Follow these key fleet preparation steps to be ready for whatever nature has in store.

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IN THE NEWS

NAFA 2019 I&E: An Open Letter to NAFA Members
The two managing partners of Black River Fleet provide a day-by-day overview of this year’s Institute & Expo, which took place April 15-17 in Louisville, Kentucky.
By Michael Bieger and John Bieger

NAFA 2019 I&E Photo Gallery
Check out some of the photos from this year’s event, including shots from the annual business meeting, the Expo floor, networking, and sessions.

Changing Fleet Leadership Demographics Yield Opportunities for Suppliers
Successful industry suppliers are the ones who adjust to changing fleet manager demographics by identifying those new decision-makers and what motivates them.
By Ken Hunter

These Fleet Strategies Could Reduce Your TCO
At the NAFA 2019 I&E, several fleet executives offered many expense-reducing ideas during “Forget Magic: Use These Proven Strategies to Reduce TCO.”
By Ken Hunter

Fuel Efficiency Provides Significant Opportunities
The pressure to improve fuel efficiency is rising, but investigating ways to increase fuel efficiency is always a best practice for smart fleet professionals.
By Sandy Smith

Succession Planning Is Key to Professional Continuity
Vacancies can cause major disruptions to your business, such as when your full-time employees shift to another department or when a fleet professional suddenly juggles additional responsibilities. Therefore, having the next hire identified makes sense and may prove more valuable than simply filling the job.
By Sandy Smith

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FLEETSolutions THE MAGAZINE FOR FLEET MANAGEMENT

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(609) 720-0882 FAX: (609) 452-8004
www.nafa.org • info@nafa.org

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- Heather Greyling
Editor: Monica Elliott
Marketing: Taylor Hicks
Project Coordinator: Cindy Samons
Project Manager: Adam Lingerfelt
Publication Director: Jason Zawada
Advertising Representatives: Shawn Holt, Beth Palmer, Robert Shuler, Matthew Yates, Bryan Zeig
Design & Layout: Gordon Klassen

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2019 Fleet Excellence Winners Take the Stage at I&E

NAFA ANNOUNCED THE WINNERS for the Association’s 2019 Fleet Excellence Awards (FLEXYs), the top honors in the fleet and mobility industry. During NAFA’s 2019 Institute & Expo, this year’s winners participated in a panel discussion describing their processes for achievement within their fleets.

The 2019 FLEXY winners:

**Excellence in Public Fleet or Mobility Management**

Mario Guzman, CAFM, Director of Support Services, City of West Palm Beach, Florida, won a FLEXY for his program that significantly increased employee productivity and morale within the fleet team, including “professionalizing” the fleet staff and instilling a culture of trust.

Guzman said that a component of great staff morale is maintaining a presence with your leadership and letting them know you are there to fulfill the necessary responsibilities. This can be difficult, especially when things are working well and the “squeaky wheel” does not draw attention to itself.

“[W]e meet with the higher-ups with the ‘Cliff’s Notes’ version of what they need to know, and this helps bring recognition to our fleet,” Guzman said. “You need to tie in your value, what you do, what you provide, and show the financial side of it.”

Robert Stine, CAFM, Director-Fleet Management Department, Hillsborough County, Florida, won for an initiative that included significant acquisition cost reductions, a wide-scale replacement life cycle program, and infrastructure improvements resulting in added capacity and efficiency.

A crucial part of these efforts, Stine said, was not making decisions in a vacuum, but instead really seeing what is necessary for his drivers. “Know what the missions of your drivers are and make sure you are providing what they need to fulfill those missions,” he said.

Stine added that the buy-in of the fleet staff is equally important, and part of that requires knowing where each individual stands within the organization and what is possible for them later on. “I always wanted [staff] to know what the chain of progression was, to give hope that they could progress [in their careers].”

**Excellence in Corporate/Private Fleet or Mobility Management**

Dave Dahn, CAFM, Corporate Fleet Program Manager for Erie Insurance Group, earned a FLEXY for his aggressive vehicle cycling program, redesigned fleet structure, and comprehensive risk mitigation structure.

To tackle risk – and virtually every other fleet challenge – Dahn said that there had to be data coming from all stakeholders, but more importantly, that data must cohere. His goal was to make sure the info coming from all quarters was aligned to create, as he put it, “a single version of the truth.”

“Make sure you have good and accurate data so that no one can dispute [your work and requirements],” Dahn added.

Jodi Weber, Americas Fleet Manager at Johnson Controls International, won for her work consolidating two large fleets following a company acquisition, resulting in cost reductions, a new corporate fleet management structure, and more than tripling her number of vehicles. She was unable to attend this year’s I&E.

The FLEXYs shine a spotlight on those who have impacted fleet management in both the corporate and public fleet segments during the previous year. The awards nomination process was open to all fleet professionals throughout the United States and Canada, regardless of NAFA Fleet Management Association membership status.
Killeen’s Sweet Ride Sends a Message

“It has cruised in several parades and been utilized in countless public relations events,” hinted NAFA Regular Member Grant Roach, Fleet Replacement Coordinator for the City of Killeen, Texas. “So, if the donor ever happens to see this, thank you!”

The “it” in question is a 1995 Cadillac Sedan Deville PD Patrol Unit. “The vehicle was donated [through confiscation] by a rather dapper drug dealer,” Roach said. “With the help of local businesses, it was outfitted with custom decals, light bar, push bumper, a boomin’ sound system, spinning rims, low restriction exhaust, and even a prisoner isolation cab divider.”

The message is subtle, even if the vehicle itself isn’t. “If you choose to set up shop in this town, you will lose, and you will lose everything.”

NAFA thanks the first responders across the country for their continued service and sacrifices for their communities.

Have unique, odd, or unconventional equipment in your fleet? FLEETSolutions wants to share it with readers and colleagues. Submit your suggested unique fleet vehicles to editorial@nafa.org.
PEP BOYS ANNOUNCED an expanded fleet service offering at the recent 2019 NAFA Institute & Expo in Louisville, KY. With a renewed focus and a new tagline, “Driving your business forward,” Pep Boys Fleet will continue to be a preferred partner of large, national fleet management companies and is better positioned to meet the needs of the fast-growing small fleets emerging from the explosive growth of transportation network companies and final mile delivery services.

During the NAFA Show, Pep Boys Fleet showed its Pep Boys Mobile Crew vehicles fully equipped with all the necessary supplies and staffed by trained technicians to complete common fleet maintenance and repair needs on-location. Pep Boys Mobile Crew, which launched in 2018 with state-of-art trailers, will now expand to include smaller-format fleet vans that are fully supplied with all the necessary supplies and staffed by trained technicians to complete common fleet maintenance and repair needs on-location.

“No matter the size of the fleet, our goal is always to decrease the vehicle’s downtime, ultimately providing a more convenient, flexible and personalized way of addressing repairs and vehicle maintenance,” said Brian Kaner, president of service, Icahn Automotve. “Pep Boys Fleet is the only service provider to be backed by a national network and offer mobile maintenance and repairs, as well as provide dedicated fleet team support and solutions designed to both streamline the fleet manager’s role and help an owner focus on the running the business and not the fleet.”

As one of the largest, most trusted and widely known aftermarket automotive service providers, Pep Boys Fleet and the Company’s trained and certified technicians can work on all makes and models. Changes have been made to the service format in Pep Boys locations to establish dedicated Pep Boys Fleet bays reserved exclusively to expedite fleet jobs, and locations also are being updated to include meeting rooms with amenities where fleet customers can conduct business while their vehicle is undergoing maintenance.

Pep Boys Fleet provides customers with national, regional, local and store-level support where customers receive a single point-of-contact that gets to know them and their business. The Pep Boys Fleet team representative develops a customized service program and pricing plan and remains engaged to help manage a customer’s fleet business. Pep Boys Fleet also provides customers with a universal fleet services credit card that allows fleet managers to track and pay for vehicle repairs and preventive service and earn rewards. All fleet customers can take advantage of a specialized online invoicing and payment system and a 24/7 towing program to any Pep Boys location.

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Disasters Don’t Wait

Key Preparation Steps You Need to Take

By Fiona Soltes

WITH NATURAL DISASTERS, needs abound. But there’s one thing that fleet professionals consistently discover is more valuable than gold: fuel.

Ask anyone who has faced a major event, whether flooding, tornado, hurricane, ice storm, or otherwise, and they’ll say much the same: Any type of disaster preparation simply must include plans for fuel sites, generators, and options for additional resources if needed. It’s also important to consider all types of fuel that are used.

Of course, that’s only the start. Planning well for disaster, the experts say, means effective communication, clear roles and responsibilities, coordination with other departments, regular training and updates, and a bit of creativity when considering what might happen.

Yes, it is possible to put off that planning until another day, surmising that “the big one” isn’t all that likely for your operation. If so, however, consider this: In 2017 alone, the U.S. saw 16 weather and climate disasters costing at least $1 billion each, from drought in the Dakotas and Montana to hurricanes in Florida and Texas to wildfires and floods in California.

“Being unprepared is never an option,” advised TxDOT Fleet Operations Division Deputy Director and NAFA Regular Member Kevin Fareri, CAFM.

All in the Details
Disasters – natural or otherwise – impact people in a variety of ways. For NAFA Regular Member DeAnn Reynolds, CAFM, the 2007 historic ice storm in Springfield, Missouri, and the devastating 2011 tornado across the state in Joplin each left an impression. In addition, less severe ice storms occur most winters.

