



Office of the Auditor General / Bureau du vérificateur général

AUDIT OF MISUSE AND ABUSE - VEHICLES AND EQUIPMENT

2007

Chapter 22

**VÉRIFICATION DE L'USAGE ABUSIF OU D'UNE MAUVAISE
UTILISATION DE VÉHICULES ET D'ÉQUIPEMENT MUNICIPAUX**

2007

Chapitre 22

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EXECUTIVE SUMMARY

Introduction

This audit was conducted as a result of requests from members of Council and reports to the Fraud and Waste Hotline. It was not originally identified in the 2007 Audit Plan that was presented to Council.

Background

The 2006 Audit of Fleet Services was tabled on May 9, 2007 as part of the Auditor General's 2006 Annual Report. Among the findings of the audit was that "misuse" of City vehicles and equipment resulted in over \$900,000 of damages in 2005.

At the May 23, 2007 City Council meeting, members of Council requested that the Auditor General provide additional information regarding a case of a sidewalk plow that was reported to have sustained significant damage due to misuse. A subsequent report made to the Fraud and Waste Hotline provided a sample of 15 cases. In total, 16 work orders, that were alleged to involve repairs to vehicles or equipment due to misuse were reviewed as part of this audit.

Fleet Services has recently changed the classification of "misuse" to "preventable damage".

Scope

The scope of the audit was limited to:

- The 2006 processes followed by Fleet Services and individual departments relating to the sidewalk plow incident and the 15 work orders reported to the Fraud and Waste Hotline; and,
- A review of the role of the Collision Review Committee as it pertains to the above cases.

Objectives

The objectives of this audit were:

- To assess if misuse and abuse of City vehicles and equipment is appropriately managed; and,
- To assess the appropriateness of documentation surrounding each work order identifying the damages as preventable.

Summary of Key Findings

- A lack of accountability for repairs classified as misuse and abuse of vehicles and equipment was observed.

- The City incurs substantial costs on Full Service Leased (FSL) equipment.
- For the 16 work orders (WO) reviewed, the cost of repairs classified as misuse and abuse was \$277,662.
- There is no adequate oversight or investigation of the repair costs.
- The City's misuse and abuse repair costs increased substantially from \$951,692 in 2005 to \$1,788,406 in 2006 and \$1,324,830 in 2007.
- The City should restore the job repair reason description, in the Fleet Management Information System (M5), from "preventable damages" back to "misuse and abuse".
- Monthly Misuse and Abuse reports were not provided by Fleet Services consistently; only four of the sixteen work orders from our sample were reported to Surface Operations Branch (SOP).
- Surface Operations Branch did not take any specific actions on the four work orders related to misuse and abuse which were identified to them.
- While costs are charged after work orders are closed, Fleet Services does not restate repair cost information reported to client departments in previous year-end reports.
- The City of Ottawa is not compliant with provincial legislation and has destroyed pre-trip inspection logs, referred to by the Province as daily inspection reports, which should have been retained.
- The City of Ottawa is incurring some misuse and abuse repair costs likely due to non-compliance with the City's Non-Smoking Policy.
- City employees leave keys in unattended and unsecured vehicles and equipment.
- The City of Ottawa's Collision Review Committee (CRC) did not adequately investigate the collision involving the sidewalk plow to determine its legitimacy and ensure that all costs were reported. There was a lack of adequate documentation in this case.
- Extensive repairs to the sidewalk plow, totalling \$18,477, are inconsistent with the reported 5km/hr rear-end collision.

Recommendations and Management Responses

Recommendation 1

That the City assign accountability for investigating, reporting and addressing corrective action for all repairs including misuse and abuse.

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was informed of this during the audit interview.

Through its organizational design, the City has already assigned this accountability under the Centre of Expertise (COE) model. Fleet Services is responsible for reporting any and all repairs to clients, including preventable damage, regardless of the cost of the repair. The client is responsible for investigating the damage, paying for the repairs, and addressing any corrective action. Fleet Services actively supports operating branches in their efforts and provides assistance, as requested, in driver training and technical investigation.

Recommendation 2

That the City investigate the reason for the high quantity of circle repairs required on owned and leased graders and take steps to reduce these.

Management Response

Management agrees with this recommendation and corrective action has been taken.

A significant proportion of the damage was due to hidden obstacles on roadways hit during winter maintenance operations and other mechanical breakdowns resulting from the severity of our operational requirements (i.e., cold weather, 24/7 operations, etc.).

Surface Operations has proactively taken measures to ensure that all future graders will be equipped with twelve foot mould boards (blades) versus the fourteen foot versions to improve operator control and reduce risk of impact with curbs and obstructions.

In addition, Surface Operations staff are now assigned fixed beats and machinery throughout the season. Previously, the number of operators on these graders averaged up to ten operators per season. This has now been reduced to two or three operators per season.

Recommendation 3

That the City ensure all departments investigate high misuse and abuse repair costs and take appropriate action with operators when misuse and abuse repairs should and could have been avoided.

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was notified of this during the audit interview.

Fleet Services provides operating branches with information on misuse and abuse repairs and actively supports them as they undertake investigations, to identify appropriate corrective action. If necessary, Fleet Services provides assistance in driver training and technical investigation.

Recommendation 4

That the City investigate and mitigate the abnormally high cost of repairs incurred for full service leased equipment.

Management Response

Management agrees with this recommendation.

One of management's objectives is to minimize the repair costs of all equipment, including full service leased equipment. Operating branches, with Fleet Services support, investigate all incidents where major damage has occurred.

End of lease repair costs may appear inflated due to the conscious decision to defer some repairs to the end of term. It is not considered cost-effective to proceed with repair of certain damages on leased equipment until such time as the lease expires. This can be several years after an incident, and as a result, repair costs are abnormally high upon lease termination because the repair cost will include damage from several previously investigated incidents. This is a common practice in the industry. The logic is that if similar incidents re-occur, the user will not pay twice for the same repair, thereby, minimizing costs.

The City carries out the inspection of returning leased equipment and mitigates repair costs by ensuring the claims made by the leasing company are valid, based on the inspection, and exclude normal wear items.

Recommendation 5

That the City ensure the integrity of data between reports within the Fleet Management Information System (M5).

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was notified of this during the audit interview.

All errors discovered in reports are reported to the vendor for correction. With respect to the two reports identified in this audit, these errors have been reported to the software vendor for correction.

Recommendation 6

That the City assign to Fleet Services ownership and oversight responsibilities for the City's fleet client.

Management Response

Management disagrees with this recommendation.

Under the COE model, Fleet Services is responsible for the acquisition, maintenance, and disposal (i.e., full lifecycle) of the City's fleet. Operating branches are responsible for identifying their fleet requirements and operating the equipment in a responsible and accountable manner.

Recommendation 7

That the City assign to Fleet Services the authority to fully investigate misuse and abuse and recommend action to operating departments.

Management Response

Management disagrees with this recommendation.

It is the operating branches' responsibility to investigate preventable damage and take appropriate action. Fleet Services does advise operating branches of preventable damages found during repairs and is available to provide assistance with technical support and corrective action, such as driver training.

Recommendation 8

That the City assign Fleet Services the responsibility to follow-up with client departments on reported misuse and abuse and ensure action is taken to minimize these repair costs.

Management Response

Management agrees with this recommendation.

Fleet Services actively supports operating branches by providing information through regular reports and meetings on preventable damage issues, including cost. Fleet Services also provides assistance, as requested, in driver training and technical investigation.

Recommendation 9

That the City investigate all fluctuations in repair costs including misuse and abuse and formulate and implement initiatives to actively decrease total misuse and abuse repair costs.

Management Response

Management agrees with this recommendation.

Under the COE model, Fleet Services is responsible for reporting any and all repairs to clients, including preventable damage, regardless of the cost of the repair. Fleet Services provides reports to larger clients on a weekly basis, in addition to meeting with them bi-weekly, to deal specifically with preventable damage issues. Any fluctuations will be noticed and investigated immediately. Fleet Services will

continue to work with clients to identify any trends, and when required, will provide additional training.

Recommendation 10

That the City restore the classification of “misuse and abuse” in accordance with American Trucking Association (ATA) standards.

Management Response

Management disagrees with this recommendation.

Management believes that the classification description "preventable damages" is more accurate than "misuse and abuse". The reason for coding damage as “preventable” is that the definition goes beyond “misuse and abuse” and includes both insufficient or inadequate training, as well as the technical limitations of equipment.

Recommendation 11

That, where misuse and abuse costs have increased for any reason, whether due to adjustments or end-of-period billing, the City ensure these be restated in order to reflect actual costs.

Management Response

Management agrees with this recommendation.

Fleet Services has updated their reports to more accurately reflect adjustments to preventable damage costs previously reported to clients in year-end comparisons. Reports will now be generated using the ‘closed’ work order date rather than the ‘open’ date to ensure all costs are captured.

Recommendation 12

That the City ensure that work orders not be closed prior to a repair being performed and billed.

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was informed of this during the audit interview.

All work associated with a particular job must be completed and recorded on a work order before the work order can be closed. Billing can only take place once the work order is closed.

Recommendation 13

That the City carefully scrutinize any added cost to closed work orders and report these to client departments.

Management Response

Management agrees with this recommendation.

Fleet Services will begin running a monthly report to scrutinize all costs to closed work orders in Q2 2008. Fleet Services will work with clients through Q3 and Q4 to determine how best to use this information.

Recommendation 14

That the City notify client departments on a timely basis of any changes to legislation.

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was notified of this during the audit interview.

Recommendation 15

That the City ensure that Pre-trip inspection logs are treated as official business records and ensure that the City complies with provincial legislation and its own Records Retention and Disposition By-law.

Management Response

Management agrees with this recommendation.

Management will work with IT Services to ensure pre-trip inspection logs (also known as Circle Check logs) are treated as official business records. These records will be managed in accordance with the Corporate Records Management Policy and the Records Retention and Disposition By-law (By-law 2003-527), which take into account relevant legislative requirements. IT is currently confirming retention requirements. Fleet Services will ensure that this new practice is communicated to clients by the end of Q2 2008.

Recommendation 16

That the City comply with the Non-Smoking Policy.

Management Response

Management agrees with this recommendation.

Management regularly communicates the City's Non-Smoking Policy to all staff and responds to all reported or observed infractions.

Recommendation 17

That the City ensure proper due diligence by physically investigating, within appropriate time frames, all major collisions and approving repair costs before repairs are performed.

Management Response

Management agrees with this recommendation.

The client branch supervisor is responsible for performing the physical investigation of all major collisions within appropriate time frames. Fleet Services provides support to investigate collisions and reviews all collision reports for accuracy before determining preventability. All work associated with major collisions, including repair costs, are approved according to branch approved spending authority.

Recommendation 18

That the City develop a policy or a procedure to ensure that vehicles and equipment are not left unsecured and unattended and that the ignition key is never left in a vehicle or in equipment.

Management Response

Management agrees with this recommendation.

Management believes the City's Code of Conduct already adequately prescribes behaviour toward corporate assets under the "Use of City Property and Assets" section. Specifically, "...employees must ensure that any property (including cash, cheques, documents, inventories and equipment) in their care as part of their job duties is properly secured and protected at all times."

Recommendation 19

That the City ensure that Vehicle and Equipment Collision Reports are completed promptly within the prescribed 24 hours by appropriate staff and are provided to Fleet Services and Risk Management.

Management Response

Management agrees with this recommendation and it has already been implemented.

Recommendation 20

That the City adequately investigate all Vehicle and Equipment Collision Reports.

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was notified of this during the audit interview.

Fleet Services investigates all Vehicle and Equipment Collision Reports submitted by operating branches for content and accuracy. When requested, on-site support is provided. For major collisions involving a critical injury, an on-site investigation is conducted in conjunction with Occupational Health and Safety. In the instance of a death, Police Services are involved.

Recommendation 21

That, as part of their investigation/review, the Collision Review Committee confirm the dollar value of the damages being repaired due to a collision prior to ruling.

Management Response

Management disagrees with this recommendation.

The cost associated with a collision has no bearing on the determination of preventability. The Collision Review Committee bases its findings on driver error, not the consequence of the error.

Recommendation 22

That the City ensure that work orders and Vehicle and Equipment Collision Reports are linked in both the Fleet Management Information System (M5) and the Risk Management System – Risk Master.

Management Response

Management agrees with this recommendation.

This has been the City's practice since 2005. The auditor was notified of this during the audit interview.

The Vehicle and Equipment Collision Report is sent to both Fleet Services and Risk Management within 24 hours of an incident occurring. While there is no electronic interface between M5 and Risk Master, both of these systems share a common field, which is the unit number. This allows for cross-reference of information across both systems.

Recommendation 23

That the City improve monitoring of all collision reports from operating departments.

Management Response

Management disagrees with this recommendation.

The practice since amalgamation has been to monitor 100% of Collision Reports from operating departments.

Conclusion

Whether referred to as misuse and abuse or preventable damages, these repairs are a reality of managing a fleet. Completely eliminating these costs is unrealistic. Nonetheless the City should set concrete objectives to minimize these repair costs.

The lack of adequate oversight provides the opportunity for vehicle and equipment misuse and abuse. Poor monitoring of these instances, a lack of analysis when misuse occurs, inconsistent reporting, no consequences for staff and a failure to comply with the City's own policies and procedures, has led to a high potential for costly misuse and

abuse repairs to the City's vehicles and equipment. Steps should be taken and initiatives developed to reduce these costs.

The City of Ottawa should establish clear oversight responsibilities for its fleet. Fleet Services' responsibilities should include an active monitoring role.

The City is not actively managing vehicle misuse and abuse costs and these costs have increased significantly from 2005. This issue was originally raised in the 2006 Audit of Fleet Services. Based on the findings of the 2007 audit of misuse and abuse, there is little evidence that management has taken appropriate action to address this issue.

Acknowledgement

We wish to express our appreciation for the cooperation and assistance afforded the audit team by management.

RÉSUMÉ

Introduction

La présente vérification fait suite aux demandes formulées par des membres du Conseil municipal et à des rapports adressés à la Ligne directe fraude et abus. Elle ne figure pas dans le plan initial de vérification de 2007 soumis au Conseil municipal.

Contexte

La vérification de 2006 de Services du parc automobile, présentée le 9 mai 2007 et s'insérant dans le Rapport annuel de 2006 du vérificateur général, a notamment permis de constater que la « mauvaise utilisation » des véhicules et de l'équipement municipaux avait entraîné plus de 900 000 \$ de dommages en 2005.

À la réunion du Conseil municipal tenue le 23 mai 2007, certains membres ont demandé que le vérificateur général fournisse davantage de renseignements au sujet d'un cas d'usage abusif qui leur avait été signalé et où une déneigeuse de trottoir aurait subi des dommages considérables.

Une plainte déposée subséquemment à la Ligne directe fraude et abus faisait état de 15 cas. Au total nous avons examinés, 16 bons de travail, où des véhicules ou de l'équipement auraient censément dû être réparés par suite d'un usage abusif.

Depuis peu, Services du parc automobile a changé sa classification de « mauvaise utilisation » à « dommages évitables ».

Portée

La portée de la vérification se limitait à :

- la procédure suivie en 2006 par Services du parc automobile et les divers services relativement à l'incident de la déneigeuse de trottoir et des 15 bons de travail rapportés à la Ligne directe fraude et abus;
- au rôle du Comité d'examen des collisions relativement aux cas susmentionnés.

Objectifs

La vérification avait pour objectifs d'évaluer :

- si l'usage abusif ou la mauvaise utilisation de véhicules ou de pièces d'équipement municipaux est géré adéquatement;
- la pertinence des documents appuyant chaque bon de travail indiquant les dommages comme évitables.

