



Department of Public Works  
Operations Division  
Buildings and Fleet Services

**Jeffrey J. Mantes**  
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Buildings & Fleet Services Superintendent

September 3, 2004

Mr. W. Martin Morics, Comptroller  
Comptroller's Office  
Room 404 City Hall  
Milwaukee, Wisconsin

Dear Mr. Morics:

Subject: Audit of City of Milwaukee, August, 2004  
Fleet Management: Automobiles and Pick-Up Trucks

First, let me thank you and your staff for their professionalism in conducting this audit.

We have briefly reviewed the audit and intend to undertake a comprehensive analysis of the City's vehicle fleet size and department usage in 2005. This analysis will evaluate the department's needs and opportunities for vehicle fleet reduction, and better answer the questions raised in your audit.

In 2001, Fleet Services maintained 808 vehicles (cars, pickups, light-vans & carryalls) and currently has reduced the motor pool to 657, a reduction of 151 vehicles (almost 20%) in the past 3 years. As per your audit recommendation, Fleet Services would be conducting a study and will work closely with the Budget Office evaluating the size of various categories of vehicles for spares and appropriate replacement requirements. DPW did not purchase any cars in 2004, and the 2005 proposed budget has no funding for cars. In addition, the 2005 requested budget has been reduced by \$178,000 for light vehicle purchases.

As to the question of vehicle depreciation charges to the user departments, staff will work with the Budget Office for any suggested accounting changes.

Fleet Services is responsible for the procurement, disposal, and maintenance of approximately 3,200 City motor vehicles, and is focused on minimizing cost while maximizing uptime for all equipment in a challenging funding environment. Fleet Anywhere computerized system records maintenance of all vehicles. Fleet Services administration will evaluate your recommendation to provide equipment utilization and cost reports to all departments. This will enable departments to analyze how best to use their resources.

Your audit made reference to a recent survey by the National Association of Fleet Administrators (NAFA) and used 10,000 miles driven per vehicle, per year, as a minimum usage standard (page 5). It is to be pointed out that NAFA is comprised primarily of commercial fleet managers with some governmental fleet administrators included, but not predominant. Your audit mentioned that the data reflects selected corporate, government, university, and law enforcement fleets. Many of the corporate, state government, and university vehicles are used for travel throughout the state, while law enforcement vehicles are used for patrol purposes and, therefore, one could argue that a 10,000 mile standard is not a true representation of municipal use.

I will be asking Fleet Services management to work with the American Public Works Association (APWA) for obtaining data that better reflects municipal fleets.

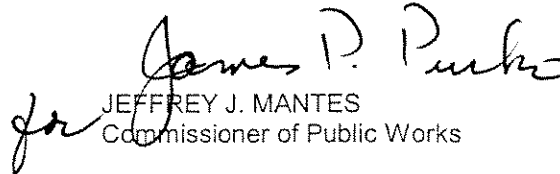
The purpose of your audit was to evaluate the light vehicle fleet (cars, pick-ups, vans). However, your audit evaluated expenditures for the complete fleet of 3,200 motorized vehicles. Cost of maintaining the whole fleet, which includes heavy vehicles; e.g., garbage packers, dump trucks, etc., is not relevant to just analyzing the light portion of the motor pool.

DPW – Fleet Services has a well documented preventative maintenance program for both heavy and light equipment units. However, further documentation will soon be instituted on the light side where the audit noticed lower rate of data recording has been occurring vis-à-vis the heavy equipment side.

As recommended by your audit, fleet management performance indicators such as downtime, repairs by type, equipment cost, and class of equipment, etc., will be enhanced by DPW – Fleet Services in the foreseeable future and regular record keeping of such performance indices will be institutionalized for future reference.

We appreciate many of your recommendations and DPW – Fleet Services staff will keep you informed of the progress of the vehicle study.

Sincerely,

  
JEFFREY J. MANTES  
Commissioner of Public Works

VG/mbm