicles that can be signed out by City staff for a few hours or days for work purposes. Seven pool vehicles including two hybrids are parked at City Hall. They can be booked through the Customer Support Booking Centre (392-2770) in the same way that staff book meeting rooms. Fleet Services also operates a pool of sixteen vehicles, including many hybrids, at its central facility, 843 Eastern Avenue. These vehicles are signed out for use by City staff and Councillors as needed. In addition to these pool vehicles Divisions also have shared vehicles for their internal use.

COMMENTS

This report describes the car-share vehicles and technologies available and provides a preliminary assessment of their potential benefits if used by the City of Toronto. The City fleet described here is the fleet managed by Toronto Fleet Services Division.

Car-share vehicles

Fleet Services Division manages 4,095 City-owned vehicles used by the City Divisions. Approximately twelve percent (509) of the City's vehicles are cars and minivans. These vehicles could potentially be augmented by access to cars and minivans available through a car-share company. The majority of City vehicles are pick-up trucks and medium- to heavy-duty on- and off-road vehicles such as garbage trucks, dump trucks and sweepers. These types of vehicles are not available from car-share companies.

The City of Toronto could use a car-share company's vehicles to supplement the existing City fleet. They would be used like City-owned pool vehicles and booked by staff for a few hours as needed. The purpose would be to reduce the demand for City-owned vehicles and the use of staff's personal vehicles for work purposes. Car-share vehicles should not be used to replace walking or transit trips. Vehicles from a car-share company are already being used by some ABCDs including the Public Health STD program, Heritage Toronto and Toronto Atmospheric Fund.

Possible benefits of car-sharing for the City include:

- Provides access to additional occasional-use vehicles located throughout the City;
- May encourage staff to leave their personal vehicle at home and take transit since members have access to car-share vehicles for surprise meetings or personal emergencies;
- Provides an alternative to taxis; and
- May reduce the City's fleet size, and associated costs to purchase and maintain vehicles, since car-share vehicles are available for occasional trips;

To use a car-share company's vehicles, the City would have to issue a competitive purchasing call and set up a contract. Each City staff person wishing to use the car-share vehicles would apply online to become a member of the car-share company and would be issued a membership card. To use a vehicle, the staff member would book a nearby vehicle online or by phone. The driver would place his or her membership card on the vehicle's card reader to unlock the car doors, gain access to the key and drive the vehicle. The driver's credit card would be charged a flat hourly fee to use the vehicle, including insurance and fuel. The driver's manager could then reimburse the driver for eligible work trips, once the driver provides the receipt, date, time and purpose of the trip.

The cost of using car-share vehicles would be paid by the using Division based on their actual usage. Fleet Services will offer access to private car-share vehicles as an alternative for its client Divisions. If Divisions wish to, they could use this alternative with the intent to reduce costs. As a result of their actual usage, Divisions could assess the financial implications based on the cost of using car-share vehicles and any savings from reduced mileage allowance claims and any reductions in fleet size.

Fleet Services will propose the use of car-share vehicles to its client Divisions and if there is a demand, will issue a competitive purchasing call. The usage of the car-share vehicles within the first year of the initiative would be reported by Fleet Services in the next Green Fleet Plan implementation update and shared with using Divisions.

Technology for managing shared vehicles

Car-share companies use and market technology to manage shared vehicles. This technology generally provides online reservations, keyless entry to the vehicle by the driver, and remote control of the vehicle door locks. It also allows the fleet manager to track the vehicle's amount of use, maintenance history and other factors, and to manage billing and choose which vehicle will be assigned.

Fleet Services Division uses fleet management software (M5) to manage all vehicles. This includes tracking the vehicle type, user Division, fuel consumed and maintenance required and completed. Regarding City-owned shared vehicles, the M5 program also has a pool car module where the administrator can book vehicles for drivers and record when the vehicle is claimed and returned. The program automatically charges the driver's Division for the time the vehicle is used and the quantity of fuel. This program is being used for longer-term vehicle assignments (several months) and could be used for shorter-term assignments if needed.

The cost of managing the City's pool vehicles under the current system is low. The only cost is minimal staff time. Adopting car-share companies' more comprehensive technology for managing City-owned pool vehicles would be higher in cost. Generally speaking, there would be one-time costs for the hardware used in the vehicle and monthly costs for cellular air time to track each vehicle.

Staff explored whether the car share companies' vehicle-management technology could benefit the City if used to manage some or all City vehicles. Since most City vehicles are not shared, and all City vehicles are tracked in a database including maintenance requirements and fuel transactions at a very low cost, there is not a need for this technology.

Next steps

A preliminary review indicates that the use of a car-share company's vehicles would potentially benefit the City of Toronto by providing additional vehicle access. Fleet Services will propose the use of car-share vehicles to its client Divisions and if there is a demand will issue a competitive purchasing call. The usage of the car-share vehicles within the first year of the initiative would be reported by Fleet Services in the next Green Fleet Plan implementation update and shared with using Divisions.

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