Sommaire des principales constatations

- Des lacunes ont été observées au niveau de la reddition de comptes pour les réparations attribuées à l'usage abusif ou la mauvaise utilisation d'un véhicule ou d'une pièce d'équipement.
- Les baux tous frais compris pour la location d'équipement représentent des coûts importants pour la Ville.
- Pour les 16 bons de travail examinés, le coût des réparations attribuables à l'usage abusif ou la mauvaise utilisation des véhicules ou de l'équipement s'élevait à 277 662 \$.
- Les coûts des réparations ne sont pas surveillés adéquatement et n'ont pas fait l'objet d'une enquête appropriée.
- Les coûts des réparations attribuables à l'usage abusif ou la mauvaise utilisation des véhicules et de l'équipement ont augmenté considérablement, passant de 951 692 \$ en 2005 à 1 788 406 \$ en 2006 et à 1 324 830 \$ en 2007.
- La Ville devrait rétablir la description « misuse and abuse » (usage abusif ou mauvaise utilisation), qui a été changée en « preventable damages » (dommages évitables), dans le champ consacré à la justification des réparations dans le système informatique de gestion du parc automobile (M5).
- Services du parc automobile n'a pas présenté de rapport mensuel sur l'usage abusif ou la mauvaise utilisation de véhicules ou d'équipement de façon constante; seuls quatre des seize bons de travail formant notre échantillon ont été signalés à la Direction des opérations de surface.
- La Direction des opérations de surface n'a pris aucune mesure précise à l'égard des quatre bons de travail liés à l'usage abusif ou la mauvaise utilisation de véhicules ou d'équipement qui ont été portés à son attention.
- Même si des frais sont parfois facturés après l'exécution d'un bon de travail, Services du parc automobile ne redresse pas les coûts de réparation déclarés aux services clients dans les rapports de fin d'exercice précédents.
- La Ville d'Ottawa ne se conforme pas à la loi provinciale; elle a détruit les journaux de vérification des véhicules avant le départ, que la Province appelle rapports d'inspection quotidienne, alors qu'elle aurait dû les conserver.
- Une partie des réparations dues à un usage abusif ou la mauvaise utilisation de véhicules ou d'équipement que paie la Ville d'Ottawa est probablement attribuable au non-respect de sa politique anti-tabac.
- Des clés sont laissées dans des véhicules et de l'équipement municipaux non surveillés ou sécurisés.
- Le Comité d'examen des collisions de la Ville d'Ottawa n'a pas effectué d'enquête adéquate sur la collision signalée concernant une déneigeuse de trottoir pour en

déterminer la faute et vérifier que tous les coûts ont été rapportés. En outre, il a été constaté que la documentation relative à ce dossier était insuffisante.

- Les importants travaux de réparation réalisés sur la déneigeuse de trottoir, dont le coût total s'élève à 18 477 \$, ne concordent pas avec les dommages de la collision par l'arrière à une vitesse de 5 km/h qui a été rapportée.

Recommandations et réponses de la direction

Recommandation 1

Que la Ville assigne la responsabilité d'enquêter, de rédiger un rapport et de prendre les mesures correctives qui s'imposent relativement à toutes les réparations, y compris celles liées à un usage abusif ou une mauvaise utilisation de véhicules ou d'équipement municipaux.

Réponse de la direction

La direction est d'accord avec cette recommandation.

La démarche proposée correspond déjà à la pratique actuelle, adoptée depuis la fusion, ce dont le vérificateur a été informé au cours de l'entretien tenu dans le cadre de la vérification.

Dans son réaménagement organisationnel, la Ville a déjà assigné cette responsabilité selon le modèle de centres d'expertise (CE). Services du parc automobile a la responsabilité de signaler aux clients toute réparation effectuée, y compris pour des dommages évitables, peu importe le coût des travaux. Le client a la responsabilité d'enquêter sur les dommages, d'assumer le coût des réparations et de prendre les mesures correctives qui s'imposent. Services du parc automobile appuie activement les directions d'exploitation dans leurs efforts et, le cas échéant, leur fournit une aide en ce qui concerne la formation des chauffeurs et les enquêtes techniques.

Recommandation 2

Que la Ville enquête pour déterminer la raison du nombre élevé de réparations devant être effectuées sur le cercle porte-lame des niveleuses qu'elle loue ou qui lui appartiennent et qu'elle prenne les mesures appropriées pour les réduire.

Réponse de la direction

La direction est d'accord avec cette recommandation et confirme que des mesures correctives ont été prises.

Les réparations étaient en grande partie attribuables à des dommages causés par l'accrochage, au cours de l'entretien hivernal des voies publiques, d'obstacles cachés ainsi qu'à des bris mécaniques découlant des conditions difficiles de nos opérations (temps froid, service ininterrompu, etc.).

La Direction des opérations de surface a proactivement pris des mesures pour que dorénavant toutes les nouvelles niveleuses soient équipées d'un versoir (lame) de

douze pieds par opposition au modèle de quatorze pieds, afin de permettre à l'opérateur d'avoir un meilleur contrôle de l'équipement et de réduire les risques d'impact avec les bordures de trottoirs et les obstacles.

De plus, chaque membre du personnel de la Direction des opérations de surface, se voit maintenant assigner un circuit et de l'équipement pour toute la saison. Auparavant, la même niveleuse pouvait en moyenne être utilisée par jusqu'à dix opérateurs au cours d'une saison. Ce nombre a maintenant été réduit à deux ou trois opérateurs par saison.

Recommandation 3

Que la Ville veuille à ce que chaque service fasse enquête sur les coûts élevés de réparations attribuables à un usage abusif ou une mauvaise utilisation de véhicules ou de pièces d'équipement municipaux qui lui sont confiés et prenne les mesures qui conviennent à l'égard des opérateurs en cause lorsqu'il est établi que les dommages auraient pu et auraient dû être évités.

Réponse de la direction

La direction est d'accord avec cette recommandation.

La démarche proposée correspond déjà à la pratique actuelle, adoptée depuis la fusion, ce dont le vérificateur a été informé au cours de l'entretien tenu dans le cadre de la vérification.

Services du parc automobile fournit aux directions d'exploitation de l'information relative aux réparations résultant d'un usage abusif ou d'une mauvaise utilisation et les soutient dans leurs enquêtes afin de déterminer les mesures correctrices appropriées. Le cas échéant, il leur fournit une aide en ce qui concerne la formation des chauffeurs et les enquêtes techniques.

Recommandation 4

Que la Ville, en vue de les réduire, enquête sur les coûts de réparation anormalement élevés associés à de l'équipement loué en vertu d'un bail tous frais compris.

Réponse de la direction

La direction est d'accord avec cette recommandation.

L'un des objectifs de la direction est de réduire le plus possible les coûts de réparation de l'ensemble de l'équipement, y compris l'équipement loué en vertu d'un bail tous frais compris. Les directions d'exploitation, avec l'appui de Services du parc automobile, enquêtent sur tous les incidents ayant entraîné des dommages majeurs.

Les coûts de réparation à l'échéance d'un bail peuvent sembler gonflés en raison de la décision délibérée de reporter les réparations à l'échéance du bail. Il n'est pas jugé rentable de faire certaines réparations à une machine louée avant que le bail ne vienne à échéance. Or, il peut parfois s'écouler plusieurs années entre un accident et

l'échéance d'un bail. Par conséquent, les coûts de réparation s'avèrent anormalement élevés à l'échéance du bail puisqu'ils comprennent la réparation des dommages découlant de plusieurs accidents ayant fait l'objet d'une enquête. Une telle pratique est courante dans l'industrie, la logique en étant que, si un autre incident semblable devait se produire, l'utilisateur ne paiera pas deux fois pour la même réparation, ce qui réduira les coûts. La Ville inspecte l'équipement loué avant de le rendre au fournisseur et veille à ce que le coût des réparations demeure le moins élevé possible en s'assurant que les réclamations effectuées par le locateur sont valables, selon les résultats de l'inspection, et exempts d'éléments attribuables à l'usure normale.

Recommandation 5

Que la Ville assure l'intégrité des données d'un rapport à l'autre dans le système informatique de gestion du parc automobile (M5).

Réponse de la direction

La direction est d'accord avec cette recommandation.

La démarche proposée correspond déjà à la pratique actuelle, adoptée depuis la fusion, ce dont le vérificateur a été informé au cours de l'entretien tenu dans le cadre de la vérification.

Toute erreur décelée dans un rapport est signalée au fournisseur afin que celui-ci la corrige. En ce qui concerne les deux rapports mentionnés dans le rapport de vérification, les erreurs ont été rapportées au fournisseur du logiciel pour qu'il apporte les corrections nécessaires.

Recommandation 6

Que la Ville assigne à Services du parc automobile les responsabilités de propriétaire et de superviseur du parc de véhicules municipaux de ses services clients.

Réponse de la direction

La direction n'est pas d'accord avec la recommandation.

En vertu du modèle des CE, Services du parc automobile est responsable de l'acquisition, de l'entretien et de la mise au rebut (c.-à-d. du cycle de vie complet) des véhicules de la Ville. Il appartient aux directions d'exploitation de cerner leurs besoins en matière de véhicules et d'utiliser l'équipement de manière responsable et imputable.

Recommandation 7

Que la Ville confère à Services du parc automobile l'autorité d'effectuer des enquêtes complètes sur les cas d'usage abusif ou de mauvaise utilisation de véhicules ou de pièces d'équipement municipaux et recommander des mesures aux services d'exploitation.

Réponse de la direction

La direction n'est pas d'accord avec cette recommandation.

Il incombe aux directions d'exploitation d'enquêter sur les dommages évitables et prendre les mesures appropriées. Services du parc automobile les avise des dommages évitables repérés au cours des réparations et est à leur disposition en vue d'un soutien technique et de la prise de mesures correctrices, comme la formation des chauffeurs.

Recommandation 8

Que la Ville charge Services du parc automobile d'assurer le suivi, auprès des services clients, des cas signalés d'usage abusif ou de mauvaise utilisation de véhicules ou de pièces d'équipement municipaux et de veiller à ce que des solutions soient trouvées pour réduire ces coûts de réparation.

Réponse de la direction

La direction est d'accord avec cette recommandation.

Services du parc automobile appuie activement les directions d'exploitation en leur fournissant de l'information par le biais de rapports réguliers et de réunions concernant les questions de dommages évitables, y compris les coûts. Il offre aussi de l'aide, le cas échéant, pour la formation des chauffeurs et les enquêtes techniques.

Recommandation 9

Que la Ville enquête sur toutes les fluctuations de coût des réparations de véhicules ou d'équipement municipaux, y compris celles attribuables à un usage abusif ou une mauvaise utilisation, et qu'elle élabore et mette en œuvre des initiatives pour réduire activement le coût total des réparations découlant d'un tel usage.

Réponse de la direction

La direction est d'accord avec cette recommandation.

En vertu du modèle des CE, Services du parc automobile a la responsabilité de signaler au client toute réparation, y compris lorsque les dommages étaient évitables, peu importe le coût des travaux. Services du parc automobile produit des rapports hebdomadaires pour les clients importants et rencontre ceux-ci toutes les deux semaines expressément pour régler les questions de dommages évitables. Ainsi, tout écart sera repéré et fera immédiatement l'objet d'une enquête. Services du parc automobile continuera de collaborer avec les clients pour dégager toute tendance et, au besoin, offrira une formation additionnelle.

Recommandation 10

Que la Ville rétablisse le syntagme « misuse and abuse » (usage abusif ou mauvaise utilisation), conformément aux normes de l'ATA (American Trucking Association).

Réponse de la direction

La direction n'est pas d'accord avec cette recommandation.

La direction estime que la description « preventable damages » (dommages évitables) est plus exacte que « misuse and abuse » (usage abusif ou mauvaise utilisation) pour catégoriser les réparations, car « dommage évitable » a un sens plus large qu'« usage abusif ou mauvaise utilisation »; l'expression englobe non seulement ce dernier, mais aussi le manque de formation ou les compétences inadéquates de l'opérateur de même que les contraintes techniques de l'équipement.

Recommandation 11

Que, lorsque le coût des réparations liées à l'usage abusif ou la mauvaise utilisation d'un véhicule ou d'une pièce d'équipement municipal augmente pour quelque raison que ce soit (rajustement, facturation en fin d'exercice), la Ville veille à effectuer les redressements qui s'imposent afin que les coûts réels soient reflétés.

Réponse de la direction

La direction est d'accord avec cette recommandation.

Services du parc automobile a mis à jour ses rapports pour qu'ils reflètent plus fidèlement les rajustements effectués au coût antérieurement déclaré aux clients dans des comparaisons de fin d'année au chapitre des réparations liées à des dommages évitables. Les rapports seront maintenant générés à partir de la date de « clôture » des bons de travail plutôt que de la date « d'ouverture » afin d'assurer que tous les coûts sont saisis.

Recommandation 12

Que la Ville fasse en sorte que les bons de travail ne soient pas clos tant et aussi longtemps que les réparations auxquelles ils renvoient n'ont pas été effectuées et facturées.

Réponse de la direction

La direction est d'accord avec cette recommandation.

La démarche proposée correspond déjà à la pratique actuelle, adoptée depuis la fusion, ce dont le vérificateur a été informé au cours de l'entretien tenu dans le cadre de la vérification.

Toutes les réparations associées à un même problème doivent être réalisées et inscrites sur le bon de travail avant que celui-ci puisse être clos. La facturation ne peut s'effectuer qu'une fois le bon de travail clos.

Recommandation 13

Que la Ville analyse attentivement tous les coûts ajoutés à des bons de travail clos et qu'elle en fasse rapport aux services clients.

Réponse de la direction

La direction est d'accord avec cette recommandation.

Services du parc automobile produira des rapports mensuels pour analyser tous les coûts ajoutés à des bons de travail clos au deuxième trimestre de 2008, puis collaborera avec les clients aux troisième et quatrième trimestres pour déterminer la meilleure façon d'utiliser cette information.

Recommandation 14

Que la Ville avise les services clients de toute modification législative applicable, et ce, dans un délai raisonnable.

Réponse de la direction

La direction est d'accord avec cette recommandation.

La démarche proposée correspond déjà à la pratique actuelle, adoptée depuis la fusion, ce dont le vérificateur a été informé au cours de l'entretien tenu dans le cadre de la vérification.

Recommandation 15

Que la Ville veille à ce que les journaux de vérification des véhicules avant le départ soient traités comme des dossiers municipaux officiels et à ce que l'administration municipale respecte les exigences de la loi provinciale, et son propre règlement en matière de conservation et de suppression des documents.

Réponse de la direction

La direction est d'accord avec cette recommandation.

La direction collaborera avec Services de technologie de l'information (STI) pour veiller à ce que les journaux de vérification des véhicules avant le départ (aussi appelés journaux de vérification du cercle porte-lame) soient traités comme des dossiers municipaux officiels et gérés conformément à la politique de la Ville en matière de gestion des dossiers et à son règlement en matière de conservation et de suppression des documents (Règlement municipal n° 2003-527), qui tiennent compte des exigences législatives pertinentes. STI s'affaire actuellement à confirmer les exigences de conservation des documents. Services du parc automobile informera les clients de la nouvelle pratique adoptée d'ici la fin du deuxième trimestre 2008.

Recommandation 16

Que la Ville respecte sa politique anti-tabac.

Réponse de la direction

La direction est d'accord avec cette recommandation.

La direction fait régulièrement part de la politique anti-tabac de la Ville à tout son personnel et donne suite à tous les cas d'infraction signalés ou observés.

Recommandation 17

Que la Ville fasse preuve de la diligence voulue en procédant, dans un délai raisonnable, à une enquête sur les lieux de toute collision importante et en approuvant les coûts de réparation avant que les travaux ne soient réalisés.

Réponse de la direction

La direction est d'accord avec cette recommandation.

Il appartient au superviseur de la direction cliente d'effectuer, dans un délai raisonnable, une enquête sur les lieux de toute collision importante impliquant un véhicule ou une pièce d'équipement municipal. Services du parc automobile offre un soutien pour ces enquêtes et vérifie l'exactitude de chaque rapport de collision avant de déterminer si les dommages étaient évitables. Tous les travaux associés aux collisions importantes, y compris le coût des réparations, sont préalablement approuvés par l'autorité compétente de la direction.

Recommandation 18

Que la Ville se dote d'une politique ou d'une procédure pour s'assurer que les véhicules et l'équipement municipaux ne sont pas laissés sans surveillance et sans avoir été sécurisés et que la clé de contact n'y est jamais laissée.

Réponse de la direction

La direction est d'accord avec cette recommandation.

La direction estime que la section « Utilisation des biens de la Ville » du Code de conduite du personnel de la Ville dicte déjà adéquatement le comportement que les employés doivent adopter à l'égard des biens municipaux. Plus précisément, « (...) ils assurent la sécurité et la protection constantes des biens dont ils ont la garde dans le cadre de leurs fonctions (y compris sommes en espèces, chèques, documents, stocks et matériel). »

Recommandation 19

Que la Ville veille à ce que, en cas d'accident impliquant un véhicule ou une pièce d'équipement municipal, un rapport de collision (véhicules et équipement) soit rempli par le personnel compétent dans le délai prescrit de 24 heures suivant l'accident et à ce que ledit rapport soit acheminé à Services du parc automobile et à Gestion des risques.

Réponse de la direction

La direction est d'accord avec cette recommandation, qui est déjà appliquée.

