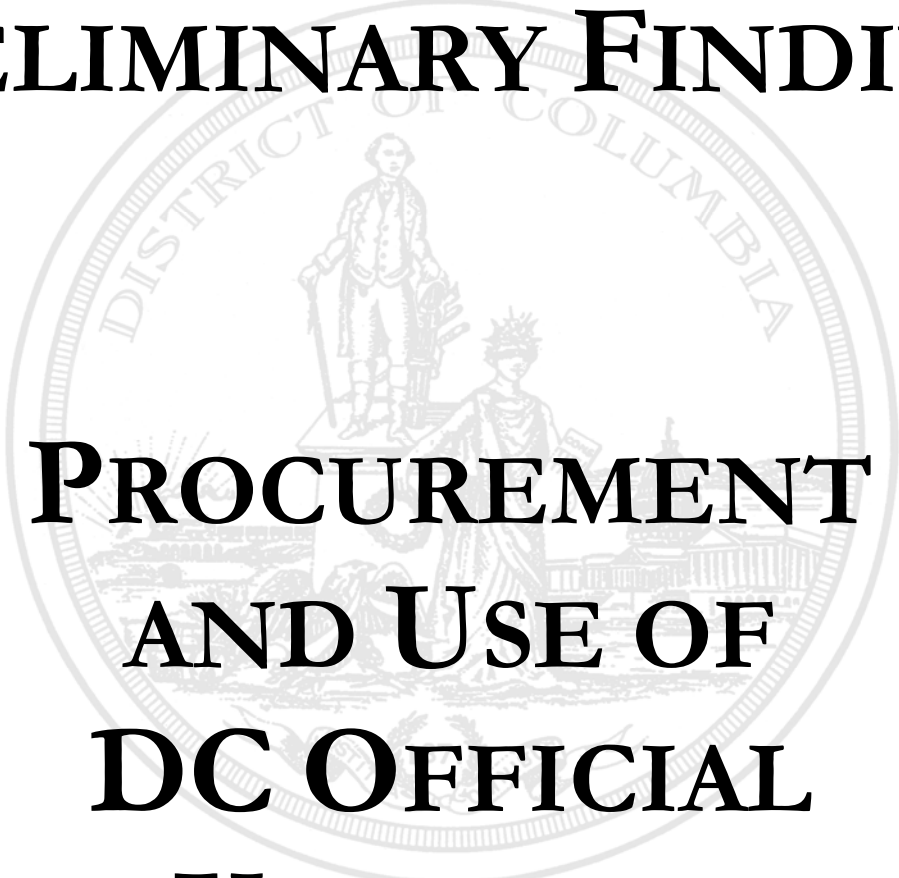

OFFICE OF TOMMY WELLS
COUNCILMEMBER, WARD 6
CHAIR, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

PRELIMINARY FINDINGS

The seal of the District of Columbia is a circular emblem. It features a central figure, a woman standing on a pedestal, holding a scale and a sword. She is surrounded by a wreath. The words "DISTRICT OF COLUMBIA" are inscribed around the perimeter of the seal. The seal is rendered in a light gray, semi-transparent style, serving as a background for the main title text.

PROCUREMENT AND USE OF DC OFFICIAL VEHICLES

February 28, 2011

P R E L I M I N A R Y F I N D I N G S
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The Committee on Public Works and Transportation, chaired by Councilmember Tommy Wells, has conducted a preliminary review of the Department of Public Works (DPW) Fleet Management, the laws governing this responsibility, and the use of vehicles by the District of Columbia government. The preliminary findings highlight many troubling signs and warrant an oversight hearing to specifically review in greater detail the decision-making process for official vehicle procurement and stewardship of public funds.

Key Findings:

- The Chairman of the Council inappropriately requested the city provide a Lincoln Navigator SUV, and the Executive appears to have violated DC law by providing it. It is contrary to DC law to lease or purchase a sport utility vehicle (SUV) or a vehicle that achieves less than 22 miles per gallon (MPG), and the requested vehicle does not meet any of the statutory exceptions. While it was inappropriate to request this type of vehicle, the Chairman of the Council is permitted under DC Code § 50-204(a) to have an official vehicle to travel between his residence and workplace, and for use in the course of his daily work.
- The prohibition on procurement of SUVs and vehicles rated with less than 22 MPG appears to have been routinely violated by DPW.
- Further investigation is needed to determine if DC officials have broken the law using staff as chauffeurs and drivers.
- Further information is needed regarding use of vehicles by city officials and the disposition or assignment of vehicles procured contrary to DC law, including the vehicles leased on behalf of the Chairman of the Council.
- A determination needs to be made regarding DPW's response and compliance to the DC Auditor's report of April 2010.

The Committee Chair awaits a list of vehicles assigned to and for use by agency directors to be provided by the close of business on Monday, February 28th.