Reynolds, Fleet and Equipment Supervisor for the Springfield, Missouri, Police Department, said that thanks to events like these, she better understands the importance of her position.

“Fleet is often support staff,” she said. “We’re unsung heroes. When things like this happen, it makes me feel like I’ve done my part. You can see where a firefighter has done his part, or a police officer has done his. Fleet is back there making it possible for them to play their parts. If they didn’t have the fuel or equipment they needed, they wouldn’t be able to do it.”

That planning, then, is essential, even if it can’t possibly cover every scenario.

Integral to planning is understanding the literal landscape the fleet must traverse. Areas near fault lines have an increased propensity for earthquakes. Forest regions that have dry, hot summers
have raised potential for wildfires. Low regions near waterways will experience flooding more often. Before a single action is plotted, there should be a clear-eyed assessment of what could go wrong based on the variables already surrounding you. Of course, these steps can seem obvious, and the difference between success and tragedy can rest in the minor points that escape the traditional “tabletop” exercises.

“The surprises are in the small details,” Reynolds said. “Every time you think you’ve heard or seen it all, there will be some little thing that will surprise you. You may think you have every ‘I’ dotted and every ‘T’ crossed, but there will always be an asterisk there, something you could have done better.”

It might be a minor repair that could have made a difference if it had happened beforehand, for example. But there also can be good surprises, such as the way different entities can come together in times of need to meet common goals.

**Reviews, Updates, and Readiness**

In Texas, meanwhile, the Department of Transportation (TxDOT) faced its own challenges with Hurricane Harvey. The hurricane, which made landfall near Port Arkansas in 2017, resulted in a disaster declaration for 60 Texas counties, caused
Harvey was especially challenging because of its impact on multiple areas, TxDOT’s Fareri said. “There was heavy destruction where the storm made landfall, but then it dumped record amounts of rain over a widespread area along the coast. The prolonged rain prevented response teams from deploying for several days. Safety is our top priority at TxDOT – for the public and our employees – and we wanted to make certain it was safe for our employees to do the work necessary to assist communities as quickly and safely as possible.”

Every hurricane is different, Fareri added. “But the impact is usually limited to a smaller geographic area. In this case, we were working out of four different districts with multiple work locations within these districts. Fortunately, many of our key staff members are trained in the National Incident Management System (NIMS), and that background prepared us to scale our response to the situation.”

In preparation for just such an event, TxDOT’s fleet operations team meets annually to review its hurricane plan, update contact and equipment lists, and ensure it’s ready to go prior to the season. In the case of Harvey, since the team manages fleet resources statewide, it was able to make “timely, strategic decisions and quickly place resources where they were needed,” Fareri said. “We also had fleet staffing in the agency’s emergency operations center from the very beginning of the event, and it was important to have that link between leadership and the field from the outset.”

During the Harvey response, Fareri said, “our fleet management system’s ability to track equipment movements in real time was very important. There was so much flooding from the storm that we sometimes had to re-route response teams and equipment, and the situational awareness provided by the system helped us keep our crews safe while getting them where they needed to go.”

He added that, with an emergency, “you have to be flexible, and having a well-developed plan helped us respond to a widespread disaster with adequate resources.” An important element of that flexibility is an equipment rental program.

“For several years, we have used rented equipment to supplement our fleet in situations where it is not practical to own certain assets,” Fareri said. “We also use rentals during emergencies. We have a team of rental coordinators who put contracts in place ahead of time and then work around the clock during emergencies to acquire additional equipment we may need to support the response, such as pumps.”

**HAVE A PLAN IN PLACE THAT OUTLINES PROCEDURES BEFORE, DURING AND AFTER THE STORM. REVIEW IT ANNUALLY AND ADJUST. IT’S IMPOSSIBLE TO KNOW WHAT IS GOING TO HAPPEN, BUT CONSIDER DIFFERENT SCENARIOS AND HOW YOU WILL RESPOND.**

Having a Plan in Place

In 2017, when Hurricane Irma hit Florida, its path shifted unexpectedly. Strong winds in Palm Beach County resulted in power outages, downed trees, and damage to buildings and structures, in addition to the standing water from the storm.

“Our department is responsible for providing fuel for over 6,000 vehicles at 14 fuel sites, 44 fire rescue sites, and over 100 generators that support Palm Beach County functions,” said NAFA Regular Member Sara Burnam, CAFM, Director of Fleet Management, Palm Beach County, Florida. “Our biggest challenge was to keep the fuel sites and generators filled so that shelters, emergency staff, and other county operations could function during the disaster.”

The good news is that the county has a “very robust emergency plan in place,” Burnam said. “All pre-, during and post-storm activities are laid out very well in a hurricane manual to ensure we are prepared as best we can be.” In addition, the fuel program is centered on hurricane preparedness.

During the catastrophic hurricane season of 2005, several of the ports were shut down, impacting the availability of fuel. “We were forced to drive to Georgia to obtain fuel,” Burnam said.

Since then, the county has established a Tier 1 fuel supply contract with a national company that has storage
A friendly tip, don’t be Bill.

Understand data so you can cut into downtime, added cost and lack of productivity—or just avoid them altogether.

SeenItComing.com
Palm Beach County has four tank wagon trucks and one 9,000-gallon transport truck with access to the vendor’s port supplies in addition to the contracted delivery trucks through the Tier 1 contract.

“This truck is positioned strategically if a storm path is projected to hit Palm Beach County. In addition, to ensure we have drivers of our fuel trucks, we offer fuel stipends for obtaining all the licenses and credentials necessary to drive these trucks and obtain port access. Having this transport truck and drivers to drive our fuel trucks gives us a dedicated lifeline to any port in the case of an emergency.”

Her advice, then, for others? “Have a plan in place that outlines procedures before, during and after the storm. Review it annually and adjust. It’s impossible to know what is going to happen, but consider different scenarios and how you will respond – no power, no cell service, no phones, rain, your shop is not operational, but you still need to provide services. Make sure staff is clear on what they are to do and keep all staff abreast of the status of the storm.”

In Burnam’s county, every staff member receives a hurricane manual with the information they need to be prepared. “Also, always review events afterward for lessons learned,” she said.

Keeping records is essential, according to Burnam. Just remember that typical methods of keeping those records may not work if the computer system or electricity is down.

And one final note: It’s certainly important to plan for resources. For example, NAFA Regular Member Doug Weichman, CAFM, Director of the Fleet Management Department for the City of Gainesville, Florida, speaks of the need for emergency fuel cards to issue to other agencies for support and of having an emergency fuel plan for employees’ personal vehicles. He also advises doing only the repairs needed to put vehicles back in service, pre-storm or pre-emergency, and to increase the inventory of wiper blades, tires, batteries, and storm-related parts. But there’s another resource that must be addressed: fleet staff. In addressing emergency preparedness at the 2018 I&E Conference, Weichman spoke of having emergency supplies on hand for employees, providing help as needed to get them ready to report to work and being prepared for employee fatigue and exhaustion.

Fleet professionals often say disasters prove just how hard-working and devoted their staff workers are. Preparation and solid plans are a start; a “can-do” attitude brings a solid finish.

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Fuel Efficiency Provides Significant Opportunities

By Sandy Smith

DID WE BECOME complacent after years of relatively cheap gas? The pressure to improve fuel efficiency wasn’t as intense as it was back when gas hit $4.50 a gallon, but a slow, persistent rise in pricing suggests that’s a benchmark we might be heading toward once more.

Investigating ways to increase fuel efficiency, through good times and bad, remains a best practice for fleet professionals like NAFA Regular Member Mario Guzman, CAFM®, Director of Support Services for West Palm Beach, Florida. With 2,000 units overall – approximately 1,100 on-road vehicles – West Palm Beach’s fleet touches practically every municipal department: police, fire, utility, sanitation, and parks.

Right-sizing the fleet for each specific task remains the single most effective fuel management technique, Guzman says. “What we try to do is educate the customer with data and facts. If you’ll tow the trailer, you don’t need a Ford F-450; a 350 will do. Conversely, sometimes we upgrade the vehicles. Getting the bigger vehicle may save fuel because it’s not working as hard.”

NAFA Associate Member Charlie Mahoney, Business Development Manager for Derive Systems, also looks back to those days of $4 gas and sees definite improvements in “the legitimacy of what people are offering.” Back then, “people were crawling out of the woodwork, trying to sell magic pills and magnets,” Mahoney says. “That was a challenge. These days, everyone is beyond sticker shock. But they do watch the cost of fuel per gallon, and they do want to know how to save on fuel.”

The unpredictable nature of fuel prices can make for difficult budgeting, according to Shell Fleet Solutions Vice President Rusty Barron. “Inefficient driver practices like speeding, unnecessary idling, and frequent braking can also negatively impact fuel consumption and affect a fleet manager’s bottom line.”

With so many products and solutions available, fleet professionals might have challenges ahead in determining exactly which is best. Each fleet will have its own goals as well. Mahoney sees those breaking down by type of fleet. “Government usually has a sustainability department looking for reductions and not always requiring ROI,” he says. “Enterprise or commercial fleets are a mixed bag. The goal is to get more miles per gallon; however, if the leadership is not part of the conversation, efficiency is a nonstarter.”

Start with the Basics
Technology, with a reliance on OEMs, is often where Guzman’s fleet starts. The fleet recently added the Ford F-150...
with EcoBoost. “Our customers really liked the fuel efficiency with the turbo. Anything that’s a light vehicle, if there are hybrid or electrical options, we’ll go with that.”