Recommandation 20

Que la Ville mène une enquête adéquate sur toutes les collisions signalées impliquant un véhicule ou une pièce d'équipement municipal.

Réponse de la direction

La direction est d'accord avec cette recommandation.

La démarche proposée correspond déjà à la pratique actuelle, adoptée depuis la fusion, ce dont le vérificateur a été informé au cours de l'entretien tenu dans le cadre de la vérification.

Services du parc automobile enquête sur tous les rapports de collision impliquant un véhicule ou une pièce d'équipement municipal soumis par les directions d'exploitation afin d'en vérifier le contenu et l'exactitude. Un soutien sur les lieux peut être fourni à la demande de la direction. Pour les collisions importantes ayant entraîné une blessure grave, une enquête est menée sur les lieux conjointement avec Santé et Sécurité au travail. En cas de décès, le Service de police intervient.

Recommandation 21

Que, dans le cadre de son enquête ou de son examen, le Comité d'examen des collisions confirme la valeur des dommages causés par la collision avant de prendre une décision.

Réponse de la direction

La direction n'est pas d'accord avec cette recommandation.

Le coût à prévoir pour faire réparer un véhicule ou une pièce d'équipement à la suite d'une collision ne change rien aux conclusions sur la nature évitable de l'accident. Le Comité d'examen des collisions fonde ses constatations sur l'erreur commise par l'opérateur, et non sur la conséquence de cette erreur.

Recommandation 22

Que la Ville veuille à ce que les rapports de collision impliquant un véhicule ou une pièce d'équipement municipal et les bons de travail connexes renvoient les uns aux autres dans le système informatique de gestion du parc automobile (M5) tout comme dans le système de gestion des risques (Risk Master).

Réponse de la direction

La direction est d'accord avec cette recommandation.

La démarche proposée correspond déjà à la pratique adoptée depuis 2005, ce dont le vérificateur a été informé au cours de l'entretien tenu dans le cadre de la vérification.

Le Rapport de collision de véhicule et d'équipement est acheminé à Services du parc automobile et à Gestion des risques dans les 24 heures suivant l'accident. Bien qu'aucune interface électronique ne les relie, les systèmes M5 et Risk Master ont un champ commun, le numéro de l'unité, ce qui permet le renvoi à des renseignements contenus dans l'un ou l'autre des systèmes.

Recommandation 23

Que la Ville améliore la surveillance, par les services d'exploitation, de tous les rapports de collision impliquant un véhicule ou une pièce d'équipement municipal.

Réponse de la direction

La direction n'est pas d'accord avec cette la recommandation.

Selon la pratique adoptée depuis la fusion, un suivi est effectué pour l'intégralité des rapports de collision impliquant un véhicule ou une pièce d'équipement municipal produits par les services d'exploitation.

Conclusion

Qu'on les désignent « usage abusif ou mauvaise utilisation » ou « dommages évitables », ces réparations font partie de la réalité lorsqu'on gère un parc automobile. Éliminer complètement ces coûts de réparations n'est pas réaliste. La Ville devrait néanmoins fixer des objectifs concrets pour réduire ces coûts le plus possible.

Les lacunes observées sur le plan de la supervision ouvrent la porte aux usages abusifs ou aux mauvaises utilisations des véhicules ou de l'équipement. La mauvaise surveillance, l'absence d'analyse lors d'une mauvaise usage, la présentation irrégulière de rapports, le manque de conséquences pour le personnel et l'inobservation des politiques et des procédures municipales font que la Ville s'expose à des risques élevés de réparations coûteuses attribuables à un usage abusif ou une mauvaise utilisation de ses véhicules ou de son équipement. Des mesures devraient être prises et des initiatives mises en œuvre pour diminuer ces coûts.

La Ville d'Ottawa devrait établir les responsabilités d'une supervision éclairée de son parc automobile. Services du parc automobile devrait être informé convenablement de ses rôles et responsabilités en matière de surveillance.

La Ville ne gère pas activement les coûts entraînés par l'usage abusif ou la mauvaise utilisation de ses véhicules ou de son équipement et ceux-ci ont augmenté de manière significative chaque année depuis 2005. Ce problème avait initialement été soulevé dans la vérification de 2006 de Services du parc automobile. Selon la vérification de 2007 de l'usage abusif ou la mauvaise utilisation des véhicules et de l'équipement municipaux, il y a peu de preuves établissant que la direction a pris les mesures nécessaires pour résoudre ce problème.

Remerciements

Nous tenons à remercier la direction de sa bienveillante collaboration et de l'aide qu'elle a apportée à l'équipe de vérification.

1 BACKGROUND

The 2006 Audit of Fleet Services was tabled on May 9, 2007 as part of the City's Auditor General 2006 Annual Report. Among the findings of the audit was that "misuse" of City vehicles and equipment resulted in over \$900,000 of damages in 2005.

At the May 23, 2007 City Council meeting, members of Council requested that the Auditor General provide additional information regarding a case of a sidewalk plow that was reported to have suffered significant damage due to misuse. A subsequent report made to the Fraud and Waste Hotline provided a sample of 15 cases. In total, 16 work orders, that were alleged to involved repairs to vehicles or equipment due to misuse were reviewed as part of this audit. Fleet Services has changed the classification of "misuse" to "preventable damage".

2 AUDIT OBJECTIVES AND APPROACH

2.1 Objectives and Scope

The objectives of this audit were:

- To assess if misuse and abuse of City vehicles and equipment is appropriately managed; and,
- To assess the appropriateness of documentation surrounding each work order identifying the damages as preventable.

The scope of the audit was limited to:

- The 2006 processes followed by Fleet Services and individual departments relating to the sidewalk plow incident and the 15 work orders reported to the Fraud and Waste Hotline; and,
- A review of the role of the Collision Review Committee as it pertains to the above cases.

2.2 Audit Criteria

To assess if misuse and abuse to City vehicles and equipment is appropriately managed, the following audit criteria were used:

- Accountabilities for managing misuse and abuse of City vehicles and equipment are identified, clear to all parties and respected;
- Processes are in place to adequately investigate and document misuse and abuse of City vehicles and equipment;
- Reporting mechanisms/structures are in place; and,
- Action is taken to mitigate future reoccurrence.

To assess the appropriateness of documentation surrounding each work order identifying the damages as preventable, the following audit criteria were used:

- Documentation is complete, timely and adequate;
- Processes are in place to ensure uncharacteristically costly repairs are reviewed and investigated;
- Documentation of monitoring of repeat offenders is adequate; and,
- Collision Review Committee evaluations are supported and adequately documented.

2.3 Audit Approach

Our approach included interviews with Fleet Services and Surface Operations staff, interviews with external stakeholders as well as detailed review of documentation.

3 OBSERVATIONS AND RECOMMENDATIONS

3.1 Branch Organizations

Fleet Services Branch is structured in four separate divisions. An audit of the Fleet Services Branch has been completed and was part of the OAG's 2006 annual report presented to Council in May 2007.

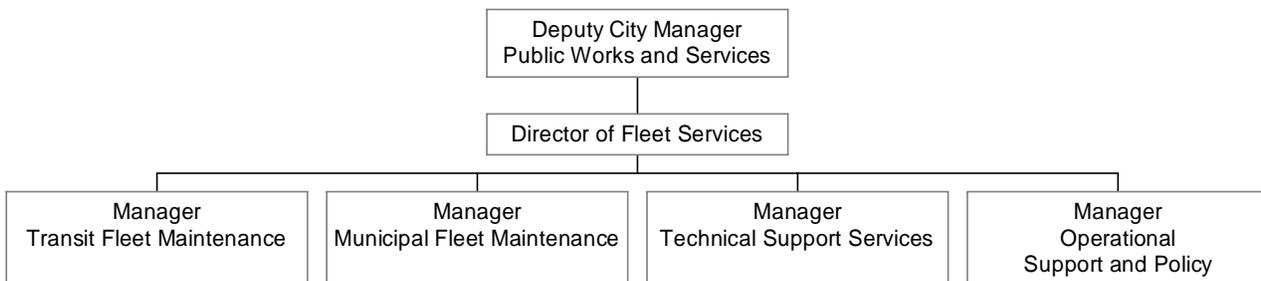


Table 1.a: Organizational Chart – Fleet Services Branch

The Municipal Fleet Maintenance Division is mandated to keep the municipal fleet safe and operational. It operates out of 8 maintenance facilities located at: 2799 Swansea Crescent, 1635 Maple Grove Road, 1159 Moodie Drive, 4244 Rideau Valley Road, 951 Clyde Avenue, 150 Elgin Street, 2035 Trim Road, and 1951 Cyrville Road.

They service and repair all vehicles and equipment owned by the City, including cars, trucks, ambulances, fire trucks, road graders, etc. They outsource about 30% of maintenance through a number of contract services.

The Division has many clients, including Surface Operations, Water and Wastewater Services, Venture Properties, Traffic Operations, Ottawa Paramedic Service, etc.

The review centered mostly on Municipal Fleet Maintenance Division's involvement with Surface Operations Branch, whose organizational chart follows:

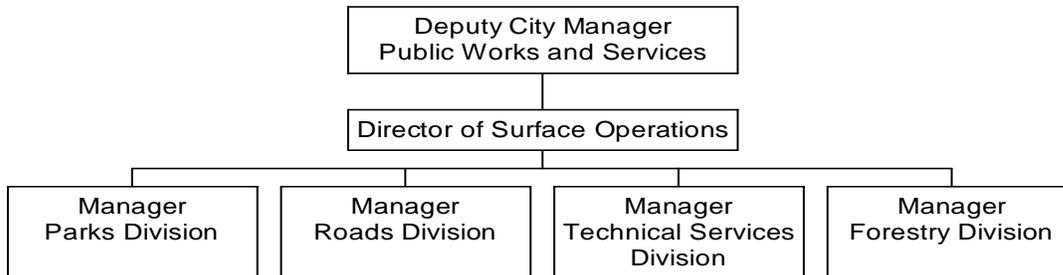


Table 1.b: Organizational Chart - Surface Operations Branch

3.2 The City incurs substantial costs on Full Service Leased (FSL) graders.

Through analysis, Fleet Services determines the best method of meeting the City's requirements for vehicles and equipment: The City either purchases and owns the vehicles and equipment or enters into lease agreements. Leases are either:

- "Straight Lease", where, in addition to the usual expected costs associated with the operation of a unit (such as fuel and windshield fluid), the City is responsible for normal routine preventable maintenance of the unit (e.g., lubrication of a grader every 250 hours of service).
- "Full Service Leased", where, the City is *only* responsible for the usual expected costs associated with the daily operation of a unit (e.g., fuel and windshield fluid).

Regardless of the lease arrangement, the City is liable for costs associated with repairs due to misuse and abuse on these units. The important distinction in lease arrangements is that very little costs should be incurred on full service lease equipment, as the City is not responsible for normal routine preventable maintenance on these units.

The 16 work orders (WO) reviewed are associated to 15 units - 1 sidewalk plow, and 14 graders. The sidewalk plow was a straight lease. Of the 14 graders, 12 were full service leased and should therefore have incurred minimal costs over the lease term. Two graders are City-owned.

The following table identifies the repair notes and cost of misuse and abuse for the sample of 16-work orders. and identifies the cost of total repairs on the unit over the lease term or, where owned, costs to date. It should be noted that the work orders reviewed had other repairs which are not included in the table, i.e., preventable maintenance, breakdown, etc.

Repair notes on work orders identify the damaged parts, but were found to be of limited usefulness in determining the cause for classification of repairs as misuse and abuse. In December 2007, Fleet Services was drafting documentation that would require the Municipal Fleet Maintenance technicians to inscribe their rationale for classifying the damage(s) as misuse and abuse. The supervisor would then review this rationale and satisfy themselves of the adequacy of the notes prior to closing a work order. We found that the draft documentation is contradictory and does not address the role of Operational Support and Policy Division who informed us that they were closing the work orders themselves to ensure all costs are captured before these are closed. As a result, it is not clear which group is meant to close the work orders.

| | WO Number and Date Opened | Unit No. | Description | Lease | Repair Notes per WO Cost Detail Repair | Cost of Misuse & Abuse on WO | TOTAL Repairs Cost on Unit |
|---|---------------------------|----------|---------------------------|----------|--|-------------------------------------|----------------------------|
| 1 | 73508 22 Feb 04 | J2-1616 | 2002 Holder C9700 | Straight | <ul style="list-style-type: none"> ▪ Called 4:00 am Sun. Feb.22 Holder oil pan leaking. Engine is part of frame on this machine. Tow truck driver reported machine was broken in half. Commercial charges of \$17352.64 were added after this work order was closed. | \$17,486 | \$48,612 |
| 2 | 113299 18 May 05 | GF-3783 | 2000 Champion 720A VHP | FSL | <ul style="list-style-type: none"> ▪ Straighten arm temporarily & order new arm - damage noted on inspection - moldboard bent - both cranes bent - circle bent - slide rod and extension - RH tilt quadrant cracked - u bolt broken ▪ Mirror wires ripped out - radio antenna broken - lighter missing - console broken - burn in seat - ▪ Damage noted on inspection - left hank headlight broken - fenders bent | \$21,534 \$810 \$987 | \$52,732 |
| 3 | 113159 18 May 05 | GF-3780 | 2000 Champion 720A VHP | FSL | <ul style="list-style-type: none"> ▪ Damage noted on lease return - circle bent - moldboard is bent and cracked - both end bits damaged - top rail parts missing - slide rod welded - slide rod bolt missing ▪ Damage noted on leave return left arm rest damaged - both mirrors wires ripped out, right hand headlight broken - circuit breaker for headlight missing - antenna broken - right hand vent missing - step is ripped and bottom bent - screws missing from console - operator manual ▪ Damage noted on lease return - both front fenders damaged - cut in right front tire - amber lends cracked - wing lift cyl ears bent - wing moldboard bent - right hand grab handle bent, park brake pads worn out | \$18,525 \$2,036 \$601 | \$43,612 |
| 4 | 128029 05 Jan 06 | GF-6362 | 2005 CAT 140 | FSL | <ul style="list-style-type: none"> ▪ Transmission air line broke causing the park brake to apply. Warning lights were on in dash. Operator told Toromont mechanic. Operator had kept driving the grader until it would no longer move. Result transmission failed. Approximate cost to repair \$20,000.00 ▪ Sussex and Parent (refers to towing charges) ▪ Fender been damaged on the first snow storm and when unit been returned to Toromont fro completion of wing installation Khye noticed front were damaged by operator ▪ Transmission air line broke causing the park brake to apply. Warning lights were on in dash. Operator told Toromont mechanic. Operator had kept driving the grader until it would no longer move. Result transmission failed. Approximate cost to repair \$ | \$168 \$166 \$276 \$18,851 | \$21,624 |