Restrictions on leasing or purchasing sport utility vehicles (SUV)

Finding: The city has procured by lease and by purchase multiple vehicles expressly prohibited by DC law.

DC Code § 50-203(a) specifically prohibits the District government from leasing or purchasing sport utility vehicles (SUVs), except for security, emergency, rescue or armored vehicles. This provision of the law was passed by the Council on October 1, 2002 and took effect October 1, 2004.

A preliminary review of vehicles leased and assigned to various departments and agencies revealed that several SUVs – Chevy Suburbans, Chevy Blazers, Ford Escapes, and Chevy Tahoes – have been leased or purchased and are used by District government officials and employees.

Information provided by DPW included a list of 42 SUVs in the DC fleet that are not related to security, emergency, rescue or armored vehicle purposes:

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- 10 SUVs purchased after October 1, 2004;
- 14 SUVs purchased before October 1, 2004, but after the Council passed the SUV prohibition in 2002;
- 18 SUVs leased after October 1, 2004; and
- Several SUVs known or reported to be leased and/or purchased, and provided for executive staff use were not included in information provided by DPW thus far.

This preliminary review highlights several concerns and reveals that DPW has inappropriately purchased or leased SUVs. It appears that the law and regulations of the District of Columbia have not been followed -- not only in the recent case of the SUV provided for Chairman Brown, but also in many instances where SUVs were purchased or leased for agency and executive staff use, including in previous administrations.

Fuel efficiency restrictions for all leased or purchased vehicles

Finding: The city has procured by lease and by purchase multiple vehicles that violate fuel efficiency standards expressly required by DC law.

DC Code § 50-203(a) states that all vehicles leased or purchased by the District government, except for security, emergency, rescue or armored vehicles, must have an Environmental Protection Agency estimated miles per gallon average of not less than 22 miles per gallon. This provision took effect October 19, 2000.

A preliminary review of randomly selected vehicles in the fleet – all purchased or leased by the District after the MPG requirement took effect – revealed that a majority do not meet the 22 MPG requirement.

Restrictions on authorized driver and chauffeur of a public vehicle

Finding: Further investigation is needed to determine if DC officials have broken the law using staff as chauffeurs and drivers.

A preliminary review of information shared by employees at several agencies shows that some agency and department directors are provided not only with vehicles for their use during the day, but agency staff serve as dedicated drivers of the vehicles.

DC Code § 50-204(b) addresses the authorized use of a driver. Under §50-204(b)(1), no DC government employee is allowed to serve as a driver or chauffeur of another DC government employee, except the Mayor, for purposes of transport between home and work. The law allows the Mayor to authorize a driver for another officer or employee, but requires this authorization in writing prior to use; the Mayor must also report all authorizations and costs to the Council on a quarterly basis.

During the work day, no DC government employee is allowed to serve as a driver or chauffeur of another DC government officer or employee, except for the Mayor, unless the appropriate agency head has provided written authorization in advance; all authorizations and costs shall be reported to the Council on a quarterly basis.

To date, the Committee Chair has not received any written authorizations or reports of expenditures,

and is unaware of any reports in recent years. The Committee Chair will also explore the need for vehicles bought and leased on behalf of department and agency directors, and the need for staff to drive the vehicles.

DPW did not provide the requested information regarding a list of vehicles assigned to agency directors and senior staff, including who is authorized to drive the vehicle. The Committee Chair has been able to identify several vehicles assigned to the “Office of the Director” of many agencies through a review of oversight question responses and will pursue more information as this review continues.

Restrictions on requesting additional vehicle features

Finding: DPW must produce written justifications for exceeding standard equipment.

According to 27 DCMR § 2116.2, before soliciting a lease for a motor vehicle, the contracting officer shall obtain from the requesting agency written certification that the vehicle requested is of maximum fuel efficiency and minimum body size, engine size, and equipment necessary to fulfill operational needs, and meets prescribed fuel economy standards. If the agency is requesting a larger than compact size passenger automobile, the agency head must certify it is essential to the agency’s mission. The Committee Chair is requesting from the Department of Public Works a copy of all written certifications for leases that exceed compact size and/or request more than standard equipment.

Fleet Management and Accountability

Finding: DPW appears to lack a centralized and detailed list of all vehicles in the District government fleet, whether the vehicles are in general use or assigned to a specific agency, director, or staff, along with the intended use of each vehicle.

On April 22, 2010, the Office of the DC Auditor issued a report entitled “Audit of the Fleet Management Administration of the Department of Public Works.” Among other findings, the Auditor concluded that DPW did not comply with requirements in Mayor’s Order 2000-75 that directed DPW to establish a management program for all phases of motor vehicle equipment management from initial procurement to vehicle disposal. As a result, the Auditor concluded:

“failure to obtain, collect, and analyze accurate fleet data jeopardized the ability of the District of Columbia government to make informed fleet management decisions.” (Auditor’s report, p. i.)