Eliminating under-used fleet vehicles was another tactic, allowing for a leaner fleet that is fully electric.

While Guzman describes his tactic for fuel efficiency as a “multifaceted approach, and there isn’t one silver bullet,” NAFA Associate Member Tyler Raugh tends to come back to the vehicle itself as the answer. He has investigated replacement parts designed to boost fuel efficiency but worries about voided warranties. It’s also difficult to make the numbers work; the city’s fleet has a relatively short life cycle. West Palm Beach keeps a side-loader garbage truck only for five years. “At the sixth year, you’ll see increased maintenance costs, but at five years, there still is a good residual value.”

There is a good reason for that, Mahoney says. “The trust in the OEM is solid. When you’re talking about ways to improve efficiency, they’re looking at smaller engines if the duty cycle doesn’t require it. Ford’s F-150 has seven or eight different engine options, plus two-wheel or four-wheel drive. It’s always important to look at the business case.”

Telematics, which many fleets already have installed for driver safety and routing reasons, may provide an understanding of fuel use as well.

“Using sensors that connect directly to the vehicle to collect data and send it continuously to fleet managers allows them to gain necessary insights to ensure their fleet is running as efficiently and safely as possible,” Barron says. He notes that Shell plans to use the “latest technology to introduce new mobility services covering both common and advanced telematics that will help improve not only driver safety and behaviors but also the fleet’s overall efficiency.”

Telematics also can be used in tandem with intelligent systems to allow
Finding the Intangible Leaks

“The most expensive mile is the mile you didn’t need to travel,” says NAFA Associate Member Tyler Raugh, Co-Founder and President of Fleet for Booster Fuels. He invites fleet managers to consider not the physical fuel leak, but the intangible ones, the unnecessary vehicle usage that occurs whenever a more efficient option is not pursued.

“I think that finding ways to eliminate unnecessary miles is a huge opportunity.” Raugh says these changes could manifest in several ways — from driver education, using routing vs. driving by memory, or factoring stops for food or other essentials into a usage plan, being vigilant about any such usage that is not sanctioned by management, alternative fueling opportunities, and so forth.

for platooning – two or more vehicles driving closely together maintaining a reduced braking distance. This “reduces air-drag friction, helping cut fuel consumption and reduce emissions,” Barron says. “When a vehicle is fitted with cameras, radar, and other systems that continuously monitor the distance to the vehicle in front, the risk of collision does not rise with the reduced braking distance. In fact, with telematics-enabled platooning, the incidence of rear-end collision falls by 71 percent. Telematics can also help fleets manage and conserve energy by using real-time traffic monitoring, which can route drivers around obstacles, accidents, and developing hazards.”

Mahoney says the challenge with using telematics for fuel efficiency is that no one is doing anything with the data. “So many fleets have telematics without really knowing why they need it. An organization’s management may want to know what’s going on with the vehicles or use it to provide information to the customer on a technician’s expected arrival,” he explains.

In West Palm Beach, telematics is used to enforce a strict anti-idling policy, Guzman says. The fleet department receives a signal if a vehicle is idling. Anything that needs to idle to operate power, such as a crane truck, is exempted. Hybrids, the city’s option for bucket trucks, prove most effective. “Not only are you saving fuel, but it’s not loud, and the residents love that,” Guzman says.

Fuel cards are another solution that many fleets already employ. Barron notes that beyond controlling where drivers fuel up, fuel cards can allow fleet managers to set limits by card or group and resolve issues as they happen – all while enjoying

Finding the Intangible Leaks

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Finding the Intangible Leaks

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“I think that finding ways to eliminate unnecessary miles is a huge opportunity.” Raugh says these changes could manifest in several ways — from driver education, using routing vs. driving by memory, or factoring stops for food or other essentials into a usage plan, being vigilant about any such usage that is not sanctioned by management, alternative fueling opportunities, and so forth.

for platooning – two or more vehicles driving closely together maintaining a reduced braking distance. This “reduces air-drag friction, helping cut fuel consumption and reduce emissions,” Barron says. “When a vehicle is fitted with cameras, radar, and other systems that continuously monitor the distance to the vehicle in front, the risk of collision does not rise with the reduced braking distance. In fact, with telematics-enabled platooning, the incidence of rear-end collision falls by 71 percent. Telematics can also help fleets manage and conserve energy by using real-time traffic monitoring, which can route drivers around obstacles, accidents, and developing hazards.”

Mahoney says the challenge with using telematics for fuel efficiency is that no one is doing anything with the data. “So many fleets have telematics without really knowing why they need it. An organization’s management may want to know what’s going on with the vehicles or use it to provide information to the customer on a technician’s expected arrival,” he explains.

In West Palm Beach, telematics is used to enforce a strict anti-idling policy, Guzman says. The fleet department receives a signal if a vehicle is idling. Anything that needs to idle to operate power, such as a crane truck, is exempted. Hybrids, the city’s option for bucket trucks, prove most effective. “Not only are you saving fuel, but it’s not loud, and the residents love that,” Guzman says.

Fuel cards are another solution that many fleets already employ. Barron notes that beyond controlling where drivers fuel up, fuel cards can allow fleet managers to set limits by card or group and resolve issues as they happen – all while enjoying

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THANK YOU!

NAFA FLEET MANAGEMENT ASSOCIATION THANKS THE FOLLOWING COMPANIES FOR THEIR GENEROUS SUPPORT OF THE 2019 INSTITUTE & EXPO.

All information current to time of publication and subject to change with further additions.
added security measures like driver ID validation and odometer prompts.

Ultimately, it is up to fleet professionals to “do your research,” Mahoney says. “There is always an offset as energy must come from somewhere.”

**Driver Roles**

While other technologies may not always pay off, there is one technique that delivers in every instance and at no cost beyond time: driver education.

“It’s a continuous business practice,” Guzman says. “We let them know the cost of maintenance if they overload the vehicle or drive it aggressively.”

Guzman makes sure each department has plenty of data about its fuel use. “We update them monthly on their billing for maintenance and fuel,” Guzman says. “Because we service so many different departments, the reports are customized. The sanitation department can look at their five trucks and see who is using the most fuel. They have the data to know if that’s because they have a longer route. They can make the analysis.”

Barron notes the many benefits of driver education in safety and efficiency. “One way to encourage positive behavior is to implement a tailored reward program based on how the driver performs on the road, which Shell is currently developing.”

Gamification, or using contests to improve driver behavior, may prove effective. But be warned, Mahoney says. “Gamification is a full-time job to implement, putting ownership on the fleet department and leadership to continue the cause. Like anything requiring driver input, if you are not managing it, you are just wasting your time.”

Artificial intelligence (AI) may play a role in the future, Barron asserts, as AI assistants and telematics combine to “help managers coach drivers to be more fuel efficient, effectively reducing gasoline and diesel costs.”

Barron adds, “Advanced technology solutions will not only allow managers to access data on their vehicles and drivers, but it will also optimize performance and improve driver safety. Remote service, vehicle health, real-time information, and productivity enhancement tools will also allow fleet managers to realize cost savings enabled by in-vehicle technology.”

While high-tech AI tools may be off in the distance, Mahoney notes that one of the most successful and easiest driver education tools for fuel efficiency is this: “Put some air in your tires. That’s first and foremost. If you have a check engine light, get the thing serviced.”

While there are many tools and techniques available that promise to improve fuel efficiency, for Guzman it comes back to the vehicle. “That’s something we can control. We can mitigate the types of vehicles that we buy by trying to educate the customers and learning their business needs. As far as other things, I’m a little gun-shy and would want to see the data and look at other manufacturers. We don’t have the luxury to spend money on something new that doesn’t work. You don’t want to sit back too long, but you want to have your finger on the pulse and know what’s going on in the industry.”
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2019 I&E WRAP-UP

NAFA 2019 I&E Investigates Broad Changes to Fleet

By Donald Dunphy

AT NO TIME IN recent history have fleet professionals needed to consider so many shifts to their fundamental work requirements. It's not a surprise. Each day, the business media buzzes with reports concerning the continued rise of electric and autonomous vehicles, the integration of drone technology into everyday delivery practices, and the implications these changes might have on the tried-and-true business model.

The themes of disruptive technologies and mobility were threaded throughout NAFA’s 2019 Institute & Expo, which took place April 15-17 in Louisville, Kentucky, and culminated in a multi-session track on the last day devoted to “the mobility revolution.”

Don’t Fear the Hoodie

A bit of perspective is necessary. The whole world is changing as technology advances year over year. Fleet and mobility are a major part of this, but make no mistake – this is a reflection of a global shift in absolutely everything we know and do.

Chris Riddell, a highly acclaimed, award-winning global futurist and speaker on emerging trends and high-speed change, presented the first keynote of I&E and opened some eyes in the process.

One of his most provocative points was that fleets should stop anticipating the autonomous revolution. It’s not only already here but is reshaping our present in extraordinary ways. As a matter of fact, 2019 marks the 10th anniversary of the launch of Google’s self-driving car project. Not long after, Tesla Motors introduced its “autopilot” function, and the rest of the OEMs could no longer avoid the inevitable and began investigating the technology. With lane departure
equipment, self-parking vehicles, and more, we have been living with degrees of vehicle autonomy for the past decade, Riddell noted.

Even as news reports insist “Level 5 – Full Driving Automation” remains many years away, Riddell insisted that is a viewpoint seen through the eyes of traditionalism. Considering Moore’s Law – the observation suggesting that processor speeds or overall processing power for computers will double every two years, resulting in shorter periods between transformative innovations – and the generation of “digital natives” who have never known a time without personal computers, smartphones, or the internet of things, quantum leaps of advancement are less likely to come from a boardroom.