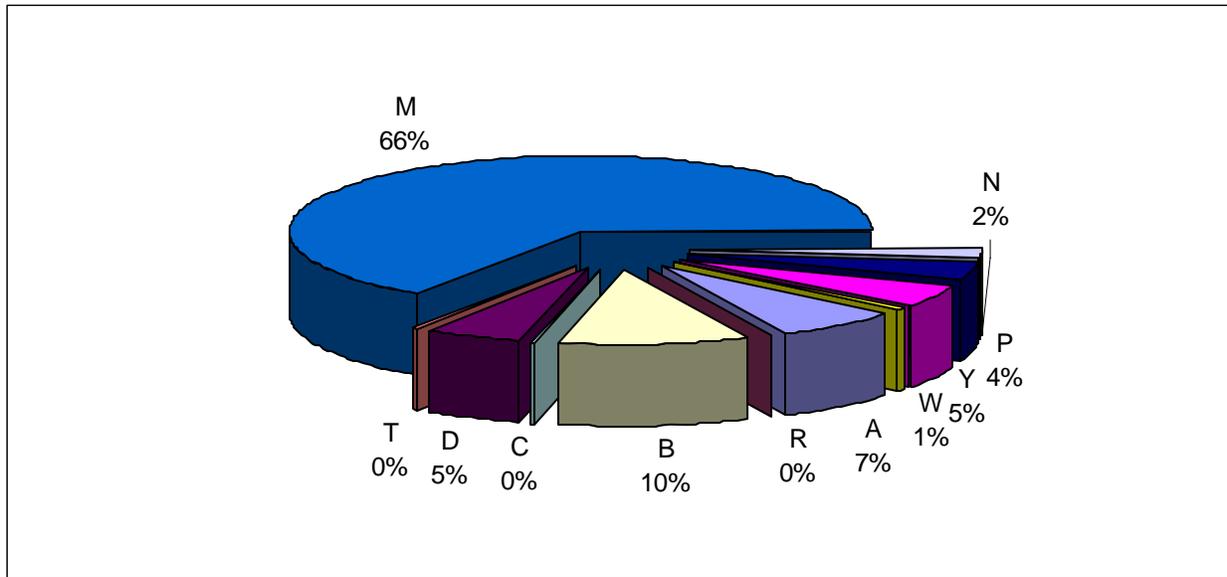
| | WO Number and Date Opened | Unit No. | Description | Lease | Repair Notes per WO Cost Detail Repair | Cost of Misuse & Abuse on WO | TOTAL Repairs Cost on Unit |
|----|---------------------------|----------|---------------------------|-------|--|------------------------------|----------------------------|
| 5 | 134244 02 Mar 06 | GF-1531 | 2003 Volvo G740B | Owned | <ul style="list-style-type: none"> Service call to Rideau Yard, check for snapping noise when using articulation, excessive play in pins and bushings, removed r/s articulation cylinder, resealed cylinder, cut front bearing boss from frame and weld on new boss, assembly cylinder with new pins and bearings, removed l/s cylinder, rear anchor pin seized, remove batteries and battery box and cables to access and heat bottom of cylinder and press in order to pull pin from top end, removed pin and cylinder, resealed cylinder and reinstalled and loctite bearings in boss, noise caused from l/s rear bearing breaking into pieces when articulation being used. | \$4,756 | \$62,815 |
| 6 | 131845 07 Feb 06 | GF-2306 | 1998 Champion 740 | Owned | <ul style="list-style-type: none"> Repair circle Ind overhaul lift cylinders Line on invoice is under final drive. Sent to Champion and perform repairs as per Program Manager. | \$2,491 \$11,391 | \$124,988 |
| 7 | 142357 24 Apr 06 | GF-3780 | (see number 3) | FSL | <ul style="list-style-type: none"> To repair damages to circle area as noted on inspection: replace bent moldboard and broken slide cylinder rod. Install new 5/8 cutting edges. To repair cab damage as noted on inspection: replace one step side, missing ash tray, 2 broken cab vents and repair mirror wires and burn in seat. To repair other damages to exterior of grader as noted on inspection: repair wing moldboard damage and replace bent wing pln. Bolt and nut. Install new wing edge, move rf tire to GF-3787 | \$6,842 \$662 \$1,105 | |
| 8 | 142355 24 Apr 06 | GF-3781 | 2000 Champion 720A VHP | FSL | <ul style="list-style-type: none"> To repair damages to circle area as noted on inspection: replace bent moldboard and broken slide cylinder rod. Install new 5/8 cutting edges. To repair cab damage as noted on inspection: replace both step sides, broken sliding window latch and repair mirror wires and broken side console To repair other damages to exterior of grader as noted on inspection: repair wing moldboard damage and replace bent wing pln. Bolt and nut. Install new wing edge. Replace broken plow headlight. | \$6,978 \$881 \$1,266 | \$71,763 |
| 9 | 142330 24 Apr 06 | GF-3785 | 2000 Champion 720A VHP | FSL | <ul style="list-style-type: none"> To repair damages to circle area as noted on inspection: replace bent moldboard and broken slide cylinder rod. Install new 5/8 cutting edges. Commercial charges of \$-1002.80 were added after this WO was closed To repair other damages to exterior of grader as noted on inspection: repair wing moldboard damage and replace bent wing pin. Bolt, nut and swivel. Install new wing edge. Replace broken plow lights. | \$17,976 \$2,577 | \$79,758 |
| 10 | 142325 24 Apr 06 | GF-3786 | 2000 Champion 720A VHP | FSL | <ul style="list-style-type: none"> To repair damages to circle area as noted on inspection: replace bent moldboard, left right circle crank and circle. Replace broken cylinder slide cylrod. Install new 5/8 cutting edges. To repair cab damage as noted on inspection: replace one step side and lower rung & one broken vent. Repair mirror wires, cracked side console and burn in seat. To repair other damages to exterior of grader as noted on inspection: repair wing moldboard damage and replace bent wing bolt and nut. Install new wing edge. Repair RH plow light bracket. | \$24,720 \$689 \$1,352 | \$66,555 |
| 11 | 142364 27 Apr 06 | GF-3777 | 2000 Champion 720A VHP | FSL | <ul style="list-style-type: none"> To repair damages to circle area as noted on inspection: replace bent moldboard, left right circle crank and circle. Replace broken cylinder slide cylrod. Install new 5/8 cutting edges. | \$22,987 | \$74,522 |

| WO Number and Date Opened | Unit No. | Description | Lease | Repair Notes per WO Cost Detail Repair | Cost of Misuse & Abuse on WO | TOTAL Repairs Cost on Unit |
|---------------------------|------------------|----------------|------------------------|---|------------------------------|----------------------------|
| | | | | <ul style="list-style-type: none"> To repair cab damage as noted on inspection: replace broken cab vent and cab step side, repair burn in seat. | \$490 | |
| | | | | <ul style="list-style-type: none"> To repair other damages to exterior of grader as noted on inspection: repair wing moldboard damage, replace worn wing edge and bent wing pln, bolt and nut. | \$1,058 | |
| 12 | 142327 | GF-3784 | 2001 Champion 720A VHP | FSL | | |
| | 24 May 06 | | | <ul style="list-style-type: none"> To repair damages to circle area as noted on inspection: replace bent circle and moldboard. Repair LT tilt quadrant & replace RH tilt quad. Replace bent circle turn anchor lug and replace damaged cranks. Replace welded slide rod. Install new 5/8 edges. | \$21,454 | \$52,445 |
| | | | | <ul style="list-style-type: none"> To repair cab damage as noted on inspection: replace broken window latches, cab air vent and missing lighter repair cab step, mirror wires and broken console | \$1,124 | |
| | | | | <ul style="list-style-type: none"> To repair other damages to exterior of grader as noted on inspection: replace bent wing pin, bolt and nut. Replace both front plow lights. Install new wing edge. Move rf tire to GF-3737. | \$1,132 | |
| 13 | 150399 | GF-3787 | 2001 Volvo 720 | FSL | | |
| | 29 Aug 06 | | | <ul style="list-style-type: none"> To repair damages to circle area as noted on inspection: check and set-up circle. Replace broken duramides and bent clamp and guide plate bolts. Repair damages clamp plate bolt holes. Repair broken tie bar. Replace damaged tilt hose. Install new 5/8 edges and end bits. | \$3,101 | \$22,238 |
| | | | | <ul style="list-style-type: none"> To repair cab damage as noted on inspection: Replace melted side switch console. Repair mirror wiring and burn in set. Replace both cab step sides. | \$1,137 | |
| | | | | <ul style="list-style-type: none"> To repair other damages to exterior of grader as noted on inspection: replace damages to wing moldboard. Replace wing edge. Replace wing swivel and pin. Replace cut front tire. | \$3,400 | |
| 14 | 150396 | GF-3788 | 2002 Volvo 720 | FSL | | |
| | 21 Sep 06 | | | <ul style="list-style-type: none"> To repair damages to circle area as noted on inspection: check and set-up circle. Replace broken duramides and bent clamp and guide plate bolts. Repair bolt holes. Install new 5/8 edges and end bits. | \$1,841 | \$42,199 |
| | | | | <ul style="list-style-type: none"> To repair cab damage as noted on inspection: Replace broken cab vent louvers and cab step sides. | \$793 | |
| | | | | <ul style="list-style-type: none"> To repair other damages to exterior of grader as noted on inspection: replace damages to wing moldboard. Replace wing edge. Replace wing swivel and pin. Replace cut rear tire. Replace broken tail lens. Repair bent grab handle. | \$7,075 | |
| 15 | 155793 | GF-3789 | 2002 Volvo 720 | FSL | | |
| | 21 Sep 06 | | | <ul style="list-style-type: none"> Circle repairs as per Prog Mgr. | \$18,404 | \$44,383 |
| | | | | <ul style="list-style-type: none"> As per Prog Mgr. | \$2,355 | |
| 16 | 10853103 | GF-6571 | 2006 CAT 140 | FSL | | |
| | 19 Mar 07 | | | <ul style="list-style-type: none"> Clean machine to perform repairs | \$286 | \$26,530 |
| | | | | <ul style="list-style-type: none"> Troubleshoot Parking Brake | \$906 | |
| | | | | <ul style="list-style-type: none"> Remove & repair transmission, transmission burned as a result of misuse | \$24,812 | |
| | | | | <ul style="list-style-type: none"> S/C to Woodward Yard | \$181 | |
| TOTAL | | | | | \$277,662 | \$834,776 |

**Table 2: Sample WO repairs notes
Cost of Misuse and Abuse vs. Cost of All Repairs Performed on Units**

The amount of \$834,776 represents total repair costs on each unit either over the lease term or costs of repair to date, if owned. For the 16 work orders reviewed misuse and abuse accounts for \$277,662 or 33% of the total repairs costs.

However, for all repairs performed on the 15 units in the sample, 66%, or \$546,943, relate to misuse and abuse:



- A Collision
- B Breakdown
- C Capital Improvement
- D Driver's Report
- M Misuse and Abuse
- N Pre-Delivery
- P Preventive Maintenance
- R Rework
- T Theft
- W Warranty
- Y Routine

Table 3: Total \$834,776 of Repair Costs by classification-Sample 15 Units

The costs of misuse and abuse of individual units in our sample were classified in the Repair Job Description as follows:

| Repair Job Description – Misuse and Abuse | Unit # | Unit Description | Total | % of Total Misuse & Abuse Cost |
|---|---------|-------------------|-----------------|--------------------------------|
| Clean Cab Sheet Metal Assembly | GF-6571 | 2006 CAT 140 | \$286 | |
| Clean Cab Sheet Metal Assembly Total | | | \$286 | 0.1% |
| Inspect Auto Transmission assembly | GF-6362 | 2005 CAT 140 | \$168 | |
| Inspect Auto Transmission assembly Total | | | \$168 | 0.1% |
| Overhaul differential | GF-2306 | 1998 Champion 740 | \$11,391 | |
| Overhaul differential Total | | | \$11,391 | 4.1% |
| Repair auto transmission assembly | GF-6362 | 2005 CAT 140 | \$18,851 | |

| Repair Job Description – Misuse and Abuse | Unit # | Unit Description | Total | % of Total Misuse & Abuse Cost |
|--|---------|------------------------|------------------|--------------------------------|
| | GF-6571 | 2006 CAT 140 | \$24,812 | |
| Repair auto transmission assembly Total | | | \$43,663 | 15.7% |
| Repair cab accessories - interior | GF-3780 | 2000 Champion 720AVHP | \$2,036 | |
| | GF-3783 | 2000 Champion 720AVHP | \$810 | |
| Repair cab accessories - interior Total | | | \$2,846 | 1.0% |
| Repair cab sheet metal assembly | GF-3777 | 2000 Champion 720A VHP | \$490 | |
| | GF-3780 | 2000 Champion 720AVHP | \$1,264 | |
| | GF-3781 | 2000 Champion 720AVHP | \$881 | |
| | GF-3783 | 2000 Champion 720AVHP | \$987 | |
| | GF-3784 | 2000 Champion 720AVHP | \$1,124 | |
| | GF-3786 | 2000 Champion 720A VHP | \$689 | |
| | GF-3787 | 2001 Volvo 720 | \$1,137 | |
| | GF-3788 | 2002 Volvo 720 | \$793 | |
| | GF-3789 | 2002 Volvo 720 | \$2,355 | |
| Repair cab sheet metal assembly Total | | | \$9,718 | 3.5% |
| Repair circle | GF-2306 | 1998 Champion 740 | \$2,491 | |
| | GF-3777 | 2000 Champion 720A VHP | \$22,987 | |
| | GF-3780 | 2000 Champion 720AVHP | \$25,367 | |
| | GF-3781 | 2000 Champion 720AVHP | \$6,978 | |
| | GF-3783 | 2000 Champion 720AVHP | \$21,534 | |
| | GF-3784 | 2000 Champion 720AVHP | \$21,454 | |
| | GF-3785 | 2000 Champion 720AVHP | \$17,976 | |
| | GF-3786 | 2000 Champion 720A VHP | \$24,720 | |
| | GF-3787 | 2001 Volvo 720 | \$3,101 | |
| | GF-3788 | 2002 Volvo 720 | \$1,841 | |
| | GF-3789 | 2002 Volvo 720 | \$18,404 | |
| Repair circle Total | | | \$166,853 | 60.1% |
| Repair Fender | GF-6362 | 2005 CAT 140 | \$276 | |
| Repair Fender Total | | | \$276 | 0.1% |
| Repair Frame Assembly | J2-1616 | 2002 Holder C9700 | \$17,353 | |
| Repair Frame Assembly Total | | | \$17,353 | 6.2% |
| Repair grader assembly | GF-3777 | 2000 Champion 720A VHP | \$1,058 | |
| | GF-3780 | 2000 Champion 720AVHP | \$1,105 | |
| | GF-3781 | 2000 Champion 720AVHP | \$1,266 | |
| | GF-3784 | 2000 Champion 720AVHP | \$1,132 | |
| | GF-3785 | 2000 Champion 720AVHP | \$2,577 | |
| | GF-3786 | 2000 Champion 720A VHP | \$1,352 | |
| | GF-3787 | 2001 Volvo 720 | \$3,400 | |
| | GF-3788 | 2002 Volvo 720 | \$7,075 | |
| Repair grader assembly Total | | | \$18,965 | 6.8% |
| Repair Parking Brakes | GF-6571 | 2006 CAT 140 | \$906 | |
| Repair Parking Brakes Total | | | \$906 | 0.3% |
| Repair pins and bushings | GF-1531 | 2003 Volvo G740B | \$4,756 | |
| Repair pins and bushings Total | | | \$4,756 | 1.7% |
| Tow Frame | J2-1616 | 2002 Holder C9700 | \$134 | |
| Tow Frame Total | | | \$134 | 0.0% |

| Repair Job Description – Misuse and Abuse | Unit # | Unit Description | Total | % of Total Misuse & Abuse Cost |
|---|---------|------------------|------------------|--------------------------------|
| Towing Winch | GF-6362 | 2005 CAT 140 | \$166 | |
| Towing Winch Total | | | \$166 | 0.1% |
| Travel Time Transport | GF-6571 | 2006 CAT 140 | \$181 | |
| Travel Time Transport Total | | | \$181 | 0.1% |
| Grand Total | | | \$277,662 | 100.0% |

Table 4: Repair Job Costs of Misuse and Abuse – On Sample Units

At the Council meeting on May 23, 2007, the Director of Fleet Services had the following comments as to misuse and abuse:

“...misuse is not just misuse of equipment it can be the use of equipment in emergency circumstances where the design limits are exceeded. For example, a snow plow doing road clearance and an obstacle on the road causes damage to the plow. That \$900,000 consists of damage caused by three possibilities:

- *One is operator error;*
- *Second possibility is training deficiencies in how we train our people; and*
- *Third the equipment is deficient for the task we put it through.*

And we do have a process in place by which we identify that kind of damage. Our driver trainers do review the issues to identify if there are training issues; they also review to identify operator issues. And we do provide feedback to our customers three times a year as to the value of that sort of damage. So, it is an ongoing process to analyse, correct for and minimize and it will be an ongoing undertaking for as long as we are in business.”

On the 16 work orders we reviewed, 60% of the misuse and abuse costs are associated to repairs to the “circle”. The circle is a round steel pivot which the moldboard or blade is attached to enabling it to be repositioned. As graders are designed to push gravel and not snow, Fleet Management confirmed that graders are an appropriate piece of equipment to push snow and that there are no design flaws in graders. Personnel at both garages indicated that circle repairs are classified as misuse and abuse as these should not break. We therefore conclude that as per the Director’s definition, the damages would have had to be caused by operator error or deficiency in training.

Through discussion with the dealership that leased equipment to the City, we found that they have only sold “circles” to the City of Ottawa and not to any other clients. City operations have had a tendency of bending circles and moldboards in the course of their operation. This could happen when operators hit obstructions such as catch basins. When asked how the City could minimize these damages, they suggested that slowing down could help operators avoid impediments. We were also told that the circle and moldboard might be bent if an operator puts down the blade and pivots the grader rather than performing a three-point turn.

