

Audit of Winter Road Maintenance Contracts - Fleet Services Division's Update

Date: February 9, 2021

To: Audit Committee

From: General Manager, Fleet Services

Wards: All

SUMMARY

The purpose of this report is to report back to the Audit Committee in the first quarter of 2021 on which City and contracted vehicles are equipped with GPS devices and which others, if any, should have them.

The Auditor General's Office recently completed the *Audit of Winter Road Maintenance Program - Phase One: Leveraging Technology and Improving Design and Management of Contracts to Achieve Service Level Outcomes* (Item 2020.AU6.2). The audit identified deficiencies in the reliability of the data provided by GPS (telematics) devices installed on contractor-owned, winter operations vehicles. The audit was considered by City Council on October 27, 28, and 30, 2020, with one motion requesting the General Manager, Fleet Services, to report back to the Audit Committee in the first quarter of 2021.

RECOMMENDATIONS

The General Manager, Fleet Services recommends that:

1. City Council request the General Manager, Fleet Services, to report to the Audit Committee in the fourth quarter of 2021 with recommendations on a fully integrated, enterprise-wide telematics solution and implementation plan for City of Toronto and contracted vehicles.

FINANCIAL IMPACT

There is no financial impact resulting from the adoption of the recommendation in this report.

DECISION HISTORY

On October 27, 28 and 30, 2020, in response to the Auditor General's findings in Phase One: Leveraging Technology and Improving Design and Management of Contracts to Achieve Service Level Outcomes, City Council requested the General Manager, Fleet Services, to report to the Audit Committee in the first quarter of 2021 on which City and contracted vehicles are equipped with GPS devices and which others, if any, should have them.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.AU6.2>

COMMENTS

As of December 2020, there were 2,303 telematics devices installed on City-owned and contracted vehicles and equipment. There are 791 City-owned vehicles and equipment (15% of the City-wide fleet) that are equipped with telematics devices. Table 1 displays the number of telematics devices on City-owned vehicles and equipment by City Division or Agency, including the percentage of the fleet equipped with a device.

Fleet Services Division communicated with the telematics vendor and each of the Divisions to compile the data presented in Tables 1 and 2.

Table 1: Count of City Vehicles and Equipment Equipped with Telematics Devices

Divisional Asset Operator	Count of Telematics Devices on City-Owned Vehicles and Equipment	Total Divisional Fleet Count	Percentage of Divisional Fleet Equipped with Telematics Devices
Transportation Services	180	956	19%
Toronto Water	209	955	22%
Parks, Forestry and Recreation	141	1,691	8%
Municipal Licensing and Standards	80	221	36%
Engineering and Construction Services	54	63	86%
Solid Waste Management Services	46	698	7%
Toronto Public Library	44	46	96%
Fleet Services	18	494	4%

Divisional Asset Operator	Count of Telematics Devices on City-Owned Vehicles and Equipment	Total Divisional Fleet Count	Percentage of Divisional Fleet Equipped with Telematics Devices
Corporate Real Estate Management (Corporate Security)	10	128	8%
Toronto Parking Authority	5	53	9%
Toronto Public Health	4	8	50%
Total Telematics Devices	791	5,313	15%

Table 2 displays the number of telematics devices on public-facing City contractor vehicles and equipment by City Division. There are 1,504 telematics devices on contractor vehicles. Approximately 57% of all City-managed telematics devices are installed on Transportation Services Divisions' snow removal contractor equipment.

Table 2: Count of Public-Facing Contractor Telematics Devices by Division

Division	Count of Telematics Devices on Contractor Vehicles	Approximate Public-Facing Contractor Vehicle Count Provided by Divisions	Percentage of Public-Facing Contractor Equipped with Telematics Devices	Monitored using City-Managed Contractor Portal
Transportation Services Division	1,083	1,200	90%	Yes
Toronto Water	16	16	100%	Yes
Solid Waste Management Services	268	268	100%	No*
Parks, Forestry and Recreation	137	137	100%	No*
Total Telematics Devices on Contractor Vehicles	1,504	1,621	93%	N/A

*Divisions provided access to telematics data by Vendor as part of contractual terms.

Telematics Device Requirements

With the issuance of the new snow removal contracts in 2022, Transportation Services Division expects to replace the telematics devices on contractor vehicles due to the existing devices approaching their optimal lifespan. Fleet Services Division will continue to provide support and guidance as required to Transportation Services Division and other City Divisions to ensure the telematics solutions meet the needs of the City.

Fleet Services Division recommends that all City-owned vehicles and contractor vehicles and equipment that provide public-facing City services on behalf of the City, such as snow removal or forestry operations, be equipped with telematics devices. Further study is required by Fleet Services Division staff, in consultation with City Divisions, to complete a detailed analysis of the vehicle classifications, services provided and their usage, to determine the optimal telematics solution required for each situation. Fleet Services Division will report back on this in the fourth quarter of 2021 to the Audit Committee.

Actions

Fleet Services Division staff will continue to work with City Divisions and the current telematics vendor to review existing data accuracy, and to identify potential improvements to the installation, monitoring, maintenance, and data management processes that are necessary to improve operational or data deficiencies on City-owned and contractor vehicles. Fleet Services Division will complete the following and include the outcomes of these actions in its report in the fourth quarter of 2021:

- Coordinate with Heads of Divisions using telematics technology, to ensure that the contract with the City's telematics vendor meets the needs of the City of Toronto Divisions and Agencies; for both City-owned assets and contracted services.
- Ensure telematics data aids in measuring key performance indicators used to hold City Divisions and contractors accountable for providing City services.
- Develop a plan in conjunction with the Chief Technology Officer and Divisions to integrate the telematics data into the various City information management systems to modernize service delivery.
- Include management and sustainment plans to ensure device operability, that value is obtained, and that solutions continue to evolve as technology changes.

The availability of accurate and relevant telematics data supported through effective systems and processes, enables the fact-based analysis and decision making needed to drive efficiencies, which supports the investment into these approaches. Fleet Services Division acknowledges the oversight of telematics devices on City-owned and contracted vehicles needs to be improved through a fully integrated enterprise-wide solution. This solution is needed to realize significant benefits, including: optimizing fleet and contractor operational performance, increasing safety, and accountability, managing outcomes against Key Performance Indicators and lowering the total cost of services.

CONTACT

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SIGNATURE

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