



STAFF REPORT ACTION REQUIRED

Car Share One Year Pilot Results

Date:	May 22, 2015
To:	Government Management Committee
From:	Director, Fleet Services Division
Wards:	All
Reference Number:	P:\2015\Internal Services\Fleet\GM15003Fleet - (AFS20800)

SUMMARY

This report responds to City Council's direction (July 6-8, 2010), that the Director, Fleet Services Division implement a pilot project with respect to the use of car share vehicles and report back to Government Management Committee after a one year period.

In February 2014, Fleet Services Division established a one-year car sharing pilot with AutoShare. The objective of this pilot was to explore whether car sharing is a feasible option to reduce the City's transportation related costs. Results of this pilot indicate the potential long term benefit of implementing a car share program for City of Toronto Divisions and Agencies, including the use of car share technology in managing existing City Fleet vehicles, through improved utilization.

RECOMMENDATIONS

The Director, Fleet Services Division recommends that:

1. City Council authorize the Director, Fleet Services Division, in consultation with the Director, Purchasing and Materials Management Division, to issue a Request for Proposal (RFP) for a city-wide car share program for City of Toronto Divisions and Agencies, including potential use of car share technology in managing City owned vehicles.

Financial Impact

There is no financial impact beyond what has already been approved, as the 2015 Approved Budgets of the Divisions and Agencies include costs for business transportation.

The car share program will replace part of the City's transportation requirements that are currently covered by other methods. Associated costs will depend on the usage volumes of each participating City Division and Agency. However, savings are anticipated resulting from a reduction in costs associated with other modes of transportation employed by the City.

Actual savings would depend on the application, type of vehicle, vehicle kilometres, and overall trip management. Following one full year of implementation of the car share program, which will include trucks, vans and other vehicles where possible and applicable, Fleet Services Division in conjunction with Financial Planning Division will analyze the costs and benefits of the program and work with Divisions and Agencies to capture savings that are realized and sustainable from the program. These savings will be included in future year budget submissions.

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

DECISION HISTORY

The consideration of car share vehicles for the City's fleet was initiated by a request from Government Management Committee (GMC) at its meeting on March 11, 2010 (GM29.23).

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

At its meeting on July 6, 7 and 8, 2010, City Council requested the Director, Fleet Services Division, to implement a pilot project with respect to the use of car share vehicles and report back to Government Management Committee after a one year period.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.GM32.17>

A progress update report was presented to Government Management Committee on January 21, 2013 (GM19.3).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.GM19.3>

At the June 16, 2014 GMC, Councillor Paul Ainslie recommended that GMC direct the Director, Fleet Services Division to report to the August 11, 2014 meeting of GMC on the feasibility of using car share for pickup trucks, vans and other vehicles as applicable to supplement the City's fleet. GMC referred the item to the Director, Fleet Services Division for consideration.

<http://www.toronto.ca/legdocs/mmis/2014/gm/bgrd/backgroundfile-69548.pdf>
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.GM31.23>

ISSUE BACKGROUND

The City of Toronto currently employs a number of different modes of transportation in delivering its services. Traditionally, the City's approach has been predominantly geared towards vehicle ownership. In addition, rental vehicles are used to cover seasonal demand fluctuations and in some instances, City employees are allowed to utilize their personal vehicles.

Car sharing is a membership program where members are able to use vehicles on an hourly/daily basis, providing them with an alternative to car ownership. Car sharing is based on the concept of vehicle access as opposed to vehicle ownership, by offering the benefits of car usage without the cost and responsibilities of ownership.

COMMENTS

In February 2014, Fleet Services Division established a one-year car sharing pilot with AutoShare. The objective of this pilot was to explore whether car sharing can reduce the City's transportation related costs. Toronto Water (TW) and Toronto Public Health (TPH) were the two participating divisions. The costs and benefits of the car share program were compared to those of using City owned pool vehicles, in the case of TW, and personal vehicle reimbursements, kilometres and parking, in the case of TPH.

Summary of the Pilot Project Findings

Categories of vehicles included in this pilot were passenger cars, passenger vans and cargo vans. Thirteen City users participated in this program, six from TW and seven from TPH. Two-hundred and two (202) unique trips were generated, totaling 8,890 kilometres and a total cost of \$8,209.

Pilot results indicate that car sharing provided a more cost effective option when compared to both TW pool vehicles and TPH personal vehicle reimbursement. A vast majority of users from both groups provided high ratings for overall benefits of car sharing and identified car sharing as a viable option for their transportation requirements.