Another 16% of the misuse and abuse costs associated to repairs to the transmission could, in our opinion, have been avoided had the operators responded to the warning lights in the unit and stopped.

| Sample # | WO Number | Cost of Misuse and Abuse ONLY on WO | Unit No. | Description | Unit Maintenance Cost History |
|-----------------|-----------|-------------------------------------|----------|--------------|-------------------------------|
| 4 | 128029 | \$19,462 | GF-6362 | 2005 CAT 140 | \$21,233 |
| 16 | 10853103 | \$26,186 | GF-6571 | 2006 CAT 140 | \$26,186 |
| \$45,648 | | | | | \$47,419 |

Table 5: Example of Avoidable Repair Costs

The repair notes on one of the work orders indicate that the operator informed the Toromont mechanic that the warning lights were on in the dash. The work order states: “The operator had kept driving the grader until it would no longer move.” The other work order repair notes indicate that the transmission was burnt as a result of misuse.

Both these instances have been reported by Fleet Services to Surface Operations Branch. SOP did not take any action with the particular operators associated with these specific occurrences.

In light of the high cost of repairs on lease equipment in our sample, we reviewed the repair costs on all end of lease 2005, 2006 and 2007 graders. Fleet Services management has informed us that the M5 classification/codification for end-of-lease or terminated equipment is “sold / retired”.

| | 2005 | 2006 | 2007 |
|--|------|------|------|
| Number of Leased Graders | 18 | 19 | 18 |
| Number of FSL on Graders End of Lease | 5 | 12 | 1 |

Table 6: Number of City Leased Graders and End of Lease FSL

We did not investigate the reason for the increases in repair costs during 2006, however, repair costs on end of lease FSL graders in 2006 were greatly higher than they had been in 2005. The 2006 end of lease FSL graders incurred an average \$50,000 more in repair costs per unit than end of lease 2005 FSL units over the term of the lease. In 2006, this equated to an average of \$11,761 per unit per year. Fleet Services informed us that routine road maintenance on straight lease or on owned graders would be expected to range between \$5,000-\$7,000 per year. As stated earlier, routine maintenance is not the

responsibility of the City for FSL. Highlighted units in Table 7 below were not part of our sample.

| Leased Terminated Year | Unit No. | Description | Lease | Unit Maintenance Cost History | Duration of Lease (# of Years) | Average Maintenance Cost per Unit | Average Cost per Unit per Year |
|------------------------|--|--|-------|-------------------------------|--------------------------------|-----------------------------------|--------------------------------|
| 2005 | GF-1675 | 2002 CAT 140 | FSL | \$9,807 | 3 | | |
| | GF-1676 | 2002 CAT 140 | FSL | \$6,215 | 3 | | |
| | GF-1677 | 2002 CAT 140 | FSL | \$10,449 | 3 | | |
| | GF-1678 | 2002 CAT 140 | FSL | \$8,777 | 3 | | |
| | GF-1679 | 2002 CAT 140 | FSL | \$7,271 | 3 | | |
| | Total Maintenance Cost on 2005 Terminated FSL Graders | | | \$42,519 | | \$8,504 | \$2,835 |
| 2006 | GF-3777 | 2000 Champion 720A VHP | FSL | \$74,522 | 5 | | |
| | GF-3778 | 2000 Champion 720A VHP | FSL | \$85,256 | 5 | | |
| | GF-3779 | 2000 Champion 720A VHP | FSL | \$60,959 | 5 | | |
| | GF-3780 | 2000 Champion 720A VHP | FSL | \$43,186 | 5 | | |
| | GF-3781 | 2000 Champion 720A VHP | FSL | \$71,581 | 5 | | |
| | GF-3782 | 2000 Champion 720A VHP | FSL | \$55,730 | 5 | | |
| | GF-3783 | 2000 Champion 720A VHP | FSL | \$52,994 | 5 | | |
| | GF-3784 | 2001 Champion 720A VHP | FSL | \$52,445 | 5 | | |
| | GF-3785 | 2000 Champion 720A VHP | FSL | \$79,514 | 5 | | |
| | GF-3786 | 2000 Champion 720A VHP | FSL | \$66,220 | 5 | | |
| | GF-3787 | 2001 Volvo 720 | FSL | \$21,056 | 5 | | |
| | GF-3788 | 2002 Volvo 720 | FSL | \$42,200 | 5 | | |
| | | Total Maintenance Cost on 2006 Terminated FSL Graders | | | \$705,665 | | \$58,805 |
| 2007 | GF-3789 | 2002 Volvo 720 | FSL | \$41,973 | 5 | | |
| | Total Maintenance Cost on 2007 Terminated FSL Graders | | | \$41,973 | | \$41,973 | \$8,395 |

Table 7: Total Maintenance Cost on 2005-2006-2007: Terminated FSL on Graders

The issue of repairs classified as misuse and abuse was initially identified in the 2006 Audit of Fleet Services. There is little evidence that improvements of been made since that time.

Recommendation 1

That the City assign accountability for investigating, reporting and addressing corrective action for all repairs including misuse and abuse.

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was informed of this during the audit interview.

Through its organizational design, the City has already assigned this accountability under the Centre of Expertise (COE) model. Fleet Services is responsible for reporting any and all repairs to clients, including preventable damage, regardless of the cost of the repair. The client is responsible for investigating the damage, paying for the repairs, and addressing any corrective action. Fleet Services actively supports operating branches in their efforts and provides assistance, as requested, in driver training and technical investigation.

Recommendation 2

That the City investigate the reason for the high quantity of circle repairs required on owned and leased graders and take steps to reduce these.

Management Response

Management agrees with this recommendation and corrective action has been taken.

A significant proportion of the damage was due to hidden obstacles on roadways hit during winter maintenance operations and other mechanical breakdowns resulting from the severity of our operational requirements (i.e., cold weather, 24/7 operations, etc.).

Surface Operations has proactively taken measures to ensure that all future graders will be equipped with twelve foot mould boards (blades) versus the fourteen foot versions to improve operator control and reduce risk of impact with curbs and obstructions.

In addition, Surface Operations staff are now assigned fixed beats and machinery throughout the season. Previously, the number of operators on these graders averaged up to ten operators per season. This has now been reduced to two or three operators per season.

Recommendation 3

That the City ensure all departments investigate high misuse and abuse repair costs and take appropriate action with operators when misuse and abuse repairs should and could have been avoided.

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was notified of this during the audit interview.

Fleet Services provides operating branches with information on misuse and abuse repairs and actively supports them as they undertake investigations, to identify appropriate corrective action. If necessary, Fleet Services provides assistance in driver training and technical investigation.

Recommendation 4

That the City investigate and mitigate the abnormally high cost of repairs incurred for full service leased equipment.

Management Response

Management agrees with this recommendation.

One of management's objectives is to minimize the repair costs of all equipment, including full service leased equipment. Operating branches, with Fleet Services support, investigate all incidents where major damage has occurred.

End of lease repair costs may appear inflated due to the conscious decision to defer some repairs to the end of term. It is not considered cost-effective to proceed with repair of certain damages on leased equipment until such time as the lease expires. This can be several years after an incident, and as a result, repair costs are abnormally high upon lease termination because the repair cost will include damage from several previously investigated incidents. This is a common practice in the industry. The logic is that if similar incidents re-occur, the user will not pay twice for the same repair, thereby, minimizing costs.

The City carries out the inspection of returning leased equipment and mitigates repair costs by ensuring the claims made by the leasing company are valid, based on the inspection, and exclude normal wear items.

3.3 Variances between reports were noted.

In March 2007, municipal operations migrated from the M4 to the M5 Fleet Management Information System. This distinction is important as it is not unexpected that issues will surface during the early stages of rolling-out new software.

To determine the extent of costs against the sidewalk plow and 14 graders, we ran two different M5 reports:

- Unit WO history report; and
- Unit Maintenance Cost History report.

As outlined in the table below, there is a variance of \$19,803 in total costs for the 15 units, between these two reports. We highlighted this issue to Fleet Services who advise that they are following up the issue with Maximus (the software vendor). Fleet Services informed us that the Unit Maintenance Cost History report should be used.

| | WO Number | Cost of Misuse and Abuse ONLY on WO | Unit No. | Description | Lease | Unit WO History | Unit Maintenance Cost History | VARIANCE |
|----|-----------|-------------------------------------|----------|------------------------|----------|------------------|-------------------------------|------------------|
| 1 | 73508 | \$17,486 | J2-1616 | 2002 Holder C9700 | Straight | \$43,791 | \$48,534 | -\$4,742 |
| 2 | 113299 | \$23,330 | GF-3783 | 2000 Champion 720A VHP | FSL | \$52,642 | \$52,994 | -\$352 |
| 3 | 113159 | \$21,162 | GF-3780 | 2000 Champion 720A VHP | FSL | \$41,976 | \$43,186 | -\$1,210 |
| 4 | 128029 | \$19,462 | GF-6362 | 2005 CAT 140 | FSL | \$21,624 | \$21,233 | \$391 |
| 5 | 134244 | \$4,756 | GF-1531 | 2003 Volvo G740B | Owned | \$52,373 | \$55,669 | -\$3,296 |
| 6 | 131845 | \$13,882 | GF-2306 | 1998 Champion 740 | Owned | \$103,970 | \$111,878 | -\$7,908 |
| 7 | 142357 | \$8,609 | GF-3780 | (see number 3) | FSL | | | |
| 8 | 142355 | \$9,126 | GF-3781 | 2000 Champion 720A VHP | FSL | \$71,753 | \$71,581 | \$172 |
| 9 | 142330 | \$20,553 | GF-3785 | 2000 Champion 720A VHP | FSL | \$78,586 | \$79,514 | -\$928 |
| 10 | 142325 | \$26,761 | GF-3786 | 2000 Champion 720A VHP | FSL | \$66,555 | \$66,220 | \$334 |
| 11 | 142364 | \$24,535 | GF-3777 | 2000 Champion 720A VHP | FSL | \$73,749 | \$74,522 | -\$773 |
| 12 | 142327 | \$23,709 | GF-3784 | 2001 Champion 720A VHP | FSL | \$49,835 | \$52,445 | -\$2,611 |
| 13 | 150399 | \$7,637 | GF-3787 | 2001 Volvo 720 | FSL | \$22,233 | \$21,056 | \$1,177 |
| 14 | 150396 | \$9,709 | GF-3788 | 2002 Volvo 720 | FSL | \$42,388 | \$42,200 | \$187 |
| 15 | 155793 | \$20,759 | GF-3789 | 2002 Volvo 720 | FSL | \$41,436 | \$41,973 | -\$537 |
| 16 | 10853103 | \$26,186 | GF-6571 | 2006 CAT 140 | FSL | \$26,478 | \$26,186 | \$292 |
| | | \$277,662 | | | | \$789,388 | \$809,191 | -\$19,803 |

Table 8: Total Repair Costs - On Sample Units

Recommendation 5

That the City ensure the integrity of data between reports within the Fleet Management Information System (M5).

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was notified of this during the audit interview.

All errors discovered in reports are reported to the vendor for correction. With respect to the two reports identified in this audit, these errors have been reported to the software vendor for correction.

3.4 Oversight of Misuse and Abuse

3.4.1 There is no adequate oversight of the repair costs.

Fleet Services regard their role, relative to misuse and abuse, as one of reporting. Fleet Management expressed the belief that their role and responsibilities are limited to correctly classifying each repair reason (i.e., misuse and abuse, preventative maintenance, etc.) and to provide client departments with the details on misuse and

abuse repairs on a monthly basis. Fleet Services repeatedly stated that it is the client department's responsibility to take whatever action they deem appropriate, or conversely, take no action.

This position was expressed by Fleet Services in its management response to the 2006 OAG Annual Report:

"The branch has been reporting vehicle misuse to operating departments on a monthly basis since, 2005, however it is the responsibility of the operating departments to take corrective action..."

In addition to the above, Fleet Services reports misuse information annually, at the year-end, customer reports which are provided to the branch Directors as well as the Deputy City Managers to enable them to take appropriate action."

Monthly reports are of utmost importance as they represent the only means by which Fleet Services provide Surface Operations Branch with details on individual work order repair costs. Further to the review of files provided by Fleet Services, we identified that only two branches, Surface Operations and Fire Services are provided Monthly Misuse and Abuse reports. Specifically for Surface Operations Branch, reports on repairs classified as misuse and abuse were provided as follows:

SURFACE OPERATIONS

| 2005 | 2006 | 2007 |
|-------------|-------------|-------------|
|-------------|-------------|-------------|

Summary Report

| | | |
|-------------------------------|----------|---------|
| Month 3 | Month 3 | Month 3 |
| Month 7 | Month 7 | Month 7 |
| Year-End, not provided | Year-End | n/a |

Detailed Costs Provided

| | | |
|---------------------------|--------------------------|--------------------------|
| Jan | Jan | Jan |
| Feb | FEB, not provided | Feb |
| Mar | MAR, not provided | MAR, not provided |
| Apr | APR, not provided | Apr |
| To May 15 | MAY, not provided | May |
| JUN, not provided | JUN, not provided | Jan-June |
| JUL, not provided | JUL, not provided | JUL, not provided |
| AUG, not provided | AUG, not provided | Aug |
| SEP, not provided | Sept | Sept |
| OCT, not provided | Oct | n/a |
| NOV, not provided | Nov | n/a |
| DEC, not provided | Dec | n/a |
| Missing 7.5 months | Missing 7 months | Missing 2 months |

Table 9: Distribution of Monthly Misuse and Abuse Reports - SOP

Although the Operational Support and Policy Division of Fleet Services prepared the 2007 March and July monthly reports, these were not provided to SOP. It should be noted that while March 2007 was not provided to SOP, information was included as part of the January-June 2007 report, which was issued to SOP July 9, 2007. In August 2007, Fleet Services started incorporating notes within the monthly misuse and abuse reports.

SOP was not receiving monthly misuse and abuse reports 60% of the time in 2005 and 2006. Of the 16 work orders from our sample, only four were reported as follows:

- costs details were reported to SOP for 3 of 16 work orders (18.75%); and,
- 1 of 16 work orders was reported to SOP as zero cost (6.25%).

The remaining 12 work orders (75%) were not reported to SOP

SURFACE OPERATIONS

| 2005 | 2006 | 2007 |
|--------------------------|-------------------------------|----------------------------------|
| Jan | WO 128029 costs 0 | WO 155793 cost \$20,759 |
| Feb | FEB, not provided | Feb |
| Mar | MAR, not provided | MAR, not provided |
| Apr | APR, not provided | WO 10853103 cost \$26,186 |
| To May 15 | MAY, not provided | May |
| JUN, not provided | JUN, not provided | Jun |
| JUL, not provided | JUL, not provided | JUL, not provided |
| AUG, not provided | AUG, not provided | Aug |
| SEP, not provided | WO 150396 cost \$9,709 | Sept |
| OCT, not provided | Oct | n/a |
| NOV, not provided | Nov | n/a |
| DEC, not provided | Dec | n/a |

Table 10: Sample of 16 Work Order Cost Reported to SOP

Based on the data provided to SOP, there would not have been any reason for any review or investigation of the work order 128029 as it was reported as zero dollars. However, if SOP would have been provided with reports between February and August, the full costs of repairs would have been reported.

3.4.2 SOP did not take any specific actions on work orders identified to them.

In response to our inquiry as to whether Surface Operations Branch was made aware of the 16 individual work orders and if so, what action, if any the Branch took in relation to each occurrence, we received the following:

*“W.O. 150396, Unit GF-3788 \$ 9, 708.93 in preventable damages
W.O. 155973, Unit GF-3789 \$20,759.35 in preventable damages
W.O. 128029, Unit GF-6362 \$19,461.52 in preventable damages
W.O. 10853103, Unit GF-6571 \$26,185.98 in preventable damages*

Some of the damages, which occurred on these graders, are a result of hidden obstacles on roadways hit during our winter maintenance operations and other mechanical breakdowns resulted from the severity of our operational environment (equipment working 24hrs/day in frigid temperatures).

The following measures were taken to alleviate the risk of such damages from reoccurring:

- All future grader leases have been specified with 12-foot mouldboards (blades) versus the 14-foot blades on these machines to improve operator control and reduce risk of impacts with curbs and obstructions*
- As part of its SAI initiative, the Branch moved from a fluctuating wage scale to a fixed rate system and added special equipment classification that included graders. Operators wishing to operate graders are now required to follow increased training and obtain specific qualifications*
- As of the 2007/2008 season, Branch staff are now assigned fixed beats and machinery throughout the season. In 2006, the number of operators on these graders averaged at 10 operators per season; in the future only 2 or 3 operators per season will operate them, increasing employee “ownership” and will improve responsibility of the machinery.*

As part of preparation for the 2007/2008 Winter season, Fleet and SOPs branches met and acknowledged that Damages Due to Misuse of Equipment Reports did not provide sufficient data for Managers to properly identify and act upon issues. New and improved reports were produced which provide significantly more pertinent information.”

