

# FedFleet 2025



## Rising Fleet Costs and Remedies

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# Potential Cost Savings Areas

1. Manage Preventive Maintenance, Recalls
2. Manage Driver Behavior
3. Manage Extraordinary Expenses
4. Rightsize Your Vehicles
5. Rightsize Your Fleet

# 1. Manage Preventive Maintenance, Recalls

*“You can pay me now, or you can pay me later.”*

Adhering to PM schedules and promptly addressing recalls has been shown to:

- Extend vehicle life
- Improve fuel efficiency
- Reduce downtime
- Avoid AIEs for negligence
- Enhance vehicle resale

Bottom line: don't delay PMs, recalls. They reduce expenses in the long run.



## 2. Manage Driver Behavior

Best practices, (*Automotive Fleet Magazine*)

- Hire drivers with a clean record

- Inform drivers of their accident accountability

- Teach safe practices

- Gain the 1-second advantage

- Support the driver with realistic delivery expectations

Leverage telematics data

- Track driver performance using telematics

- Reconstruct accidents, reduce liability

- Motivate driver to act on amber light, knowing manager sees it too

Geotab suggests telematics tools can reduce accidents, as well as driver injury, downtime, liability.

# 3. Manage Extraordinary Expenses

Educate drivers on what constitutes Agency -Incurred Expenses (see [AIE Guide](#)). Best practices apply to Agency-Owned as well.

Employ telematics to monitor, improve driver behavior.

Replace M&R-prone vehicles first to contain repairs and AIEs. [Leasing customers get a prioritized replacement list.]

## 4. Rightsize Your Vehicle

The goal is to use the most efficient vehicle necessary.

[41 CFR 102-34.5](#) calls for "**Limit motor vehicle body size, engine size and optional equipment** to what is essential to meet your agency's mission."



## 4. Rightsize Your Vehicle

**Federal vehicles  
appear to have grown  
in size.**

**Have our missions  
changed so much?**

## 4. Rightsize your vehicle

**Yes and No!**

**SUV growth due to:**

**LE equipment/cargo needs**

**LE sedans not offered**

**Evolving categories**



## 4. Rightsize your vehicle

**OEMs are  
moving back  
into sedans.  
Consumers are  
downsizing.**

## 4. Rightsize Your Vehicle

**By CPM, sedans offer cost advantages over SUVs**

	<b>Cost per Mile</b>
Sedans	\$0.6946
Passenger Vans	\$0.8392
SUVs	\$0.8192
Light Trucks	\$0.9202

*Source: 2023 FedFleet Report. Costs: Table 3 - 1, Miles: Table 4 - 1*

## 5. Rightsize Fleet

Look for candidates for elimination during your annual **VAM process** or during the **acquisition cycle**.

FAST data includes mileage and fuel, which can be verified by telematics.

Telematics can provide a more complete analysis of utilization, by using

- Engine Hours
- Driving Hours
- Days Used



## 5. Rightsize Fleet

Applying utilization criteria to federal vehicles with telematics, we found **12.4% vehicles** could be classified as low utilization by meeting all of the following:

< 2,000 MPV

< 101 Days Used

< 351 Engine Hours

< 301 Driving Hours

## 5. Rightsize Fleet

**Vehicles of all types can be underutilized, but are over-represented in Agency-Owned, Sedans, MD Vans, and LD minivans**

	Vehicle Count	Low Utilization
Agency Owned	48%	<b>56%</b>
GSA Fleet Leased	52%	44%

	Vehicle Count	Low Utilization
Light Duty Pickup	19%	15%
Sedan/Station Wagon	24%	<b>26%</b>
Medium Duty Van	15%	<b>19%</b>
Light Duty SUV	20%	15%
Medium Duty Pickup	8%	7%
Light Duty Van	1%	2%
Light Duty Minivan	13%	<b>16%</b>

# 5. Rightsize Fleet

**STRs can fill temporary needs**

**Consider period of performance, lease vs STR rates, breakeven period**

**Assume you need a vehicle for only 60 days**

	<b>STR</b>	<b>GSA Lease</b>
<b>Sedan, Compact</b>	<b>\$1,829</b>	<b>\$3,132</b>
<b>SUV, Medium</b>	<b>\$2,594</b>	<b>\$4,776</b>
<b>Minivan</b>	<b>\$2,721</b>	<b>\$3,840</b>



# 5. Rightsize Fleet

## A GSA Internal Fleet Case Study

### Motor pools/car sharing

After studying usage patterns, GSA has grouped 15-20% of its internal fleet into a carsharing program, reducing the need for vehicles.

### Utilization analysis

GSA used FAST, telematics, and GSAFleet.gov to collect utilization data to collapse partial-use vehicles into a high utilization fleet. Since FY 2020, GSA has shrunk its internal fleet by **12%** and boosted miles per vehicle by **20%**.

# 5. Rightsize Fleet - Savings

## Two Scenarios

	Miles/Veh	Total Miles	Cost
100 Midsize SUVs (105B)	8,000	800,000	\$841,600
80 Midsize SUVs (105B)	10,000	800,000	\$719,680

**Are we getting the most from our vehicles?**

*GSA Lease Rates, 105B: \$509.00/Month, \$0.29/Mile*

# Recap of Potential Cost Saving Areas

- 1. Manage preventative maintenance, recalls***
- 2. Manage driver behavior***
- 3. Manage extraordinary expenses***
- 4. Rightsize your vehicle***
- 5. Rightsize your fleet***



*Questions?*

*If you would like a copy of this presentation, email [fedfleet@gsa.gov](mailto:fedfleet@gsa.gov)*



Thank you!