Costs

Table 1 compares the annual costs of using car sharing, a City owned vehicle, personal vehicle reimbursement, and car rental.

Table 1: Annual Cost Comparison for Compact Passenger Vehicle

Annual Kilometres Driven	Transportation Mode			
	Car Share Compact Car	City Owned Compact Car	Personal Vehicle	Rental Compact Car
2,000	\$1,840	\$5336	\$1,080	\$8804
4,000	\$3,680	\$5548	\$2,160	\$9016
6,000	\$5,520	\$5760	\$3,240	\$9228
8,000	\$7,630	\$5973	\$4,320	\$9441
10,000	\$9,200	\$6185	\$5,400	\$9653
	Pilot project car share cost was an all-inclusive cost (rental, fuel, insurance).	Costs calculated based on 2014 Divisional costs for maintenance, capital contribution and fuel consumption using the City's average fuel efficiency of 10.2 L/100km and 2016 fuel price of \$1.04/L.	The above cost only includes reimbursement of \$0.54 per kilometre.	Costs calculated based on the 2014 Divisional rental rate of \$716/month and fuel consumption using the City's average fuel efficiency of 10.2 L/100km and 2016 fuel price of \$1.04/L.

Personal vehicle use is seen as the most cost effective transportation option, based on kilometre reimbursement only. However, a number of other factors, such as safety, insurance and liability, vehicle access/parking and corporate policies, play a significant role in determining the optimal transportation option. As a result, personal vehicle use becomes a viable transportation option only for occasional, non-essential, low mileage use.

To assist City users in selecting the optimal transportation option, Fleet Services will work to develop a transportation decision matrix similar to the example below:

Table 2: Transportation Decision Matrix (Sample)

Criteria	City Pool Car	Car Share	Car Rental	Personal Car	Public Transit
Cost		X		X	X
Availability	X	X	X		
Convenience	X	X		X	
Access/Booking	X	X			X
Trip Time/Distance	X	X		X	

The optimal transportation option in the above sample is the car share option. However, the outcome for each individual case would depend on the weighting of the decision criteria in relation to the specific case requirements. One key advantage of the decision matrix is that a subjective criterion of comparing one alternative against another is made more objective.

Benefits

The data in Table 1, along with the City user feedback, and other market research and analysis, indicates the following potential benefits of car sharing:

- Cost benefit the City would generate by replacing non-essential passenger vehicles and light-duty trucks, and car rentals with car share use for staff that do not require daily access to a vehicle to perform their responsibilities;
- Better tracking, accountability and transparency for the City's transportation expenses;
- Convenience and flexibility for City staff;
- Scalability: additional vehicles, vehicle types, and locations can be added and removed to meet demands;
- Potential reduction in greenhouse gasses.

Challenges

One of the main challenges of implementing a car share program at the City is the lack of awareness by staff that this service is available and how it can be integrated into their required work travel. Therefore, the key elements to a successful car sharing program are:

- Project ownership – assigned dedicated staff to lead the project;
- Executive sponsorship and messaging – commitment and sponsorship from the City, Divisions and Agencies to provide direction to management and staff, and ensure staff are aware of the benefits of car share;
- Ongoing communication with all stakeholders;
- Baseline data and performance measures establishment, tracking, and reporting.

As program adoption grows and expands, additional program support and contract management resources will be required to ensure success.

Opportunities

As directed by GMC (June 16, 2014), Fleet Services Division has conducted research and a study on the feasibility of the use of car share for pickup trucks, vans, and other vehicles to supplement the City's fleet.

The City of Toronto's Fleet, like most municipal North American fleets, is sized to meet peak demand. This means that at any point in time there are a number of vehicles that are not fully utilized, directly impacting the overall fleet utilization and cost.

In addition to the above stated benefits, car sharing technology offers fleet managers an easy transition from not fully efficient, dedicated vehicles, to a high efficiency shared vehicles concept with no reduction in vehicle availability. Where feasible, this would involve the inclusion of car share technology in City owned vehicles, allowing for these vehicles to be efficiently assigned from a larger pool of vehicles from multiple locations rather than a centralized depot. It would allow for a greater visibility of utilization, and typically lead to a decrease in the number of units required. It would also allow for rationalization of the total number of vehicles owned by the City based on actual utilization. This approach can be applied not only to current pool vehicles, but also to other types of vehicles throughout the City.

Car sharing has already been piloted and/or implemented in New York City, Chicago, Houston, and Washington D.C. municipal fleets, in addition to the implementation of a city-wide car sharing program. According to their internal reports, a combination of the two approaches has generated savings for these local governments.

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