Although SOP was not advised of the detailed costs by individual work order via a Monthly Misuse and Abuse report, repair costs were reported to the Branch by Fleet Services as part of a separate Monthly Fleet Billing report.

Each month, the Operational Support and Policy Division recovers costs from departments and provides each client department with a Monthly Fleet Billing report, which identifies charges on a unit-by-unit basis. These reports include such cost information as fuel usage billed, depreciation (where the unit is owned), overhead (i.e.,

management fee costs) and all repair costs per unit. These reports do not include leases charges, which are billed separately.

The Monthly Misuse and Abuse report differs from the Monthly Fleet Billing report as the latter provides total work order costs for that month per individual units. For example, if two work orders are closed in the same month, the sum of both work orders' labour costs, parts costs, commercial cost, etc., would be reported. Conversely, some months may not include any work order charges.

Fleet Services provides the Monthly Fleet Billing report to management and the file is then uploaded by SOP to a shared drive. The appropriate SOP staff are then notified that the report is available.

Although details on misuse and abuse repairs were not provided to SOP through the Monthly Misuse and Abuse report, we believe that SOP was still provided with sufficient information to question and investigate high repair costs, whether from misuse and abuse or any other repair reason. In addition to being able to directly question Fleet Services as to any repair costs above what is usual, six staff from Surface Operations Branch and one consultant have access to the Fleet Management Information System (M5) and could query the system.

Recommendation 6

That the City assign to Fleet Services ownership and oversight responsibilities for the City's fleet client.

Management Response

Management disagrees with this recommendation.

Under the COE model, Fleet Services is responsible for the acquisition, maintenance, and disposal (i.e., full lifecycle) of the City's fleet. Operating branches are responsible for identifying their fleet requirements and operating the equipment in a responsible and accountable manner.

Recommendation 7

That the City assign to Fleet Services the authority to fully investigate misuse and abuse and recommend action to operating departments.

Management Response

Management disagrees with this recommendation.

It is the operating branches' responsibility to investigate preventable damage and take appropriate action. Fleet Services does advise operating branches of preventable damages found during repairs and is available to provide assistance with technical support and corrective action, such as driver training.

Recommendation 8

That the City assign Fleet Services the responsibility to follow-up with client departments on reported misuse and abuse and ensure action is taken to minimize these repair costs.

Management Response

Management agrees with this recommendation.

Fleet Services actively supports operating branches by providing information through regular reports and meetings on preventable damage issues, including cost. Fleet Services also provides assistance, as requested, in driver training and technical investigation.

3.5 Work Order Maintenance Costs

3.5.1 The City's misuse and abuse 2006 repair costs increased substantially but were not investigated.

Work order information related to any repair or maintenance is captured within the Fleet Management Information System (M5) by the Municipal Fleet Maintenance Division. Any subsequent entering of commercial billing data and recovery from client departments is the responsibility of the Operational Support and Policy Division. It should be noted that Materials Management Fleet Unit, Financial Services Branch also have an effect on the M5 data as they have the capability to charge additional part costs directly to work orders even after these have been closed.

In order to classify the reason for repairs, Fleet Services adopted the ATA's (American Trucking Association) codes within M5. The classification "misuse and abuse" is coded in M5 as "M" and defined by the ATA as:

"Repairs required from the abuse, wilful or not, of equipment by either operator, maintenance or management action¹".

The full classification is attached as Schedule A of this report. The City is presently using all reasons for repairs descriptions from the ATA except for that of misuse and abuse, which Fleet Services recently changed to "preventable damages".

Subsequent to the OAG's 2006 Audit of Fleet Services, the Branch published guidelines "to better define to maintenance personnel when to use the misuse and abuse job reason code and regulate its application" in the Fleet Management Information System (M5). Specifically, it states that:

"All costs related to preventable damages including all costs that resulted from the abuse/misuse shall be coded as preventable damages.

¹ American Trucking Associations

Proper daily maintenance includes verifying and adjusting fluid levels, lubricating and washing of the equipment.

Proper use of the equipment can be defined as operating the equipment as stated in the operation manual and as instructed by the trainer using the equipment for the use it was intended.

Notes: repaired tires shall not be coded as preventable damage, changed tires due to defect will be coded as preventable damage.”

Also subsequent to the OAG’s report, the Branch renamed misuse and abuse to preventable damages in order to minimize any negative connotation and to make the category more reflective of the reason for repairs. Regardless of the descriptiveness of the name, we are of the opinion that the ATA definition should be used.

This somewhat differs from Fleet Services’ position who believe that there are three possibilities for misuse and abuse:

- Operator error;
- Training deficiencies in how we train our people; and,
- Equipment is deficient for the task we put it through.

In order to formulate a year-to-year comparison, data was mined to derive to the full costs of repairs for 2005, 2006 and 2007. The Fleet Management Information System (M5), “work order repair reason” report was run on all repair reasons for work orders opened between January 1 to December 31 of each year. For 2005, 2006 and 2007 all repair costs captured within the Fleet Management Information System (M5) were as follows:

| Job Reason | ATA Codes (adopted by Fleet Services) | 2005 full year Total Cost | % | 2006 full year Total Cost | % | 2007 full year Total Cost | % |
|------------|--|---------------------------|-------------|---------------------------|-------------|---------------------------|-------------|
| A | Collision | 732,435 | 4% | 623,324 | 3% | 603,256 | 3% |
| B | Breakdown | 4,002,211 | 22% | 3,473,724 | 18% | 2,970,103 | 16% |
| C | Capital Improvement | 420,945 | 2% | 352,517 | 2% | 365,081 | 2% |
| D | Driver's Report | 3,339,397 | 18% | 3,153,271 | 16% | 2,472,145 | 13% |
| F | No Fault Found | | 0% | 9,708 | 0% | 8,251 | 0% |
| G | Manufacturer's Recall | 8 | 0% | 177 | 0% | 6,749 | 0% |
| K | Special Study | | 0% | | 0% | 4,454 | 0% |
| L | Modification | 34,936 | 0% | 80,024 | 0% | 164,536 | 1% |
| M | Abuse of Equipment / Preventable Damages | 951,692 | 5% | 1,788,406 | 9% | 1,324,830 | 7% |
| N | Pre-Delivery | 807 | 0% | | 0% | 1,290 | 0% |
| P | Preventive Maintenance | 3,479,343 | 19% | 3,796,265 | 19% | 3,553,786 | 19% |
| R | Rework | 55,723 | 0% | 32,810 | 0% | 18,665 | 0% |
| T | Theft | 28,382 | 0% | 20,944 | 0% | 12,200 | 0% |
| W | Warranty | 61,711 | 0% | 66,978 | 0% | 62,230 | 0% |
| X | Decommissioned/Sold | 30,841 | 0% | 53,426 | 0% | 33,253 | 0% |
| Y | Routine | 5,001,736 | 28% | 6,092,639 | 31% | 7,305,459 | 39% |
| | | <u>18,140,167</u> | <u>100%</u> | <u>19,544,214</u> | <u>100%</u> | <u>18,906,288</u> | <u>100%</u> |

Table 11: Year Over Year TOTAL Work Order Repair Costs (Self Propelled & Non-Self-Propelled)

Fleet Services is responsible to repair various vehicles and equipment. In order to be given a fleet unit number, vehicles and/or equipment need to meet one or more of the following criteria:

- A motorized vehicle (and any attachments) valued at over \$6,000;
- Motorized equipment valued at over \$6,000;
- Diesel, natural gas, or propane powered vehicles/equipment;
- Provincially licensed vehicles;
- Is subject to Ministry of Transport Ontario standards of operation/maintenance;
- Department of Labour has a regulatory interest in qualifications of repairperson.

Vehicles and equipment that meet these criteria are given a unit number and cost of repairs are assigned against it.

In contrast, nonself-propelled equipment such as hedgers, where the operator walks behind the equipment pushing it to move it forward, may not be assigned a unit number. Where equipment does not have a unit number, repairs are assigned against the cost centre provided by the client department. The table above captures repair costs to both of these categories.

We noted a substantive increase in misuse and abuse repairs in 2006. Fleet Management did not analyse the cause of this increase. Fleet Management informed us that they see investigations on cost fluctuation as the responsibility of client departments. As part of our audit, we did not investigate the reason for any misuse and abuse increase.

The 2006 Audit of Fleet Services identified that misuse and abuse was of particular concern as it represented approximately \$900,000 in 2005. In 2006, these costs increased 88% to \$1,788,406. In 2007, these costs were \$1,324,830, a 39% increase from 2005. Based on these increases, it is apparent that the City has not taken active measures to adequately address this issue.

Recommendation 9

That the City investigate all fluctuations in repair costs including misuse and abuse and formulate and implement initiatives to actively decrease total misuse and abuse repair costs.

Management Response

Management agrees with this recommendation.

Under the COE model, Fleet Services is responsible for reporting any and all repairs to clients, including preventable damage, regardless of the cost of the repair. Fleet Services provides reports to larger clients on a weekly basis, in addition to meeting with them bi-weekly, to deal specifically with preventable damage issues. Any fluctuations will be noticed and investigated immediately. Fleet Services will continue to work with clients to identify any trends, and when required, will provide additional training.

Recommendation 10

That the City restore the classification of "misuse and abuse" in accordance with American Trucking Association (ATA) standards.

Management Response

Management disagrees with this recommendation.

Management believes that the classification description "preventable damages" is more accurate than "misuse and abuse". The reason for coding damage as "preventable" is that the definition goes beyond "misuse and abuse" and includes both insufficient or inadequate training, as well as the technical limitations of equipment.

3.5.2 While costs can be charged after work orders are closed, Fleet Services does not restate repair costs information to more accurately reflect costs which they reported to client departments in previous year-end reports.

During our review, we noted that work orders could be completed or completed and closed prior to all charges being applied against the work order. Although the Operational Support and Policy Division have changed their procedure and have for the past year closed work orders to ensure all costs are billed prior to the work order being closed, we were informed that the Materials Management Fleet Unit, Financial Services Branch can and do continue to charge costs for parts or apply credits against closed M5 work orders. This issue is further developed within the 2007 Audit of Inventory Management where additional costs against work orders were identified up to one year after close.

M5 does have audit trail capabilities that would enable users to identify who and what charges were added after a work order has been closed. Because costs to closed individual work orders may increase without being investigated, we also include a recommendation for improved oversight costs/adjustment to previous years repairs.

Management informed us that it was the operating departments' responsibility to take whatever action they deemed appropriate. It was felt that Fleet Services responsibility was to report misuse and abuse and that it is the client departments' responsibility to identify if there is a significant problem and take corrective action. The Director, Fleet Services expressed the following position during May 2007 Council proceedings:

"And we do provide feedback to our customers three times a year as to what the value of that sort of damage is. So, it is an ongoing process to analyse, correct for and minimize and it will be an ongoing undertaking for as long as we are in business."

Surface Operations Branch was not provided with a 2005 year-end report. We noted that Fleet Services report to Surface Operations Branch dated February 8, 2007 titled "Surface Operations 2006 Year End Summary Report" still identifies City-wide misuse and abuse for 2005 as \$854,883.

These repair costs were different from the 2005 data provided by Fleet Services to the OAG as part of the 2006 Audit of Fleet Services. That data totalled City-wide misuse and abuse costs as \$908,669.

Based on data the OAG obtained from M5 on work orders opened between January 1 and December 31, 2005, total (unit and departmental) repair costs for misuse and abuse were totalled \$951,692; and misuse and abuse on unit totalled \$934,684.

Fleet Services account for the discrepancies as:

1. *“Any maintenance charges that were added after the date at which we ran the data for the 2005 Year End Report would not be included in the report. If we ran an updated 2005 Misuse Report today it would include all charges relating to work orders opened during 2005. However, in early 2006, not all charges would have been applied to work orders that were opened in late 2005.*
2. *The 2005 Year End Report totals was run using Crystal Reports as opposed to using one of the canned M4/M5 reports. Crystal report includes misuse charges to units only. The M5 report includes misuse charges to both units and departments.”*

Notwithstanding the reason(s) for the variation, this represents a difference of \$96,809 in total repair costs or \$79,801 higher in total unit repair costs, compared to what was identified to the Surface Operations 2006 Year End Summary Report.

Recommendation 11

That, where misuse and abuse costs have increased for any reason, whether due to adjustments or end-of-period billing, the City ensure these be restated in order to reflect actual costs.

Management Response

Management agrees with this recommendation.

Fleet Services has updated their reports to more accurately reflect adjustments to preventable damage costs previously reported to clients in year-end comparisons. Reports will now be generated using the ‘closed’ work order date rather than the ‘open’ date to ensure all costs are captured.

Recommendation 12

That the City ensure that work orders not be closed prior to a repair being performed and billed.

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was informed of this during the audit interview.

All work associated with a particular job must be completed and recorded on a work order before the work order can be closed. Billing can only take place once the work order is closed.

Recommendation 13

That the City carefully scrutinize any added cost to closed work orders and report these to client departments.

Management Response

Management agrees with this recommendation.

Fleet Services will begin running a monthly report to scrutinize all costs to closed work orders in Q2 2008. Fleet Services will work with clients through Q3 and Q4 to determine how best to use this information.

3.6 Reporting of Legislative Changes

3.6.1 The City of Ottawa is not compliant with provincial legislation.

In order to assess the condition of units from our sample, we attempted to review "Pre-trip inspection logs." The Highway Traffic act legislates the City to perform daily inspections prior to using commercial motor vehicles. The Fleet Services Branch procedure states that "Pre-trip" inspections apply to all vehicles and equipment that require a driver and are categorized as a fleet unit. These are documented within "Pre-trip inspection logs" also referred to as "Circle check books". Transit buses, fire apparatus and ambulances are exempted from this legislation.

The Circle check book or Pre-trip inspection log – is a two-copy form. Prior to a shift, an employee conducts an inspection and completes the book and signs it. The yellow copy is retained in the book within the unit and the white copy provided by the employee to his/her supervisor. The supervisor should then retain the white copy for a period of six months.

In response to an email request from the OAG, dated November 1, 2007, to provide the Pre-trip inspection logs for the 15 units included in our sample, SOP Management referenced the Highway Traffic Act, R.R.O. 1990, Regulation 575, and informed us that all copies had been destroyed within the prescribed 3-month minimum retention period.

SOP Management were not aware that the Highway Traffic Act, R.R.O. 1990, Regulation 575, had been revoked on July 1, 2007 and amended by O.Reg 199/07 (which was filed on May 8, 2007 and published on e-law May 9, 2007). Specifically, Part V, Recordkeeping states that:

15. An operator shall keep the daily inspection reports submitted by drivers for at least six months.

Fleet Services informed us that an education period is allocated to CVOR Carriers to enable them to adopt the changes when new legislation is introduced. As these changes to the legislation are minor, we were provided six months to adopt the changes making January 1, 2008 the compliance date. The only way the City could have achieved compliance by January 1, 2008 would have been for Fleet Services to inform client departments of the change in legislation by October 1, 2007, at the latest. As part of our

fieldwork, we performed a walkthrough and confirmed that Surface Operations employees were not aware of the change in legislation and were not in compliance with the Provincial legislation.

The Program Manager, Fleet Driver Training Services indicated that Fleet Services had still not informed client departments by the end of November 2007 as they had wanted to bring changes to the Pre-trip inspection log books and did not want to waste already printed material. An unofficial email relating to the minor changes to the Highway Traffic Act (Reg. 199/07) was sent out on December 10, 2007, at 16:25 p.m. After reviewing the email, we could not find any reason why this could not have been sent much earlier. The official email was sent out on December 11, 2007 at 7:35 a.m. In our opinion, changes to the legislation could have been easily highlighted to client departments requesting them to use up the remaining. Pre-trip inspection log book stock until January 1, 2008 but to retain the logs for the prescribed six months.

3.6.2 The City destroyed documents which should have been retained.

As defined in City's Records Management Policy, Official Business Record: "Official business record" means a record in the custody or under the control of the City that:

- Commits the City to an action;
- Documents any obligation or responsibility; or,
- Comprises information connected to the accountable business of the City, and that is legally recognized as the corporate authority for establishing a fact and providing the most conclusive information.

Although the City's Records Management Policy does not specifically state that Pre-trip inspection logs should be an Official Business Record (OBR), we were advised that "Pre-trip inspection logs" would be considered OBRs by the Records Management Division. We were informed that: "at amalgamation Records Management staff visited all the Business Units in the City to determine what would be OBRs. At that time business knowledge of retention requirements stated in the Highway Act combined with the 'OBR' criteria could have lead to a decision that this was an OBR. Since then and on a day to day basis staff are available to assist business unit staff in determining if information should be considered an OBR."