Rather, they’re more likely to come from the bedroom of an individual looking at the world in a radically different way, Riddell said. That person has access to data that once took multiyear campaigns to accrue and benefits from instant knowledge about the marketplace. The only thing slowing them down, Riddell posited, was capital, yet venture capitalists continue to seek out these “hoodie-wearing” future pioneers. He said these barriers to breakthroughs are becoming more porous as individuals work around limitations that previously delayed progress.

Can Telematics Lead to Negative TCO?

Among many “hot topics” at I&E, data emerged as the dominant subject: how to get it, how to use it, and the potential risks and liability of not doing so. Tony Candeloro, Senior Vice President-Technology and Operations for Holman Strategic Ventures, and Matt Stevens, GEOTAB’s Vice President of Electric Vehicle & Connected Car Technology, insisted that telematics in the modern fleet is a necessity and may even pay for itself.

Candeloro kicked off a telematics-focused session by estimating that roughly 1.8 million telematics units were installed by the end of 2018. Overall fleet adoption hovered around 26.6% in 2017 yet is poised to reach 49.7% of fleets within four years.

Why? Aside from significant requisites such as tracking vehicle downtime and idling, collating information that could signal engine issues and potential failures, electronic logging device (ELD) requirements, and similar functions, connectivity could provide fleets with new avenues to lower total cost of ownership and even spark negative cost of ownership.

Here’s how, according to Stevens and Candeloro: Thanks to increased utilization via more efficient vehicle-sharing, supplemental mobility options, and more effective usage of fleet data to reach department goals, the vehicles that are in service are consistently maximized, rather than having work spread out across multiple vehicles – sometimes in use, sometimes not.

This frees up set-aside vehicles, which can be leveraged as rentals or shared with other operations for a price.

Further, the data that the fleet used to get these benefits are valuable and can be sold. “Connectivity could swing the total cost of ownership 180 degrees to revenue generation,” Stevens suggested.

Mobility Day

Consisting of a keynote session and eight different concurrent sessions, I&E’s Mobility Day track of education indicated that much of the necessary mobility groundwork is already taking place.

Discussions of EV advancement, how range anxiety is being addressed, the need for stringent cybersecurity in an increasingly mechanized world, and more incited curiosity.

For example, one session took a deeper dive into the internet of things and its implications for the automotive industry. Modern cars collect 20 million megabytes of data per vehicle/per year via telematics and GPS services. Most OEMs have announced plans to have 100% of their new vehicles connected by the end of 2021.

In another session, early uses of fully autonomous vehicles were noted for moving material rather than people. Autonomous logistics could see short- and long-term success as autonomous trucks move goods from within a warehouse to a larger campus and over long distances.
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**Lane-Keeping System does not control steering. Includes standard and optional features. Class is Midsize Utilities based on Ford segmentation.
NEXT Future Transportation CEO Emmanuele Spera spoke about his company’s storage pods that double as autonomous vehicles. Depending on the number of items that need to be transported, the pods can interlink and travel long distances, essentially creating an autonomous fleet that is always right-sized.

Jamare Bates, Director of Unmanned Aircraft Systems Operations for Black & Veatch, explained how drone technology, developed primarily for military operations, will reshape “last-mile” delivery, removing the individual driver from the process entirely.

Royal Truck & Equipment President Rob Roy introduced the autonomous TMA truck (ATMA), a vehicle outfitted with an electromechanical system and sensor suite that allows equipment to follow a lead vehicle completely unmanned. Roy explained that the technology is being adapted to the roadway construction industry and the U.S. military with the goal of having roadwork crews “right-sized” to suit the work requirement, not to have more bodies in the way on a job site where accidents can occur.

Curbing Negative Effects of the Driving Culture
“The car culture that supports us has a lot of problems ... but there are also solutions,” said Lukas Neckermann, Managing Director of Neckermann Strategic Advisors. His keynote presentation about the future of mobility was based in part on findings from his recent NAFA Foundation-driven white paper. He sought to tie in the ways that mobility will ameliorate major problems occurring globally.

“Roads in Sweden, the United Kingdom, Germany, Australia, and more are seeing great strides in safety,” Neckermann said. “Comparatively, U.S. roads are not seeing the same positive decreases in crashes. ... Distracted driving is not the problem if individuals see driving as the distraction from doing other things.”

Pointing to technologies that are already in play, he said, “Equip every single new vehicle with adaptive driver assistance systems today, and you can see how blind spot detection alone reduces lane change crashes with injuries.” He sees more dramatic changes on the horizon, including the introduction of fully autonomous vehicles, citing full connectivity as the key to greater safety, subverting human error and impulsiveness.

Further, claimed Neckermann, electric vehicles will be the most obvious powertrain for such vehicles, and this change is already underway. “Two-hundred-plus new plug-in vehicles are coming to market in 36 months,” he said.

As noted in his white paper, a major driver of the change to electric vehicles will be simple economics: The TCO of electric vehicles, in some cases, already is superior to gasoline or diesel vehicles; where it’s not, it will be within the coming years. Plus, as lithium-ion battery prices drop by 15% to 20% year on year, the price per mile of range for electric vehicles decreases, virtually proportionately, he predicted.

“The current model – where everyone owns or leases a car and uses it for primary transport – is beginning to fade,” Neckermann says. “Younger generations across the globe are choosing to live in cities rather than suburbs or small towns, which implies greater habitation densities. Car ownership is much less important to young consumers than previous generations as they choose to take shared rides, mobility services, transit services, ride a bike, or walk to their destination over owning a car.”

Is this a realistic expectation? Neckermann said, “About 17% of surveyed college-age individuals in a recent study] said they already gave up their vehicle, and 13% would consider giving up their vehicles for mobility-as-a-service.”

Culture Shock
One theme many I&E speakers implied was that the work of the present and well into the future is data-driven. Where a seasoned fleet manager sees a car, a driver, and a task, the next wave sees the task and can analyze all the possible ways of accomplishing it, regardless of the car or driver. The rewards may be a cleaner, more efficient, and safer landscape, and it is worth the investigation.
How might a fleet manager have determined these activities were going on? Measuring vehicle usage against what types of tires and how many of them are being purchased is a great clue. Broadly, if a fleet with a localized scope of work is experiencing a high turnover of tire stock, you might wonder why this is the case. Also, if your selection of vehicles only has a few pickup trucks, yet you're constantly in need of those tire sizes, you need to ask why this is happening. At the very least, it could be the misuse of the vehicles, necessitating driver retraining, but it could be that the tires are conveniently “disappearing.”

Access Device Fraud
Another standout anecdote highlighted a company director who made ATM withdrawals from fleet cards, uploading e-money onto debit cards, then taking money out of ATMs that was allocated to drivers. By following paper trails, internal audits caught onto a potential concern. ATMs caught the director doing this, corroborating his part in “access device fraud.”

Not all such crimes are as grandiose. A more common issue comes when business fuel cards are used to fill personal vehicles. These activities are easily uncovered thanks to fuel card

A SIMPLE ONLINE SEARCH using the keywords “fleet manager embezzlement” results in thousands of cases where fleet professionals have been indicted and convicted of serious criminal charges, including embezzlement, fraud, and money laundering. Some poor career-ending decisions include thefts from a few thousand dollars up to millions.

From a distance, the vignettes presented during the I&E education session, “Fleet Felonies! Reduce Your Exposure to Fraud,” are puzzling and hilarious, but the fleet professionals attending this session quickly recognized how unscrupulous figures might easily impact their work. Further, detecting many of their activities is not extremely difficult. It’s mostly a case of reading the clues that the data is readily providing, and that task falls directly upon the fleet manager.

Presented by Janis Christensen, CAFM®, Director, Corporate Fleet Consulting, and Steve Saltzgiver, CAFS®, Manager, Mercury Associates, the session toplined the “dirty deeds” that have tempted figures to commit criminal activity, including fuel card abuses; fake fuel rebates, invoices, and leases; used vehicle disposals; debit card misuse; and procurement card mismanagement.

‘Tiregate’
Christensen and Saltzgiver discussed “Tiregate,” where six former employees of a state Department of Transportation were swept up in a tire theft ring sting operation. The charges against them included four counts of theft in the amount of $3,500 or more, three counts of theft in the amount of $650 or more, four counts of embezzlement in the amount of $3,500 or more, three counts of embezzlement in the amount of $650 or more, five counts of possession of stolen property, one count of burglary, and one count of multiple transactions involving fraud or deceit in the course of enterprise or occupation.

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Janis Christensen, CAFM
Steve Saltzgiver, CAFS
reporting, which shows when fuel-ups take place. Why would a vehicle that only runs 9-to-5 fuel up at 11 p.m.? Why would a vehicle that only requires regular gas consistently top off with premium? And why would a vehicle’s MPG suddenly dip far below its normal operating range? In one instance, workers falsified paperwork and odometer readings to mask their crimes.

Christensen agreed with the idea that fleet managers should consistently share such anecdotes with their staff as a reinforcement: No one is a criminal mastermind, and thanks to so much collected data and better reporting, “cooking the books” is harder than it has ever been. The odds are against you, so you shouldn’t dare try it.

Sunlight Is the Key
Saltzgiver was adamant on this point. Use that data to keep track of fuel use vs. fuel spend. Leverage that information to protect your fleet from bad actors. Turn off gas cards when your employees are terminated – always. If not, your organization remains open to all manner of risk, and never fear an internal audit. The auditor is your friend and can see problems you might be too close to see.

