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**MAYOR BLOOMBERG ANNOUNCES LARGEST CONSOLIDATION OF CITY FLEET OPERATIONS TO INCREASE EFFICIENCY AND SAVE TAXPAYERS MORE THAN \$415 MILLION**

Mayor Michael R. Bloomberg, Deputy Mayor for Operations Cas Holloway, Department of Citywide Administrative Services Commissioner Edna Wells Handy and Chief Fleet Officer Keith T. Kerman today announced the City has completed the largest consolidation of its fleet operations by reducing the number of dedicated fleet repair facilities by more than 21 percent from 47 to 37 locations, while maintaining critical services that are provided to New Yorkers. The fleet consolidation will help taxpayers save more than \$239 million in fleet costs, including \$176 million in avoided capital costs. The City will also save and avoid \$45 million per year in recurring operating expenses and achieve a combined total savings of \$415 million by 2016, freeing up resources for other core agency needs. The City's fleet operates more than 25,000 vehicles and delivers services from securing streets to responding to garbage collection and street and park maintenance. Through fleet consolidation, agencies are able to use their fleet garages and resources to serve and support other City agencies. Under the Bloomberg Administration, agencies have implemented numerous initiatives to increase the efficiency of fleet operations, share resources across agencies, introduce competition and new technology, and make a more sustainable and green fleet. The City has also worked in partnerships with skilled trades unions on these initiatives to save costs on facilities, fuel and support functions like parts and auction, while investing in specialized equipment and increased equipment training. Mayor Bloomberg made the announcement at the new NYPD Citywide Service Shop #9 in Manhattan, a former Department of Transportation that was transferred to maximize the use of City resources, where he was joined by Police Commissioner Raymond W. Kelly, Sanitation Commissioner John Doherty and representatives from the Service Employees International Union Local 241 and 621.

"Our Administration has taken major steps to make City government more efficient, including streamlining a crucial area of operations: our municipal vehicle fleet, the nation's largest and best," said Mayor Bloomberg. "We have established a number of initiatives to make that possible, including consolidating city repair facilities and creating space-sharing arrangements. Through these combined efforts, the City will save approximately \$415 million in avoided fleet costs – without limiting our workforce's ability to deliver crucial services."

"The transformation we are recognizing today – which treats the City's fleet as one common resource rather than a dozen separate operations – has fundamentally changed the way

*(more)*

the City operates the largest municipal fleet in the country,” said Deputy Mayor Holloway. “I want to particularly thank Joe Colangelo and the members of Local 246, as well as the fleet managers in every City agency for taking on a challenge that many thought we could never achieve—and significantly exceeding expectations. The result will not only be a better fleet—but lower costs to taxpayers who ultimately rely on the critical services our motorized fleet provides.”

"I am proud to have partnered with the Bloomberg Administration on this smart, forward-thinking plan," said City Council Speaker Christine C. Quinn. "The consolidation of the City's fleet operations will help to preserve our environment and save taxpayers money, and I congratulate everyone who made this possible."

“The formation of the Fleet Federation, along with working with the Mayor’s Office of Operations and banding together 10 agencies, became the foundation for today’s fleet consolidation,” said Commissioner Edna Wells Handy. “I would like to thank our Chief Citywide Fleet Officer Keith Kerman for his leadership on this initiative, and all of the DCAS team that drove us across the finish line and literally moved contracts, technology and bricks and mortar from an idea into reality.”

“The consolidation of fleet services is not only saving taxpayers money it’s making them safer too,” said Commissioner Ray Kelly. “The close proximity of the new garage to police facilities allows us to get our vehicles serviced and back out on patrol faster than before. This enables our police officers, school safety agents and traffic enforcement agents to do their jobs safely and more efficiently.”

Working across agencies and in close collaboration with skilled trades unions, the City identified ways to share services, maximize the use of facilities and eliminate waste. For example, the new NYPD Citywide Service Shop #9 was previously operated by DOT, but had excess capacity that could be used by other agencies. As a result, DOT transferred the garage to the NYPD’s fleet division, which provided the NYPD with the extra garage space necessary to service its response vehicles – without having to find or build another garage. Through space-sharing arrangements like this across 10 agencies, the City has reduced the total of dedicated fleet repair sites by over 21 percent from 47 to 37.

“The City’s major fleet operating agencies and their fleet managers have come together to transform fleet operations for one of the largest and most well-known fleets in the nation,” said Chief Fleet Officer Kerman. “As important as the facility savings, new performance metrics, and contract initiatives, is the spirit and reality of daily interagency cooperation and shared service at every level.”

“The fleet consolidation to repair City vehicles from 10 agencies is a great step to improve efficiency and save the taxpayers millions of dollars,” said Sanitation Commissioner Doherty. “This major collaborative effort will share cost, repair, and space utilization as well as eliminate waste. Most importantly, it improves the quality of City services by having the best prepared City fleet ready to go. The Department of Sanitation is proud to be among the agencies involved in the initiative.”

“Although fleet consolidation initially presented some challenges for Local 246 members, our mechanics, machinists and service workers displayed the same professionalism and dedication they provide each and every day to keep New York City’s fleet rolling,” said Joseph A. Colangelo, president of the Service Employees International Union Local 246. “I’m proud of the work our tradesmen and women perform, and the union continues to work with the Administration to complete this transition in a way that allows each agency’s fleet to be prepared and deliver vital services to our citizens.”

In 2011, as part of an effort to increase overall efficiency, the City began developing plans to consolidate facilities and share services across agencies that account for a majority of the vehicle fleet – without hindering the ability to deliver needed services. The City’s fleet operations cost over \$600 million annually, and ten agencies – the NYPD, FDNY and the Departments of Correction, Sanitation, Transportation, Environmental Protection, Parks and Recreation, Education, Health and Human Services and Citywide Administrative Services – operate over 90 percent of the citywide fleet. To manage the combined fleet, these agencies formed a new interagency management group, participated in hundreds of interagency meetings to plan, and coordinated and executed the consolidation plan. The City also appointed its first Citywide Chief Fleet Officer to coordinate these efforts.

In addition to the fleet consolidation, the City has undertaken various other initiatives to make fleet operations more efficient and lower long-term costs without impacting services, including:

- Reducing the City’s non-emergency light duty fleet of cars and SUVs by more than 1,200 since 2001, a reduction that will save an estimated \$85 million over 10 years.
- Operating the nation’s largest green fleet of hybrid and electric vehicles with more than 6,000 cars, including the addition of 60 new plug-in electric vehicles this year.
- Auctioning decommissioned City vehicles online for the first time – which has helped raise the average sale price of vehicles auctioned by 27 percent – and freed up six acres of space at the Brooklyn Navy Yard, which is now being rented and generating more than \$700,000 in annual revenue.
- Increasing the usage of biodiesel, which is both cleaner and less costly than previously used diesel fuel, for the City’s fleet. All Department of Sanitation, Parks and Environmental Protection trucks now operate on biodiesel.
- Similarly, decreasing fleet fuel use by more than two million gallons in the last two years, and updated the City’s fleet management system to enable agencies to better manage, share and track fueling resources.
- Introducing car sharing with ZIP Car to reduce the need for City-owned vehicles, and piloted ZIP’s car sharing technology on City-owned vehicles to optimize their use and enable workers to go online, locate an unused vehicle and reserve it for operations.
- Streamlining parts procurement by implementing a single vendor to supply auto parts and assumes all inventory costs. With this new arrangement, the City only pays for the parts it actually uses on vehicles and not on hand inventory.

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