Unless Pre-trip inspection logs have been identified as official business records and that the instructions to file them as such are given to staff (through some form of standing operating procedure) this filing may not actually occur.

Retention of official business records is determined by an operating department's file classification. In this case, Pre-trip inspection logs are not retained by Fleet Services. As opposed to being returned to Fleet Services for retention, the completed logs (yellow

copy) are thrown away 24 hours after the book is completed. The client department retains the white portion of the form for the minimum retention period required by the Highway Traffic Act.

Recommendation 14

That the City notify client departments on a timely basis of any changes to legislation.

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was notified of this during the audit interview.

Recommendation 15

That the City ensure that Pre-trip inspection logs are treated as official business records and ensure that the City complies with provincial legislation and its own Records Retention and Disposition By-law.

Management Response

Management agrees with this recommendation.

Management will work with IT Services to ensure pre-trip inspection logs (also known as Circle Check logs) are treated as official business records. These records will be managed in accordance with the Corporate Records Management Policy and the Records Retention and Disposition By-law (By-law 2003-527), which take into account relevant legislative requirements. IT is currently confirming retention requirements. Fleet Services will ensure that this new practice is communicated to clients by the end of Q2 2008.

3.7 Non-Compliance with City Policy

3.7.1 The City of Ottawa is incurring some misuse and abuse repair costs most likely due to non-compliance with the City's Non-Smoking Policy.

Five of the 15 units reviewed had smoking-related costs. This may suggest that SOP employees may not be complying with the City's Non-Smoking Policy and are incurring additional misuse and abuse repair cost not related to the operation of the equipment/vehicles. The following incidents were identified:

- GF-3783: Missing lighter, burn in seat
- GF-3780: Missing ash tray, burn in seat
- GF-3786: Burn in seat
- GF-3784: Missing lighter
- GF-3787: Burn in seat

Smoking while operating the City's fleet may constitute a significant trend. Fleet Services and Surface Operations branches are aware of this issue and have stated that they are actively taking steps to mitigate the problem. We did not verify this.

Recommendation 16

That the City comply with the Non-Smoking Policy.

Management Response

Management agrees with this recommendation.

Management regularly communicates the City's Non-Smoking Policy to all staff and responds to all reported or observed infractions.

3.8 Council Directive to Investigate the Sidewalk Plow Incident

3.8.1 Council Meeting of May 23, 2007

The 2006 Audit of Fleet Services reported:

"An egregious example of this abuse was reported by a garage supervisor where an operator drove a sidewalk sweeping device down a flight of steps causing significant damage. The operator was not reprimanded."

During Council proceedings on May 23, 2007, the Director of SOP referenced work order 73508 on unit J2-1616, a sidewalk plow. Specifically, the Director stated that:

"Again we don't have a lot of details on that. What we were able to piece together was that the only incident of that type of equipment being broken in two was what the media was picking up on and so forth was an incident where two operators were doing snow removal operations with that type of equipment - it's the unit that can sweep, it can clear road and so forth."

One operator clipped the back end of another one and it causes it to sever. There was full documentation as we have an incident report that was filed by both operators - we have an investigation committee that is set up with Fleet Services and our management staff - the matter was investigated and both employees did not do anything incorrectly. It was an accident in winter condition doing snow removal at a bus stop location. That's the only information I have about equipment breaking in two. I don't have a sweeper going down the stairs and Mr. Gillespie is here today, he has searched and he cannot find anything either."

As directed by Council, the OAG investigated the facts surrounding the incident. A reconstruction of the facts follows.

3.8.2 Audit Validation Process

Each audit finding goes through a validation process performed to ensure the information collected is accurate. The principal goal of the validation is to ensure that the OAG's information is factual, reliable, accurate, and effectively captures and reflects the auditee's processes. To do this, the OAG has established a three-facet approach.

Firstly, findings are validated in the field with line-managers and supervisors. The face-to-face nature of the validation encourages both the auditor and audited to better understand the role each plays. The validation also provides a forum through which the Office of the Auditor General and the auditee can build a stronger partnership by discussing each issue, sharing "best practices", and cooperatively developing agreeable solutions to address potential vulnerabilities.

The second opportunity for validation occurs at the issuance of the initial draft of the audit report to the audited contact. In most cases, this is the Branch Director. Management are provided with the draft for their initial review of the completeness of the information contained in the draft and to provide feedback on inaccuracies. At this stage, management are encouraged to advise the OAG of any perceived or noted inaccuracies as well as information that they feel the auditor may have overlooked, missed, misunderstood, etc.

Where the OAG concedes that information was misunderstood, omitted or incorrect, the audit report is amended accordingly prior to being sent out for management responses.

The conclusion of the validation process occurs when management are provided with the full final draft of the audit report. Having been briefed on the findings, management are provided with an opportunity to formally comment and respond to each recommendation provided in the report. The final draft report is provided to the City Manager who coordinates each audit's management response and signs-off on them. Management own their responses and as such, the OAG does not alter them. In addition, during our past two annual reports, management has chosen to include a branch's general management response.

Within audit reports, examples are often provided as a means to illustrate what can result from a lack of effective controls being in place. The sidewalk sweeper (plow) going down a flight of stairs was such an example. It was based on representation provided in an interview, included to illustrate opportunities for efficiencies and savings.

It should be noted that as part of the OAG's standard validation process, the audit team validated the observation with the Program Manager, Fleet Driver Training Services, Fleet Services on May 23, 2006. It was also included in the first draft report circulated to

ensure no error or inaccuracy existed, and in the final draft circulated to management for comments. In all three cases, management did not challenge the finding.

3.8.3 Pre-Collision

On Saturday, February 21, 2004, two SOP sidewalk plow operators started an 11.5 hours night shift, which was compensated to them as overtime. No start and end time for this shift could be established as neither operator could recall with certainty the start time and none were identified on the Maintenance Activity Sheet. In fact, neither operator recalled this shift to be compensated as overtime. As part of our audit work we found that until fall 2007, SOP employees did not complete nor sign their own timesheet (Maintenance Activity Sheet).

Both operators were dispatched to clear sidewalks at bus stops on Richmond Road using the following sidewalk plows:

1. Unit J2-1616, a Holder C9700 allocated to Catherine Yard; and,
2. Unit J2-1626, a Trackless MT5T allocated to Woodward Yard.

One operator informed us that they were clearing the bus stops leap-frogging² each other, while the other operator told us that he joined his colleague who was clearing the last stop of the beat to help complete the beat.

3.8.4 Collision of Two Sidewalk Plows

Based on the descriptions provided by staff, one operator was on the road exposing the curb while the other was on the sidewalk pushing snow. The operator on the sidewalk was stationary, waiting for the other to reposition his sidewalk plow. While backing up at approximately 5-10 km/hour the plow on the road slid which caused his back wheel to catch the curb and collide with the sidewalk plow on the curb. The back-end of the unit that jumped the curb made contact between the engine and the hopper of the stationary unit on the curb. It should be noted that this sidewalk plow's engine is part of the tractor and is located at the rear of the machine.

At first glance, the operators could not see any damages until the stationary unit pulled forward. Once the unit that was hit moved approximately 1.5 lengths forward the operator that caused the collision noticed an oil leak puddle approximately 3 feet in diameter and motioned the other operator to stop.

Neither employee could remember the time of the collision. However both Vehicle and Equipment Collision Report state the time as 3:30 a.m., February 22, 2004.

² Leap-frogging is a snow clearing method used by Surface Operations where operators work at alternate sites along the same road.

Both operators' Vehicle and Equipment Collision Reports reported the weather conditions as being clear. This contradicts Environment Canada weather office which report weather conditions as snow from midnight to six and both operators recounted to us that it was snowing heavily with some freezing rain.

Both drivers can remember and have described the damage to unit J2-1616 (Holder tractor), as well as the precise location of the collision, but neither could recall whom the unidentified third party was, who gave a ride back to the yard to the operator of the damaged sidewalk plow.

Subsequent to the May 2007 Council meeting, the Program Manager, Fleet Driver Training Services investigated the 2004 collision and reported that none of the three supervisors working on the evening shift of February 21-22, 2004 could remember who shuttled the operator back to the yard.

However, we interviewed one of the crew leaders, a supervisory position within SOP, who claims he has never spoken to the Program Manager, Fleet Driver Training Services about the collision.

3.8.5 Employees leave keys in unattended and unsecured vehicles and equipment.

The operator indicated that it is not unusual to leave a machine unattended and unsecured in winter as it may take hours before a tow-truck reaches the unit. The operator informed us that he had taken the keys out of the ignition and put them on the sun visor. We confirmed with garage mechanics that units have reached the garage with keys on the sun visor or in the ashtray.

Fleet Services indicated that driver training does cover not leaving a vehicle or equipment idling while unattended. Our review indicated that neither operator had received training from Fleet Services during 2004. In fact, Fleet Services reported that the earliest training provided to the operators, was July 08, 2005 in Air Brake and Pre-trip Inspection for one operator, and on October 17, 2005 for Grader and Combo unit for the other.

With the size of the Fleet the City of Ottawa operates, we expected to find a basic policy or procedure relating to not leaving vehicles and equipment unsecured, unattended with the key in the ignition. We did note that the Ottawa Paramedic Service have adopted such operational procedure but could not find any for SOP.

3.8.6 Post-Collision - The City cannot account for the whereabouts of a unit for 2.5 hours.

A M4 work-order (73508) was created by the on-call Maintenance Supervisor, Maple Grove garage. The work order notes stated that: "called 4:00 a.m. Sunday, February 22,

Holder oil pan leaking engine is part of frame on this machine. Tow truck driver reported machine was broken in half. Commercial charges of \$17,352.64 were added after this work order was closed.” The time the work order was opened in M4 is recorded as 0:00:00.

At 4:18 a.m., February 22, 2004, a 3-1-1 report was created indicating that a S-Zone Supervisor, SOP had called in to report that a “sidewalk holder’s oil pan is broken. Contact West Fleet”.

According to the interview conducted in May 2007 by the Program Manager, Fleet Driver Training Services, at approximately 5:00 a.m., the operator returned to the scene to apply speedy dry material to the oil spill and reported that the sidewalk plow was no longer there. This contradicts the operator’s narrative of events provided to us where the operator felt that between half an hour to 45 minutes passed between the time he got picked up and the time he returned to the scene with absorb-all (speedy dry). He stated that the sidewalk plow was still there and there was still no apparent damage. When the tow truck operator reached the sidewalk plow, he phoned the on-call Maintenance Supervisor and reported that the unit was in two pieces. He could not remember at what time he picked up the unit or when he towed it to Holder in Greely.

Since Holder of North America, 1351 Barfield in Greely, only opens at 7:30 a.m., and its yard is gated, there are at least 2.5 hours where we could not account for the whereabouts of the sidewalk plow.

At 11:30 a.m., February 22, 2004, Holder of North America “City of Ottawa Service Call On Leave Unit” report made by “Glen” Received by “Neil” indicated that a J2-1616 located at Maple Grove garage had a broken oil pan. Four telephone numbers are provided on the report. One is a voice mail recording, one is the on-call Maintenance Supervisor’s line and the two other could not be determined.

Fleet Services advised us that the unit was never sent to either Maple Grove garage or Swansea garage and could not determine why Holder had documentation relating to a service call. They felt it was most probably so that Holder would know where to return the unit once repaired.

Apart from the CRC’s decision sent to one of the operators that the collision was non-preventable, we were informed by both operators that there had been no follow-up with them by either Fleet Services or Surface Operations branches on how this could be avoided in the future. They were both unaware of the extent of the repair costs for the damages.

3.8.7 City staff did not promptly inspect damages at the dealership.

The unit had been reported to be severed in two by the towing company. Both Vehicle and Equipment Collisions reports indicate damages inconsistent with the damages reported by the towing company and Holder which indicated that the damages were so extensive that parts needed to be manufactured in Germany. Holder of North America also confirmed the sidewalk plow was in two separate pieces and was unloaded using a forklift. As such, we would have expected Fleet Services to promptly visit and investigate damages at the dealership. Although the damages totalled \$18,477 (including taxes), we were informed that Fleet Services did not inspect the unit immediately as it was felt there was no urgency since the unit could not be returned to active duty. Municipal Fleet Maintenance (East) reported seeing the unit in May or early spring when they were at Holder.

Fleet Services and external parties with expertise in the field could not provide any explanation relating to damages sustained to the right window assembly or to the mirror affixed to the upper-front part of the tractor from a rear-end collision. External parties with expertise in the field expressed the opinion that they were certain that the equipment was not rear-ended and that the damages were inconsistent with the Vehicle and Equipment Collision reports. Finally, we were informed that the repair reason was coded as misuse and abuse as opposed to a collision since a 5km/hour collision would not have caused this extent of damage.

Recommendation 17

That the City ensure proper due diligence by physically investigating, within appropriate time frames, all major collisions and approving repair costs before repairs are performed.

Management Response

Management agrees with this recommendation.

The client branch supervisor is responsible for performing the physical investigation of all major collisions within appropriate time frames. Fleet Services provides support to investigate collisions and reviews all collision reports for accuracy before determining preventability. All work associated with major collisions, including repair costs, are approved according to branch approved spending authority.

Recommendation 18

That the City develop a policy or a procedure to ensure that vehicles and equipment are not left unsecured and unattended and that the ignition key is never left in a vehicle or in equipment.

Management Response

Management agrees with this recommendation.

Management believes the City's Code of Conduct already adequately prescribes behaviour toward corporate assets under the "Use of City Property and Assets" section. Specifically, "...employees must ensure that any property (including cash, cheques, documents, inventories and equipment) in their care as part of their job duties is properly secured and protected at all times."

3.9 Collision Review Committee

3.9.1 The City of Ottawa's Collision Review Committee (CRC) did not adequately investigate the collision to determine its legitimacy and that all costs were reported and failed to provide the independent oversight Fleet Services intended.

The mandate and authority for the investigation of collisions is thoroughly explained on the City's Intranet. It states that:

"Fleet Driver Training Services under authority of the Highway Traffic Act, Commercial Vehicle Operators Registration is responsible for the tracking and review of collisions and the operation of the Collision Review Committees for the City of Ottawa (except Transit Services). The Collision Review Committees are mandated to determine preventability of collisions and submit recommendations to enhance the driver training programs in order to reduce collisions. All collisions must be documented and reported within 24 hours of the occurrence. Fleet Driver Training Services have trained Collision Review Staff available if assistance is required."

Management has indicated that the exact mandate of the CRC, as per the Committee's Terms of Reference, states that:

"The purpose of the Vehicle Collision Review Committee, in cooperation with all departments, is to review collisions involving city vehicles or equipment, to determine the cause and the preventability of such collisions and to recommend measures to prevent recurrence."

We requested all collisions reports which could be associated with the 16 work orders included in our sample. Only work order 73508 on a sidewalk plow was identified.

We were informed that where a work order is opened due to damages from a collision, no WO number or link exists between the Vehicle and Equipment Collision Reports, the Risk Management System or M5.

Two Vehicle and Equipment Collision Reports (V&ECRs) were provided to Fleet Services in relation to WO 73508. One was by the operator who caused the collision and

inflicted damage and the other by the operator whose unit suffered the damage. Although V&ECRs clearly identify the requirement to forward reports to Risk Management and Fleet Services within 24-hours of a collision, it took four days for Fleet Services to receive the V&ECRs from SOP.

The CRC flowchart (attached as Schedule C) sets out an objective “to investigate why accidents involving municipal fleet vehicles occurred and identify training program opportunities (Transit and Police excluded).” A collision is defined as “occurring when a vehicle owned or operated by the City collides with another vehicle or object or is involved in a collision with another moving vehicle regardless of the severity of the collision.” Based on this, we expected that all V&ECRs would be reviewed by the committee, on a timely basis, identifying the cause(s) and circumstances surrounding the collision; identifying any prevention strategies that could prevent any reoccurrence; and outlining an action plan or implementation process as appropriate.

In contrast, in this instance, we found that although Fleet Services had been provided with two V&ECRs, the CRC neglected to review one. Only the sidewalk plow that caused the collision was reviewed. The rationale provided by Fleet Services was that reviews/investigations are only performed on the unit that caused the collision. We were informed that in this case there was no reported damage to the sidewalk plow which caused the collision and as such it was felt there was no reason to look at the other unit involved. The CRC ruled the collision "non-preventable" as it concluded that the operator did everything reasonable to avoid the collision. Given that Fleet Services/CRC had already been supplied with both of the operator V&ECRs, we are of the opinion that due diligence would have required that both be reviewed and investigated.