Christensen and Saltzgiver added that it is imperative to ensure that sound policies and procedures exist, featuring clearly defined employee roles and responsibilities. Further, hierarchical thresholds and approvals by dollar amount should be commonplace. As a rule, the purchaser of collateral should never be the receiver of the goods. Someone else should be in the chain so that anything that’s not honestly acquired won’t dishonestly disappear without a trace. Commit to doing regular reviews of transactions, and make sure your employees are all trained appropriately and held accountable for their actions.

In conclusion, “sunlight” is key. Share your results with the managers responsible for correcting problems. If your organizational culture values transparency, then anything attempted on the sly will draw attention to itself.

Culture Combats Tolerance of Fleet Theft
There are many reasons why an individual might consider stealing from their organization through their fleet. Two of the primary culprits are that it appears no one is looking or that the people at the top do not care. Therefore, communication is crucial to maintaining an honest workplace.

Fostering a culture that values integrity requires diligence from the top down. Show that the rules that apply to day-one employees also apply to the C-suite. Make it clear that audits occur on a regular basis and at any time. Plus, the well-publicized mistakes of other organizations are a useful tool, provided you share that reporting with your team. The fact that they see others being caught in crimes, as well as a transparent understanding such activities will be prosecuted within their own company, will influence anyone who might entertain the notion of using fleet materials and funds as their personal piggy bank.
The Road to Full Vehicle Autonomy: Challenges and Opportunities

By Christopher Jones

STATISTICS SHOW THAT AUTOMOTIVE technology has had a positive effect on driver safety and that drivers are benefiting from automated safety features. In 1972, there were 25 driving fatalities per 100,000 accidents; by 2017, that figure had been reduced to 11.4 per 100,000. Real-time driver alerts have reduced collisions by 60 percent.

Fleet managers are also reaping the benefits of technology-enhanced driver safety, with some fleets having achieved an overall loss reduction of 50 percent, according to Jennifer Haroon, Chief Operations Officer with Nauto, a California-based transportation technology company that develops automotive hardware and artificial intelligence-based data platforms.

Haroon gave a presentation on autonomous vehicle technology and its potential impact on fleet management and commercial vehicle use at I&E. Haroon noted that widespread testing of autonomous vehicles is underway, and fleets have already added some of this technology. However, she shared that driver acceptance remains low, changes in the insurance system represent a complication, and there is a need for change at the legislative level.

Further discussion is needed on points such as how to transition from personal to product liability coverage and how to manage interactions between autonomous commercial vehicles, human drivers, and pedestrians. There’s also the challenge of coordinating between technology companies, OEMs, and insurers, not to mention a persistent mistrust of self-driving cars. According to a 2019 AAA survey, 70 percent of participants said they were too nervous to get into a self-driving car.

Potential and Preconception

However, the debate is set against a backdrop of tremendous growth potential. Haroon indicated that automatic technology has made driving safer over the past 50 years. Autonomous driving, the next step in the evolution of our vehicles, would alleviate stop-and-go driving, allow for greater general mobility, and help the elderly, injured, and disabled avoid social isolation. Autonomous driving would also eliminate distracted driving, which has been correlated with traffic crashes 2.5 percent more often than aggressive driving, she said.

Despite the evident benefits, Haroon said a strong undercurrent of suspicion and mistrust remains in the form of persistent fears that “artificial intelligence will displace people.” Despite driver reservations and the logistical challenges of autonomous driving, Haroon said an even newer, more efficient wave of self-driving vehicles is on the way, which would mean greater fuel and driver efficiency for fleets and eliminate the need to monitor drivers.

Haroon emphasized that fleets will be much closer to true vehicle autonomy once there is a clearer understanding of what’s required from a legal, insurance, and infrastructure standpoint.
When Should You Replace Law Enforcement Vehicles?

By Ken Hunter

LAW ENFORCEMENT VEHICLES OFTEN have hard lives – high speeds, sharp braking, and excessive idling that take a significant toll on them. Therefore, can the same replacement cycles apply for police vehicles that are standard elsewhere in fleet?

This topic was addressed in the 2019 I&E session, “End of the Road: When to Replace Law Enforcement Vehicles.”

“There isn’t a formula to pop in that tells the answer,” said Tim Coxwell, CAFM®, Fleet Management Division Director of Leon County Sheriff’s Office in Tallahassee, Florida. He said it’s a subjective process that incorporates calculated risk, depreciation, the timing of anticipated repairs, and much more – all to show metrics that compare fleet’s actual needs vs. money budgeted.

Plus, unique to municipal fleets, Matrix Consulting Group Senior Manager Randy Owens noted the key question to be prepared for: “I don’t care how good your data and communications are, the police chief or city manager will ask what the town next door does.” Therefore, in your replacement cycle analysis, he advises you should have some local benchmarking to supplement your recommendations.

Coxwell incorporated this benchmarking along with much of the data research and processes that are outlined in NAFA’s certification (CAFM®/CAFS®) programs, as well as in NAFA’s Lifecycle Cost Analysis for Fleets tool – two tools law enforcement fleet managers can use to make the case for replacement cycles.

“Replacement is an art and a science,” said Jeff Hawthorne, CAFM, Fleet Manager of Palm Beach County Sheriff’s Office in West Palm Beach, Florida. “Data is your foundation, so don’t ever say, ‘Director, I believe,’ or ‘Director, I think.’ Use data for everything.”

Hawthorne uses a blend of the by-the-book method with a good dose of his rules of thumb. He said there are three fundamental questions to ask yourself when first approaching the process:

• Is the vehicle being fully used?
• Did we write the right specs?
• If it’s not being used, why replace it at all, or can it be repurposed?

“I get the same question every single day: ‘When am I getting a new car?’” Hawthorne said. He uses the rough six years and 125,000-mile estimate when he answers this question outside of the fleet world, however, the actual solution is much more complicated.

Hawthorne said police fleet professionals should look at three common approaches to replacement and choose the best one for their situation:

1. Economic Life-Cycle Analysis (E-LCA). As Hawthorne defines it, this system is a management tool that analyzes ownership and operating costs throughout a vehicle’s lifetime to estimate the optimum point in time or usage to replace the vehicle.

However, Owens cautions that lifecycle cost analysis should have “no go zones.”

“You don’t want to replace a vehicle before TCO stops going down. But you don’t want to run them out, though, as that becomes very expensive,” he said, noting fleet managers should study several other factors:

• Functional obsolescence
• Technical obsolescence
• Safety
• Fuel economy
• Emissions (noting reductions in the past 10 years is significant)
• Parts availability

2. Established Age/Mileage. It is a common method used in many public and private fleet operations and can be summarized as eight years/150,000 miles, six years/125,000 miles, five years/100,000 miles, and four years/80,000 miles. He notes it is simple to use and objective, yet has weaknesses, including unaccounted for vehicle conditions, and more/less reliable vehicles could incur high repairs or be sold earlier than needed. Therefore, treat vehicles that reach these plateaus
Avoid Understating Your Labor Costs with This Simple Calculation

Fleet managers can underestimate their repair and maintenance costs significantly by not using fully burdened labor rates in their calculations, warns Jeff Hawthorne, CAFM, Fleet Manager of Palm Beach County Sheriff’s Office in West Palm Beach, Florida.

Some fleet managers will simply divide 2,080 hours per year (40 hours per week times 52 weeks) into their mechanics’ annual wages (that may average $20 to $30 per hour), however, that simple calculation can be five times lower than what is actual, he said.

Instead, fleets should recognize the need to deduct nonproductive time such as vacations, holidays, sick time, and training and then add in the costs of shop overhead, which may include supervision and facility costs.

Fleet managers may find that their mechanics may be able to charge just 1,350 hours, for example, or 65 percent of their time to direct work, Hawthorne noted. That adjusts their fully burdened labor rate at a range of $75 to $95 per hour—not $20 as used in the simple calculation.

Explaining Fleet Analysis to Decisionmakers

In fact, law enforcement fleet managers also need to inject a strong dose of education throughout the replacement process when discussing the strategy with top officials, finance, and other departments. “The question I got was, ‘Why does this fleet guy need $4 million to replace 88 vehicles?”’ Coxwell said.

To prepare for his meetings, Coxwell did deep preparation. He projected mileages through the end of fiscal years, drew up leasing comparisons, identified contract pricing differences, created replacement schedules, and more. Then, he developed what he identified as the key ingredient to gaining acceptance by nonfleet people: creating a set of messages that he used throughout the process.

“Tell your stories just as you would tell your kids stories at bedtime. Tell them over and over. Keep them consistent,” he advised.

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How’s their driving?
Ways to Reduce Your Fleet Spend (That Have Nothing to Do with Fees)

By Donald Dunphy

Are you expected to keep optimizing your fleet services while consistently lowering your costs? You’ve reduced vendor fees already, so where else can you look? In the session “Ways to Reduce Your Fleet Spend (That Have Nothing to Do with Fees),” attendees of the 2019 I&E learned what other low-hanging fruit can be reaped to start reducing fleet costs immediately.

Presenters Larissa Clinard, CAFM®, Fleet Manager of J.F. Ahern Co., Eli Rossiter, Director-Telematics/Safety of Donlen, and John Wuich, CAFM, Vice President-Strategic Consulting Services of Donlen, discussed areas that many fleet managers overlook but can quickly engage with to achieve better results.