It was the Auditor’s recommendation that:

“a comprehensive fleet management program would ensure centralized control, accountability, uniform procedures and consistent fleet data that could be used to evaluate the cost and performance of vehicles that are owned or leased by the District of Columbia government.” (Auditor’s report, p. iii.)

Mayor’s Order 2000-75, “Fleet Management Policy” 47 D.C. Reg. 4758 (signed May 11, 2000, published June 2, 2000), identified the lack of centralized control of the fleet functions as a direct cause of inefficient and unnecessary costs to the District taxpayers and stated the need for a “designated single authority to establish, govern and monitor a total management program for the District Government.”

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The Order also:

- designated the Director of the Department of Public Works (DPW) “the sole authority to establish specifications for and to procure, acquire, maintain, repair, and dispose of non-emergency motor vehicles and motor equipment used by agencies under the direct control of the Mayor” (paragraph 2); and
- authorized and directed the Director of DPW “to establish policies and standards for all phases of motor equipment management from initial procurement to ultimate vehicle disposal” within 30 days of the Order’s effective date (paragraph 5).

MO 2000-75’s designation of DPW as the sole authority for total fleet management, including policies and standards for all phases of vehicle management from initial procurement to ultimate vehicle disposal, still governs.¹ More than a decade has passed and DPW apparently still has not established centralized control of the District’s fleet functions.

Highlighting the continued lack of coordination and management of the DC fleet, the Committee Chair reviewed the fleet information provided by DPW and compared it to information provided by selected agencies as part of their annual oversight questions. This preliminary review revealed significant discrepancies between the different sources of information as to the number of vehicles owned, leased and maintained by the city.

Below is a table highlighting 4 agencies and the differences in responses:

	Number of vehicles leased as reported by agency	Number of vehicles owned as reported by agency	Total (as reported by the agency)		Number of vehicles leased as reported by DPW	Number of vehicles owned as reported by DPW	Total (as reported by DPW)	Difference in reported number of vehicles
DOH	10	64	74		9	95	104	30
DDOT	*	*	376		27	176	203	-173
DRES	*	*	53		4	29	33	-20
OCTO	19	3	22		12	3	15	-7

**The agency reported the total number of vehicles, but did not report whether the vehicle was leased or purchased.*

¹ DPW’s response to the Auditor argues responsibility lies with each agency, citing Mayor’s Order 2009-160 (since superseded entirely by 2009-210). This response confuses two issues: total fleet management and management of agency-specific daily use. Mayor’s Order 2009-210, “Government and Personal Vehicle Operators Accountability Policy”, 57 D.C. Reg. 6852 (signed December 7, 2009, published July 30, 2010), is almost exclusively directed at how agencies manage and monitor the use of vehicles on a daily basis within the agency; no authority is given to the agencies to establish, govern or monitor a total management program for the District, as is ordered of DPW in MO 2000-75.

Furthermore, MO 2009-210 specifically states it supersedes only paragraph 6 of Mayor’s Order 2000-75 “to the extent of any inconsistency.” MO 2000-75 paragraph 6 states that “no other Director or agency head under the direct control of the Mayor is authorized to procure, lease or acquire DC motor vehicles and equipment nor establish policies and standards for motor vehicles and equipment management.” The only inconsistency with MO 2009-210 is that the later order grants each agency the authority to implement and maintain a system of managing the use of vehicles for authorized government business. Nothing in MO 2009-210 grants any agency authority over a total management program.

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This preliminary review of 4 selected agencies highlights a discrepancy of 230 vehicles unaccounted for by DPW's fleet management. The Committee believes significantly greater oversight is needed to review and account for all vehicles owned or leased by the District.

Conclusions

It appears that the laws and regulations of the District have not been followed as it relates to SUVs, fuel efficiency, authorized use, authorized drivers, and overall fleet management. In light of this preliminary review, the Committee on Public Works and Transportation will hold a special oversight hearing to focus on the procurement and use of DC official vehicles.

The subjects to be discussed at this special oversight hearing will include, but are not limited to, the following questions and concerns:

- Appropriate legal review when the District is leasing and purchasing vehicles
- Necessary or appropriate vehicle assignments and staffing needs
- Written justification for the vehicles requested by the Mayor and the Chair that exceeded standard equipment
- Issues and the outstanding questions and deficiencies in the District's Fleet Management
- DPW's response to the identified fleet management deficiencies

Given the city's robust system of transportation options, the Committee Chair wants to ensure the District government properly manages the city's workforce transportation needs and makes decisions that both protect the public's interest and tax dollars, and leads our city by example.