Fleet Services maintain operator driving record files. We could not find any documentation requiring the employee to take training, even though the collision was the employee's second within a period of one month and that the employee was still on probation. In fact, the operator's first training with Fleet Services was on July 08, 2005 (on Air Brakes). The Program Manager, Fleet Driver Training Services informed us that there is no established minimum driving requirement to drive a sidewalk plow. However, SOP requires that operators have a D class driver's license to be eligible to drive a fleet vehicle.

We observed that one of the V&ECR describes the damages as “oil pan broke” while the other states “under carriage damage”. There are discrepancies, which were not investigated, between the V&ECRs and the severity of repairs that were required. We were informed that the Collision Review Committee did not know the dollar value of the damages. As stated previously, in this case the damages were so extensive that parts were required to be manufactured at a plant in Germany. As the repairs could not be completed at once, costs of \$18,477 were only invoiced to the City December 9, 2004.

Fleet Services stated that had the Committee known the extent of the damages it would “have prompted a much more in depth review”. Had the CRC investigated the V&ECR and inquired as to the estimated dollar value of the damages, they might have concluded that it was inconsistent with the damages reported.

The CRC’s ruling could not be reviewed as we were informed that no documentation is kept of the Collision Review Committee’s proceeding. Only the final ruling (i.e., preventable or non-preventable) is recorded.

Neither Fleet Services nor SOP conducted an at-the-scene investigation. At least four individuals witnessed the damaged sidewalk plow on February 22, 2004: both sidewalk plow operators; the tow truck driver and the unidentified person who shuttled the operator back to the yard, whom no one can recall.

Fleet Services Fleet Driver Training Service Unit informed us, that it is the responsibility of the operator to inform/report to his supervisor that a collision occurred. We determined that the supervisor was aware of the collision as the unit was no longer drivable and had to be towed to the manufacturer. Thereafter, SOP was short one sidewalk plow for the remainder of the season, something that would not go unnoticed.

3.9.2 Crew Leader claims his name was added to both V&ECRs unbeknownst to him.

It is the responsibility of a supervisor to ensure that a V&ECR is completed, is accurate and sent to both Fleet Services and Risk Management. Supervisory hierarchy during the shift of February 21-22, 2004 was as follows:

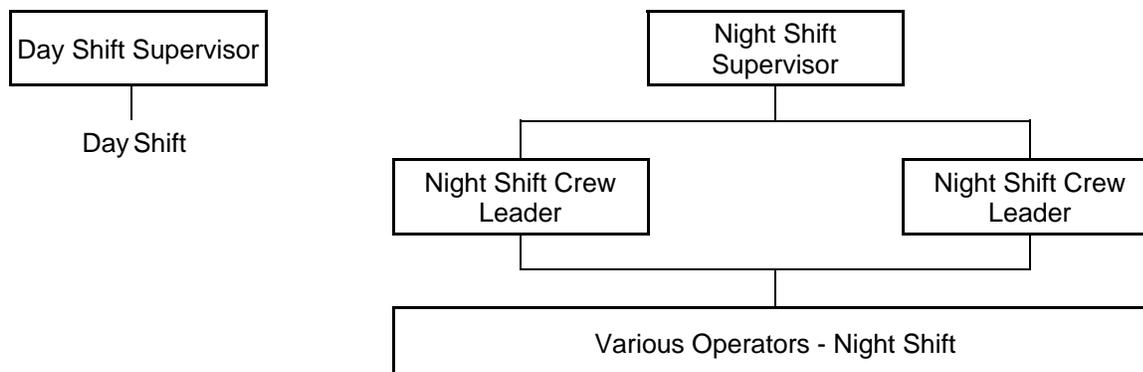


Table 12: SOP Supervisory Hierarchy – Night Shift

In relation to completing a V&ECR, we determined that supervisory responsibilities had not been met with regard to having the reports to Fleet Services and Risk Management within 24-hours as the collision occurred February 22, 2004, but the employees only completed the V&ECRs on February 26, 2004, and a supervisor signed

them on February 27, 2004. Per PeopleSoft, the City's former human resources information system software, both employees worked on the 23, 24, 25, 26, and 27 of February 2004.

As mentioned earlier, we interviewed one of the crew leaders. When shown his name on both V&ECRs, he claims that he had never seen either reports, and that someone else must have added his name to the forms. Apart from both employees' names and signatures, the only other signature on each form was that of the day shift supervisor. It is not clear to us how a day shift supervisor could ensure the integrity of events related when these occurred during a night shift four days earlier.

In relation to the accuracy of the V&ECRs, we found discrepancies as both reports indicate the weather conditions as clear. During interviews, both employees indicated it was snowing/freezing rain that morning. This is confirmed by the Environment Canada - Hourly Report for February 22, 2004. We also found discrepancies as both reports indicate that the operators had been on duty that day for 8.5 hours as opposed to the Maintenance Activity Sheet for both employees, which indicates 11.5 hours.

Fleet Services had to re-investigate the circumstances surrounding the 2004 events in May 2007 to get details relating to the collision because the files contained limited information. The Vehicle and Equipment Collision reports are retained as well as the letter from Fleet Services informing the employee/branch as to whether the collision was deemed preventable or non-preventable. However, no investigation documentation or rationale for classification of a collision as preventable or non-preventable is kept.

Recommendation 19

That the City ensure that Vehicle and Equipment Collision Reports are completed promptly within the prescribed 24-hours by appropriate staff and are provided to Fleet Services and Risk Management.

Management Response

Management agrees with this recommendation and it has already been implemented

Recommendation 20

That the City adequately investigate all Vehicle and Equipment Collision Reports.

Management Response

Management agrees with this recommendation.

This is the current practice and has been since amalgamation. The auditor was notified of this during the audit interview.

Fleet Services investigates all Vehicle and Equipment Collision Reports submitted by operating branches for content and accuracy. When requested, on-site support is provided. For major collisions involving a critical injury, an on-site investigation is conducted in conjunction with Occupational Health and Safety. In the instance of a death, Police Services are involved.

Recommendation 21

That, as part of their investigation/review, the Collision Review Committee confirm the dollar value of the damages being repaired due to a collision prior to ruling.

Management Response

Management disagrees with this recommendation.

The cost associated with a collision has no bearing on the determination of preventability. The Collision Review Committee bases its findings on driver error, not the consequence of the error.

Recommendation 22

That the City ensure that work orders and Vehicle and Equipment Collision Reports are linked in the both the Fleet Management Information System (M5) and in the Risk Management System – Risk Master.

Management Response

Management agrees with this recommendation.

This has been the City's practice since 2005. The auditor was notified of this during the audit interview.

The Vehicle and Equipment Collision Report is sent to both Fleet Services and Risk Management within 24 hours of an incident occurring. While there is no electronic interface between M5 and Risk Master, both of these systems share a common field, which is the unit number. This allows for cross-reference of information across both systems.

3.10 Lack of Documentation of Facts

3.10.1 There was an observed lack of documentation of the CRC.

There is a need for Fleet Services and SOP to improve their documentation surrounding collisions. The lack of documentation increases the probability that improper accidents and misuse and abuse will occur again in the future.

As noted earlier, where a collision is investigated, documentation to this effect should be kept. Even where information was recorded, it was brief, and limited in usefulness. We found that once the information is entered in the M4/M5 system, original documents are discarded.

Documentation needs to be clear and complete for future reference. Due to the lack of documentation, we could not conclude as to how the equipment was damaged but only to the extent of the repairs required and to the lack of an investigation surrounding the Holder C9700 (unit J2-1616). There is a need for greater consistency particularly with respect to documentation that must be kept on file, where the documentation should be kept, and forms that need to be completed. The greater the consistency, the easier it will be for the branches to monitor and ensure all collisions are investigated and strategies for prevention put in place. The rationale for misuse and abuse of equipment needs to be better documented and fully investigated. The rationale on file should provide sufficient information to demonstrate what action was taken with the employee responsible for the collision.

3.10.2 Extensive repairs to a sidewalk plow, totalling \$18,477, are inconsistent with the reported 5km/hr rear-end collision.

The City of Ottawa leases several tractors, equipped with either summer or winter attachments, from Holder of North America, Greely, Ontario. The invoice in the amount of \$18,477.35 (including taxes) for the February 22, 2004 collision is dated December 9, 2004). It was paid on February 2, 2005.

As noted earlier, the M5 work order cost was \$17,486.25. Of this, \$133.75 was the cost for towing the unit to Greely. The \$17,352.64 represents the subtotal of repairs, \$16,067.25 plus \$1,285.38 of Provincial Sales Tax (PST). Per our lease agreement with Holder, when damages occur on a rental, the City of Ottawa may either repair the equipment in-house itself or opt to have Holder of North America undertake the repairs.

The tow truck operator reported that the sidewalk plow was in two pieces and “looked like it had gone down a flight of stairs”. There are no stairs in the vicinity where the collision occurred.

Both operators reported that the collision occurred between the rear left tire and the hopper. This is consistent with Holder of North America’s account that the tractor was severed between the rear left tire and the hopper.

Holder of North America indicated that it is uncommon for some of the parts damaged to break and are therefore not inventoried for resale. In this case, it was necessary for them to be manufactured specifically for the repairs, causing delays in the repairs.

No one we interviewed felt it was possible to sustain the amount of damage from a 5 km/hr rear-end collision.

Recommendation 23

That the City improve monitoring of all collision reports from operating departments.

Management Response

Management disagrees with this recommendation.

The practice since amalgamation has been to monitor 100% of Collision Reports from operating departments.

4 CONCLUSION

Whether referred to as misuse and abuse or preventable damages, these repairs are a reality of managing a fleet. Completely eliminating these costs is unrealistic. Nonetheless the City should set concrete objectives to minimize these repair costs.

The lack of adequate oversight provides the opportunity for vehicle and equipment misuse and abuse. Poor monitoring of these instances, a lack of analysis when misuse occurs, inconsistent reporting, no consequences for staff and a failure to comply with the City's own policies and procedures, has led to a high potential for costly misuse and abuse repairs to the City's vehicles and equipment. Steps should be taken and initiatives developed to reduce these costs.

The City of Ottawa should establish clear oversight responsibilities for its fleet. Fleet Services' responsibilities should include an active monitoring role.

The City is not actively managing vehicle misuse and abuse costs and these costs have increased significantly from 2005. This issue was originally raised in the 2006 Audit of Fleet Services. Based on the findings of the 2007 audit of misuse and abuse, there is little evidence that management has taken appropriate action to address this issue.

5 ACKNOWLEDGEMENT

We wish to express our appreciation for the cooperation and assistance afforded the audit team by management.

SCHEDULE A

M4 Visit Reasons / ATA Reasons For Repair Analysis - June 20, 2006

| Work Order | Visit Reason | Reason For Repair | Definition | Repair Type |
|------------|--------------|-----------------------|--|---------------------|
| Y | A | Collision | An accident which was/was not reported by the driver. | Outside Influence |
| Y | B | Breakdown | Any failure directly attributable to the vehicle or its proper maintenance rendering it unserviceable for operations and requiring either maintenance or repairs to correct. | Maintenance |
| | C | Capital Improvement | Vehicle rehabilitation such that the costs incurred are capitalized and would normally be depreciated on the company's books. | Management Decision |
| Y | D | Driver's Report | Any inspection, repairs or adjustments required or performed resulting from a driver's vehicle condition report. | Maintenance |
| | F | No Fault Found | Driver reports fault but no fault is found after proper diagnostics are conducted. | Maintenance |
| | G | Manufacturer's Recall | The repairs incurred as the result of a manufacturer's instructions to inspect, change, or modify a vehicle. | Outside Influence |
| | K | Special Study | The equipment maintenance resulting from a special examination or inspection of a vehicle so that a decision can be made based upon a known set of conditions. This study would normally occur when management is attempting to determine whether or not certain maintenance expenditures should be made relative to a vehicle, or when a special study is being performed for a manufacturer. All normal inspections performed, excluding preventive maintenance, statutory inspections, or special study of a vehicle's condition. | Management Decision |
| | L | Modification | The alteration of a vehicle without revising its basic characteristics. Lengthening the frame of the vehicle would fall into this classification. A change in the basic configuration of a vehicle. This would include such an item as converting a tractor into a tow truck. | Management Decision |
| | M | Abuse of Equipment | Repairs required from the abuse, wilful or not, of equipment by operator, maintenance or management action. | Outside Influence |
| N | N | Pre-Delivery | The inspection, adjustments and repairs required for a new vehicle prior to it being accepted for service. | Management Decision |

| Work Order | Visit Reason | Reason For Repair | Definition | Repair Type |
|------------|--------------|------------------------|--|-------------------|
| Y | P | Preventive Maintenance | A program or procedure designed to prevent the unscheduled availability of equipment caused by a component failure. PM procedures include inspections, tests, adjustments, additions, or applications of fluids, gases, and lubricants; cleaning and replacing of filters and emission control devices. PM does not include "repairs". All maintenance, repairs, and parts replacement, except as detailed above, performed as the result of PM should be charged to the appropriate vehicle system(s), not to PM. Specific functions performed under PM procedures are determined by fleet management and/or manufacturers. | Maintenance |
| | R | Rework | The same work performed to correct work improperly performed on a previous occasion. | Maintenance |
| Y | T | Theft | Repairs due to the wilful removal by parties known or unknown. | Outside Influence |
| Y | W | Warranty | Repairs performed for which compensation is anticipated from the manufacturer or vendor. | Outside Influence |
| | X | Decommissioned/Sold | Repairs and/or inspection required to decommission a vehicle, or prepare it for sale. | Outside Influence |
| | Y | Routine | The equipment maintenance performed as a result of an inspection (routine or PM) or scheduled event which returns the vehicle to a specified operating condition. | Maintenance |

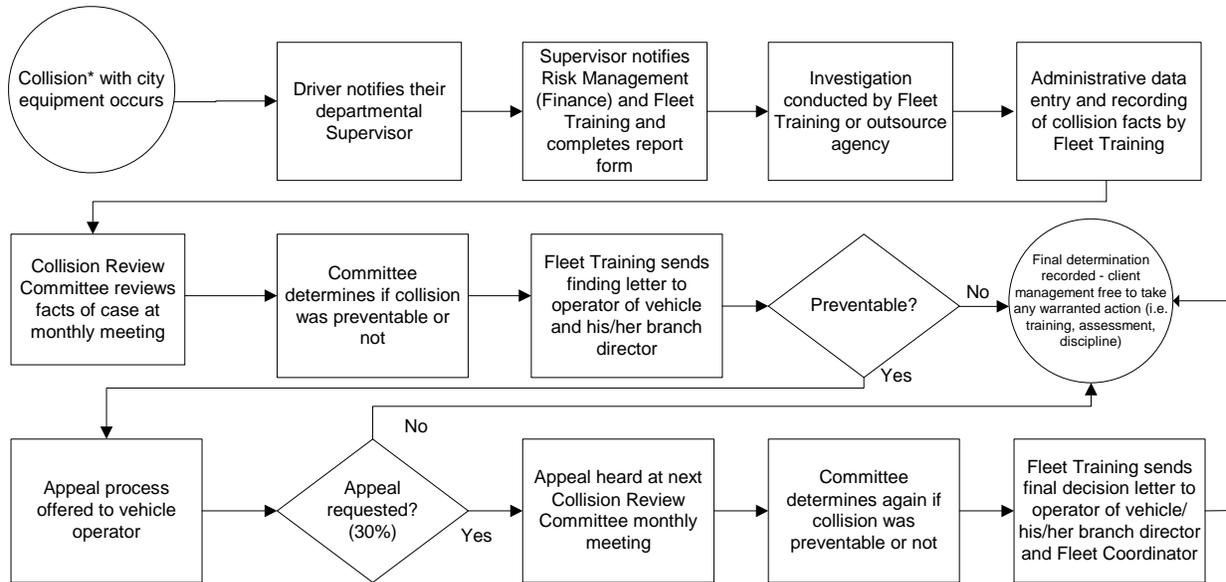
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Collision Investigations - Municipal

Objective: To investigate why accidents involving municipal fleet vehicles occurred and identify training program opportunities

(Note: Transit and Police excluded)



***Collision** is defined as occurring when a vehicle owned or operated by the City collides with another vehicle or object or is involved in a collision with another moving vehicle regardless of the severity of the collision.

Note: Preventable is not the same as “fault” as determined by the Highway Traffic Act. “Not at fault” by the HTA will not necessarily mean a finding of not preventable.