There are seven planks involved with reducing fleet spend:

1. Fleet philosophy: The fundamental approach a fleet takes in regard to its spend
2. Funding strategy: Where is the money for operations coming from and how is it being spread throughout the organization?
3. Fleet policy
4. The “big buckets” that have the most opportunities for reduction
5. Driver accountability
6. Managing exceptions
7. Evaluation and revision of all of the above

According to Wuich, the big buckets are depreciation, fuel, maintenance, and crashes/accidents. Fuel is the second largest of these “big buckets” of spend right after depreciation, which depends on reducing capitalized cost and increasing resale value.

Fuel tends to have more opportunities for cost reduction that are consistently achievable, and thanks to the trove of data collected via telematics, it’s never been easier to pinpoint potential.

Reducing travel requirements is key: The less you travel, the less you spend on fuel. Determining optimal routing, keeping track of unauthorized vehicle usage, and assessing who really needs a vehicle and who doesn’t all play a role in cutting fuel spend.

Just as important, said Clinard, is how the vehicles are being used, and telematics can provide reports of excessive idling and reckless utilization, which not only support savings requirements but safety and sustainability goals as well.

Rossiter said there are key actors involved with saving on the maintenance side. It is important to develop and drive compliance in preventive maintenance (PM) scheduling, particularly in two important respects. Keeping up with regular PM work supports the long life of a vehicle and can support better resale values at the end of a vehicle’s service lifecycle. Conversely, holding firm with a PM schedule keeps vehicles from having more work done than
is necessary. A vehicle that gets excessive work done negatively affects costly resources and results in underutilization.

The fourth “big bucket” of fleet spend is accidents/crashes. It is every fleet’s objective to go for zero crashes, but on shared roadways, it’s not always possible. However, driver training and real-time feedback are essential to driver behavior modification, consequently reducing crash frequency and severity.

Begin with a consistent training regimen for everyone who uses company vehicles. Make safe-driving expectations clear in the fleet policy. Go back to the telematics data and see which drivers are speeding, gunning the motor at the green light, and hard-braking at red lights. Further, motor vehicle records (MVRs) are your friends and can be invaluable information concerning the psyche of your driver(s). Not knowing whether they are fit to drive or otherwise puts an organization in potential legal jeopardy. Avoid negligent entrustment issues and support safer driving practices at the same time.

Underutilization of vehicles is costly. Find out which ones are not being used consistently and determine the best way to address it, either through a revision of who drives what and why, an overall right-sizing effort, and selling off the vehicles that aren’t being used on a regular basis. They may not be burning fuel, but they are accruing costs on the registration and insurance side of the equation.

Wuich mentioned that exceptions can also be a goldmine when it comes to spend reduction. He noted one instance where a take-home vehicle was being used excessively by the employee’s family members, some of whom weren’t even afforded driving privileges with the vehicle. Look to when the vehicles are being used, and if these times aren’t within the hours or scope of work, you need to make the organization’s position clear to the driver, up to and including revoking their take-home status.

Things change. All three presenters stated that it is necessary to evaluate and revise such processes on a regular basis. Significant costs can arise from a lack of addressing change as it occurs, and the need to spend your way to a resolution later. All plans are contingent upon the best thinking right now, so get comfortable with refinement and adaptation.

The main reason people come to I&E is to learn how to do their work better, and with these points in attendees’ hands, several opportunities to take back and leverage to best advantage were clear.
A Hidden Pandemic: Bacteria, Mold, and Workplace Safety
By Christopher Jones

Pathogens like toxic mold and dangerous bacteria have reached pandemic levels throughout North America and constitute a significant workplace health threat. That’s particularly true of fleet vehicles, which are constantly exposed to microbial infection. In his presentation at this year’s I&E, Purifyd Systems CEO Stephen Dunn warned that seat belts, steering wheels, door panels, and airflow systems are breeding grounds for dangerous bacterial contaminants and must be disinfected regularly.

Unfortunately, there is a general lack of awareness among fleet managers and no federal standards governing the control and remediation of bacterial infection in fleet vehicles.

Public and Workplace Concerns
Dunn explained that a confluence of demographic and biological factors is behind the crisis and has caused public concern to mount. Climate change, growing population density, greater population mobility, and digital media’s increasing involvement have forced the situation into the light of public scrutiny.

These are major concerns for fleet managers, who stand at risk of losing productivity and staff to chronic illness, respiratory problems, allergies, and fatigue. Contamination affects worker well-being, hiring and employee retention, management/union relationships, continuity of service, and perception of performance. Employees who are constantly exposed to a toxic workplace environment tend to report sick more often, lose motivation, and are more likely to leave the organization.

Preventive and Proactive
“Don’t be reactive,” Dunn urged. “Don’t wait to act because, by then, the damage has already started. Put preventive programs into action, like monthly remedial treatments.” Companies that take this approach experience improved employee well-being, fewer complaints, and less sick time, Dunn said.

Dunn, whose company is based in British Columbia, said Purifyd Systems was called to help the British Columbia Royal Canadian Mounted Police (RCMP), which was experiencing illness at such a high rate that it was having trouble keeping patrol cars on the road. Thanks to Purifyd’s remedial action plan, the RCMP was able to keep the infection under control and maintain a healthier workplace, which improved attendance and productivity.

Air filters were replaced regularly, and hydrogen peroxide and ammonia spray were applied inside air ducts and injected through the evaporator coils of each vehicle every month. All in all, vehicle remediation takes about 15 minutes, Dunn said.

Dunn recommended that fleet managers work to create awareness among staff of the dangers that bacteria and mold represent. Watch for complaints and illness among employees, test vehicles regularly (a simple handheld device can identify pathogens), and initiate a preventive action plan as soon as possible.
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EVERYONE WANTS TO think they’re irreplaceable. Yet when the lottery hits new heights, the lines are long with many dreaming of quitting their day job. Retirement parties come around frequently. Plus, no one likes to think about it, but people die every day, and many of them are still in the workforce when it happens.

Then there are happy things: marriages that take someone out of state or a promotion that leaves the role vacant.

In a world in which vacancies may mean the full-time equivalent shifts to another department or in which a fleet professional suddenly juggles additional responsibilities, having the next hire identified makes sense. And it may prove more valuable than simply filling the job.

Plans in Place
According to research from the HR and recruiting technology firm Software Advice, 62 percent of employees say they would be “significantly more engaged” at work if their company had a succession plan. Employers agree that succession plans lead to more engaged workers. Millennials say they have an improved level of engagement when a clear succession plan is in place.

It also helps with recruitment of the next generation of workers, said June Martin, Co-op Consultant, Employer Development, with the Automotive Business School of Canada (ABSC) at Georgian College in Barrie, Ontario. “To attract students, start planning ahead and include this group as your future talent.”
Martin readily admits that millennials are sometimes criticized for thinking they’re ready for a promotion even before they walk into the job. She doesn’t see it that way: “They want to see where the opportunities are. Sometimes it’s misconstrued that they want to be a manager right away. But this generation just looks at things differently. They’re committed, and they want to be a part of something bigger. It’s important to them to understand how the operation works, where the opportunities are, and the various pathways to get there.”

Developing a succession plan should not mean that a person must be promised the next job opening. It just means that leadership has seen some career growth as a possibility and is willing to invest in helping them get there. While a formal succession plan might be needed for a company’s upper leadership, other methods can be used to help grow everyone for the next step on their career ladder.

Look to the Future
When NAFA Regular Member Brian Barkley, CAFS®, Fleet and Asset Manager for the County of Simcoe in Ontario, looks a few years down the road, he sees a number of colleagues who are nearing retirement. He sees the same when he looks in the mirror. Though the county’s fleet department turnover has been historically low, he still questions who will be around to manage the county’s fleet of 377 items, ranging from heavy equipment to trailers.

“It is commonly known that fewer and fewer young people are seeking careers in the trades, such as mechanics,” Barkley said. “Many public and private organizations are having trouble filling mechanic positions. Therefore, we will be exploring options to deal with these possible shortages.”

The fleet team – one manager, two fleet coordinators, one administration coordinator, five vehicle mechanics, and three part-time drivers – may be small by comparison to other organizations, but Barkley thinks “this makes dealing with succession planning much more critical.”

The fleet team handles acquisitions, remarketing, preventive maintenance and repairs, lifecycle, accident investigations, and insurance claims while trying to green the fleet. Add in complying with regulations, managing outsourcing activities, reviewing drivers’ license records, and other tasks, and it’s easy to understand how this is a tall order for a small staff.

“Losing one person could possibly have a large impact on our operations,” said Barkley.

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The county has made sure that cross-training among the same job category is completed for all staff, and that brings added benefits. “Cross-training also eliminates staff specialization and promotes familiarity with all facets of our operations and the various vehicle configurations,” Barkley added.

**Readying the Next Generation**

One core element of any succession plan is ensuring that the successor is ready. Mentoring can pay off for years to come, Martin said. She suggests companies consider mentoring students even while they’re in school.

“Students can be mentored while finishing their academics and hopefully move into a fleet role fairly quickly. Fleet is a career about which you need to get people excited. It’s about understanding the importance of the role and the future possibilities.”

Martin pointed to NAFA’s Certified Automotive Fleet Specialist® program as a good starting point for investing in workers. “Mentoring students and recent graduates through the program can help,” she said. “Unless you’ve worked in the industry directly, these certifications are difficult to pass. Working with a student or a recent hire to achieve CAFS® certification certainly shows you are willing to invest in their future.”

And while it can be a gamble, she believes new graduates or even those still in school can be worth the investment. “Get involved with colleges and universities by participating in internships and co-op programs,” Martin said.

She noted that one company provided a full-day session at their office. “They wanted students to get an up close and personal look into the world of fleet. They chartered a bus and brought them to their office. They provided a tour and a meet-and-greet with senior leaders and alumni from ABSC who are currently there. This day in the life of someone who works in fleet provided clarity as to what the company and the career opportunities are all about. To someone who doesn’t know about fleet management, it is one step further than just attending a career fair.”

She has seen career fairs at ABSC wane in favor of “speed networking” events that pair students more closely with potential hiring companies. That’s not all that has changed. Succession planning is no longer about completing a form and tucking it away in a drawer.

“Companies have to change the way they look at it,” Martin said. “It needs to be simplified so that future candidates can be identified easily. People who are identified as leaders sometimes get lost in the shuffle of a large operation.”

Martin recommends that any succession plan or leadership development program be composed of more than just a handful of people responsible for identifying potential candidates. “Keep an open mind and make sure that you have the right people in place who can identify potential leaders. A committee will produce much better results than one person influencing who is ready for leadership or growth.”

That may mean developing more than just one identified successor and investing in a cadre of potential leaders. If that’s the case, a less formal program may be needed. “Time is of the essence and no one has that extra time. Consider things like lunch-and-learn programs, where people can learn what it’s like to move through the organization and what are the skills needed. Then provide a gap analysis so that they can understand what they need to do and give them opportunities to receive training that helps fill those gaps.”

One thing is certain: Times have changed, and worker expectations have changed right along with them. “It’s not old-school where they’re happy with just a full-time job with benefits,” Martin said. “Workers are passionate about what they do. I think companies forget that, and they may think, ‘It’s a good-paying job. What else do they want?’ It’s not just about that anymore. I think the bigger question is, ‘What are companies doing to attract this generation?’ Companies who let a worker know that they see potential, invest in them, and make them a part of their future growth can help solve workforce issues.”

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FLEETSolutions THE MAGAZINE FOR FLEET MANAGEMENT 37
The 100 Best Fleets Announced at 2019 I&E

ON APRIL 17, THE FINAL DAY of NAFA’s Institute & Expo, 100 Best Fleets Founder Tom C. Johnson announced his rankings for 2019’s top fleets. NAFA provides an opportunity for the 100 Best Fleets organization to present its independent award during the annual conference. The 100 Best Fleets’ No. 1 position belongs to Miami-Dade County (FL).

The program was developed by Johnson to “shine a light” on all the good things fleet managers do and educate up the ladder so their supervisors and taxpayers understand the value they provide daily. The contest requires the demonstration of 12 criteria that 100 Best Fleets considers universal drivers of change and excellence in fleet operations. Various fleet professionals act as judges for the 100 Best Fleets program.

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By Michael Bieger
and John Bieger

IT WAS ADVANCED LEARNING, new technologies, and friends both new and old (well, past friends, maybe not old). It also had networking and education covering everything from Canadian and U.S. legislation to workshops for all areas of the industry – utilities, corporations, pharmaceuticals, government, and university fleets.

There were classes on law enforcement fleets, online communication, the future of our industry, the environment, and what exactly mobility means; overall more than 70 sessions and events for the thousands of attendees, all students of the industry. The Twitter hashtag #NAFA2019 barely comes close to doing justice to the opportunity afforded anyone who attended NAFA’s 2019 Institute & Expo, which took place April 15-17, in Louisville, Kentucky.
Things began on Sunday with two half-day classes: a workshop on creating effective policy and a “Masters Class” where seasoned industry leaders worked with their peers on fleet’s most persistent topics from acquisition to risk. Leading the latter session were noted CAFM®’s Katherine Vigneau, Randy Owen, Patti Earley, and Bryan Flansburg. The day wrapped with the Annual Business Meeting, followed by a welcome reception that set the strong networking tone for the rest of the conference.
As conference attendees dove into Monday morning’s breakfast, NAFA CEO Phil Russo launched the conference with the introduction of the new NAFA Communities initiative. A key initiative that will enable industry leaders to crowdsource, network, share knowledge, and solve problems directly with each other, NAFA Communities strives to serve the Association’s members in the ever-changing social, interconnected world in which we live.

Presenter Jen Buhrow demonstrated the potential of working with others virtually with a quick “real-world” exercise, having attendees at each table exchange business cards with each other. She noted that such an easy interaction was now possible in a dramatically scaled-up way thanks to NAFA Communities. She then introduced the individual communities and their leaders:

- **Associates Community** – Marianne Stewart-Carbocci, CAFM
- **Government Community** – Nina Hoffert, CAFM
- **Education Community** – Mike Wilson, CAFM
- **Utility Community** – Calvin Smith, CAFM
- **Corporate Community** – David Hayward
- **Multinational Community** – Joe LaRosa
- **Public Safety Community** – Jeff Hawthorne, CAFM

According to Buhrow, communities are “more than a chat room or Google for fleet, but really an online learning environment at its heart.” She also spoke of how the communities can additionally serve as a products and services showcase for Associate Members.

What followed was a full day of educational sessions. Professional development, so important in our world today, was highlighted by classes that ranged from fleet-specific personal development with CAFM boot camps, all the way to professional level education with sessions on safety, policy, and industry-specific workshops.

A panel discussion on complex decision-making featured Sherry Calkins, Associate Vice President, Global Strategic Partners, Geotab; Phil Moser, Assistant Director of Global Driver Safety, Syneos Health; and Erin Rock, Government Consultant, Southern Strategy Group. The discussion addressed what one had to consider when making complicated decisions as fleet managers. Rock spoke to the complexities of the government process and how it is significantly different from the corporate space, including the procurement cycle, the funding cycle, and the challenges faced when her senior leadership are political experts but not fleet subject matter experts.

Calkins added her insight into the challenges of global operations and decision-making, specifically, with the need to partner globally to navigate multiple political entities. She highlighted that NAFA’s best practices are a good resource that should be used. A key to
Riddell also warned of the dangers of becoming complacent with technology’s status quo, such as it is. He offered, as an illustration, the current Facebook headquarters sign, which was simply the former Sun Microsystems label turned around and rebranded with the Facebook logo on its front. No matter how quickly we thought we’ve seen change come, we haven’t seen anything yet.

Then it was back to the books with more than a dozen educational sessions on everything from another CAFM Boot Camp to an OEM Law Enforcement Panel on driving unique solutions for your fleet. During the between-session breaks, you could get a cup of joe from the LeasePlan café or possibly through their new voice-recognition driver app, Elle, if you preferred.

The day concluded with the “Derby Experience” welcoming reception. As a part of the overall networking theme, it was a great opportunity for colleagues, friends, and peers to mingle with some of the best minds in the industry.

Phillip E. Russo, CAE

Chris Riddell

Jeff Hawthorne, CAFM

Nina Hoffert, CAFM
Day two started with a breakfast and panel discussion featuring the winners of this year’s Fleet Excellence Awards (FLEXY), marking a noteworthy change from previous iterations. Supremely talented individuals were recognized for their accomplishments and excellence over the past year: Dave Dahn, CAFM, from Erie Insurance Group; Mario Guzman, CAFM, of the City of West Palm Beach, Florida; Robert Stine, CAFM, from Hillsborough County, Florida; and Jodi Weber from Johnson Controls International.

Adam Orth, CAFM, a FLEXY winner from 2018, also appeared as Jodi Weber was unable to attend.

While speaking to their accomplishments and what it takes to be successful in the industry as a fleet professional, the best quote of the entire I&E came from Stine, who opined that to be good, you must immerse yourself in what you do and not lead from on high. As he noted, you must get out there and “feel the steel.”

Then the floodgates opened on one of the largest fleet-oriented conference floors in the U.S. in 2019; more than 62,000 square feet of knowledge and innovation! From trucks to law enforcement, telematics to safety, vehicle maintenance to vehicle tracking and vehicle remarketing, the Expo floor was packed with every kind of solution that today’s fleets require. Certainly, there was too much to take in during a single day, but I was not worried because the Expo would continue the next day.

Walking the floor was hard work! My smartwatch counted 1.3 miles on the first day of the Expo alone, which quickly built up my appetite. I took time to sit and use my Pep Boys Bucks to fund my lunch, where I enjoyed a surprisingly good pulled pork sandwich (surprising in that convention floor food has never earned a single Michelin star). Wash that down with soda and a bag of chips and then it was back to the books and classes.

**Fleet’s Classroom**

Tuesday afternoon was full of educational sessions, including “The Road to Full Autonomy,” “Customer Retention through Trust-Based Relationships,” and much more – a full plate for anyone. An especially relevant session in this cost-conscious world was on “Proven Strategies to Reduce TCO.”

Total cost of ownership is a prime driver of fleet decisions, and the panel keyed into several very successful initiatives across multiple industries. Henry Kayler of Vestas Wind Technologies drove projects with $7.7 million in savings over three years using telematics to identify underutilized assets and remove them or improve them.

Brent Miller of Heart to Heart Hospice improved his asset-cycling flexibility and realized $188,000 in maintenance cost savings. This flexibility also became important in normalizing TRAC gains and losses.

As a final example, Kris Peterinelli of Jubilant explained how he used scorecards and gamification to obtain a 5% increase in fuel economy and a 12% decrease in preventable accidents.

The evening offered a choice of private parties with colleagues or NAFA’s new Dinner with Strangers Program. Held just two short miles from the convention center at NuLu, Louisville’s trendy, cosmopolitan district, attendees were able to join new dinner mates while sampling some of the best food Louisville has to offer. NuLu is a thriving neighborhood dining hub with eateries ranging from upscale New American cuisine to casual BBQ, all accompanied by craft beer and bourbon.
Wednesday, the final day, featured two general sessions. The first was the unveiling of 2019’s 100 Best Fleets rankings which recognize fleets in the Americas. Congratulations Miami-Dade County for landing the No. 1 spot!

The second session featured a roundtable discussion by five fleet management company leaders: Dan Frank, President and CEO of Wheels; Jay Forbes, CEO of Element Fleet Management; Bob White, President of ARI; Matt Dyer, President and CEO, LeasePlan USA; and Tom Callahan, President at Donlen. All participated in a conversation with moderator Mike Joyce, Executive Director, American Automotive Leasing Association, on the future of the private fleet sector. Whether you manage a public or private fleet operation, there was some deep expertise to dig into from both sessions – a dynamite way to start the last day and a nice segue into the final day of the Expo (and another couple of miles of walking)!

Afterward, just when you would expect things to slow down, things really revved up with a comprehensive look into the future. The entire afternoon was devoted to mobility and advancement. Lunchtime started with an engaging and enlightening talk by Lukas Neckermann on the world we helped create, namely, how we in the transportation industry have unknowingly contributed to the damage of the planet and how we might help fix it. An engaging keynote speaker for the closing afternoon of I&E, Neckermann set the tone for the afternoon discussions on such topics as mobility-as-a-service (MaaS) to various business and environmental challenges.

**Fleet and the Environment**

Neckermann quoted Daniel Patrick Moynihan, “Everyone is entitled to their own opinion, but not to their own facts,” driving home the point that while we have severely and negatively impacted our world, we as humans can positively affect the same. Rather than speaking in generalities (future generations, the next 50 years, etc.), he linked it to something close to home: our children.

He showed that in some states more than 50% of the total carbon dioxide (CO₂) emissions are the direct result of the transportation sector. However, by taking steps now to reduce our emissions by using other options, we can help reverse the trend. “What are we doing to leave a positive legacy for our kids?” he asked. The impact is immediate, but the good news is that we have control over our actions and these can positively impact damage reversal.

This was an afternoon full of possibilities and excitement – mobility, electricity, and the future! Topics ranged from dealing with EV-charging anxiety to determining what portion of your fleet is ready for an electric solution now. A wealth of sessions looked at our present needs as well, asking necessary questions: Can Level 4 autonomous vehicles and MaaS work for your organization right now? What are the implications of vehicles and the internet of things? Who are the players in the mobility segment, and which companies are looking to drones to accomplish both tedious and dangerous tasks? Above all, with rivers of data flowing in and out of fleet, where do we stand with cybersecurity?

All this seemed too much for any one person to absorb, but the subjects were relevant to the here and now, cohering into a fast-paced and in-depth afternoon. The only drawback was that the myriad choices left many with a headache just trying to figure out how to prioritize session attendance!

All said and done, the 2019 I&E was a resounding success and a great harbinger of things to come for NAFA 2020 I&E! Next year’s planning committee now has a new and higher bar to hit. See you all in 12 months in Indianapolis, Indiana!

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Michael Bieger and John Bieger are Managing Partners of Black River Fleet, an independent fleet consulting company dedicated solely to helping the corporate fleet professional. Michael Bieger previously served as President of the Automotive Fleet & Leasing Association and as Senior Director of Global Procurement for ADP.
Day One at the Annual Business Meeting

Bryan Flansburg, CAFM, offers a farewell speech as he passes the torch to Patti Earley, CAFM.

Earley thanks Flansburg for his two years as NAFA’s president.

Earley’s speech during the Annual Business Meeting.

Patti Earley, CAFM, and David Hayward

Flansburg presents Jeff Jeter with NAFA’s Distinguished Service Award.
2019 I&E WRAP-UP

Day Two
Day Three on the Expo Floor

Trumpeter for Churchill Downs sounds the opening of the Expo Floor.

Bryan Flansburg draws a crowd.
Day Four – Mobility and Networking

Gary Lentsch, CAFM

Lukas Neckermann
Sessions

Sonya Girard

NAFA's U.S. Legislative Counsel Patrick O'Connor
Changing Fleet Leadership Demographics Yield Opportunities for Suppliers

By Ken Hunter

FLEET MANAGER DEMOGRAPHICS ARE changing, and successful industry suppliers are adjusting. However, identifying those new decision-makers and what motivates them can be a difficult process, according to a panel of fleet sales experts at the Suppliers Track education session “Fleet Talk: What Suppliers Need to Know About Fleet Demographics” at NAFA’s 2019 Institute & Expo.

Today’s fleet managers generally come from various backgrounds with specialized degrees, noted Deloitte Manager David Hayward, a member of NAFA’s Board of Directors. “There are fewer
long-time, specialized “fleet managers,” Hayward said, “and fleet may be just one of their responsibilities. Knowledge transfer from retiring fleet managers is a complicated challenge.”

“To manage this, you have to pull a lot of people together,” said NAFA Associate Member Susan M. Miller, Senior Fleet Account Manager at Geotab. “You have to establish relationships across the board,” such as with procurement, product lines, and more. Once you work with these other professionals, they’ll see one of the greatest obstacles – cost – isn’t the only factor, she added.

Miller noted that as an industry vendor, “You’ll be the change agents for a lot of people. That requires relationships across an organization and not just the fleet day-to-day contact.”

Fleet vendors should play a greater role than simply being sales conduits for fleet executives. NAFA Associate Member Heidi DiAngelo, Global Account Manager for Geotab, suggested bringing in benchmarking studies, setting up discovery sessions to get information, and being a collaborator, as so much of what fleet suppliers should be doing is consultative. “You need to be a partner for them,” she noted.

Miller agreed and said when she was a fleet manager with McDonalds, those vendors that got through her door “really did the homework on us.” She advised suppliers to understand all the factors that go into their clients’ businesses and the pace they like to work.

When assessing fleet needs, Hayward advised that once a company has more than 1,000 vehicles it typically requires its own fleet department, even if it’s a department of one.

DiAngelo identified a general approach for vendors to use when assessing the needs of their fleet prospects:

- Fleets of one to 100 vehicles may benefit most from packaged deals that are made easy to implement.
- Approach fleets of 101 to 499 vehicles as being the neediest and most complex, where your solutions should address their need for more intensive fleet management.
- Fleets with 500-plus vehicles are where the desire for better technology lies, deeper discounts can be expected, and there may be an international presence to contend with.

When getting a fleet to move up into a new product or even to hire a fleet management company or other service providers, Hayward said suppliers must show how they’re giving their clients more time to let them better execute their core business. “For me, as a fleet manager, I want my suppliers to sell me a value proposition that includes how I can do the rest of my job better, not just the function I’m hiring them for.”

Miller thinks fleet sales success boils down to demonstrating the potentially improved total cost of ownership, as this is where your data and documentation supports change management.

“Having that partner to [help] walk through these things is critical,” she added, and your third-party validation, examples of benchmarking, and other companies’ experiences are important for providing value.

NOTE: A video of this session is available as part of NAFA’s Selling into Fleet instructional package, available at www.nafa.org/trainingvideos.
These Fleet Strategies Could Reduce Your TCO

By Ken Hunter

FLEET PROFESSIONALS OFTEN PUT their skills to the test when finding ways to squeeze more savings out of the cost of running their operations. However, when bringing multiple fleet leaders together to discuss this topic, they’ll often find a variety of new ideas that can reduce total cost of ownership.

At the NAFA 2019 Institute & Expo, several fleet executives offered a variety of expense-reducing ideas during the session “Forget Magic: Use These Proven Strategies to Reduce TCO.”

Safety Savings
In fact, safety is a key area for growth that can significantly reduce costs from insurance to fuel usage. Kris Peterinelli, Fleet/Supply Chain Manager of Jubilant Draximage Radiopharmacies in Jacksonville, Florida, began using a safety analysis system tied to telematics that was then scored weekly for employees by branch so they could see their progress.

“Gamification was great; however, we were then able to make safety part of our culture,” he said. “The only thing worse than not having telematics is having telematics but not using the data.” The result was a 5% increase in fuel economy and a 12% decrease in preventable crashes.

Finding Idle Assets
Henry Kayler, Senior Purchasing Manager of Vestas Wind Technologies in Portland, Oregon, launched “Project Idle Asset.” He wanted a more reliable way to measure his fleet utilization by which to determine its efficiency on a cost per mile basis and adjust usage. “We were measuring it through a fuel card system, but technicians [entered random numbers] that caused us to lose trust in that system,” he said.

He implemented telematics to measure odometers, fuel costs, lease expense, and more on a weekly basis. That led to the identification of idle vehicles and where he needed to focus to improve cost per mile performance.

He then categorized his vehicles into three groups:
1. Workhorses: Over 300 daily miles driven with more than three stops per day
2. Runners: Driven 200 to 300 miles daily with two or three stops per day, classified as an “intermediate idle” asset and put on a watch list
3. Idle: Driven less than 200 miles per day and making less than two stops daily; these vehicles were immediately moved to other needs or sold.

The result of this better fleet utilization was $7.7 million in cost savings over three years.

NOTE: A video of this session, which includes more TCO reduction ideas, is available as part of NAFA’s Best of I&E 2019 instructional package available at www.nafa.org/trainingvideos.