



ACCESSIBLE TRANSIT SERVICES:

DARTS FLEET MANAGEMENT AND VEHICLE SAFETY AUDIT

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Hamilton

Office of the City Auditor

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ACCESSIBLE TRANSIT SERVICES

	2019 (Pre-COVID)	2021 (During COVID)
Annual Spend on DARTS	\$22.5M	\$13.1M
Number of Trips Per Year	844,007	281,326
Number of Active Riders	9,819	6,058
Per Trip Cost	\$26.71	\$46.59

FLEET SIZE				
	DARTS	City Marvel	H-Rising	VanKleef
  PROMASTER AND MOBILE MV	 54			
 MINIVAN	 14	 19	 32	 23

What We Did

- Gained an understanding of fleet management processes, specifically municipal transit fleet management.
- Gained an understanding of operational processes and standards regarding fleet management safety inspections, maintenance best practices and common issues.
- Assessed vehicle safety inspection results to determine if they were consistent with industry best practices.
- Analyzed information indicative of whether the City is getting good value on its current contract for accessible transit services with DARTS.
- Obtained insights from experts in the field.



DARTS Fleet Review

About Fleet Challenge

- A leading **fleet management** consulting firm - Canada and USA
- **Clients** are municipal, provincial and federal government, 'triple A' corporations
- **Since 2005** almost 200 commercial fleet reviews have been completed

About Fleet Challenge

- No commercial affiliations, **unbiased**, neutral-party reviews
- We provide commercial fleet clients with **business analysis** and 3rd party validation
- Our consultants are **accredited professionals** who complete assignments projects based on their specific expertise

DARTS Fleet Review

- Between April 5, 2022, and July 29, 2022, Fleet Challenge completed a **fleet safety inspection** and **business practice review** of the DARTS operation
- The review **was completed** on behalf of the City of Hamilton Office of the City Auditor

DARTS - *Vehicle Safety Inspections*

- During the week of May 2, 2022, **39 DARTS and subcontractor vehicles** were safety-inspected
- The objective was to determine if DARTS and subcontractor fleets met **motor vehicle safety standards** of the Ministry of Transportation

DARTS Fleet Review - *Processes*

- Concurrently, we **completed in-depth business practice reviews** of the ATS, DARTS and subcontractor fleets
- We **met with management personnel** from each group to learn about their practices, policies, procedures and to review documentation
- The meetings were designed to allow us insights into each operation's business processes and practices and determine **contract and insurance compliance**

DARTS Safety Inspections - *Key Findings*

- In the first week, **39 random safety inspections** were completed
- **46% of DARTS and subcontractor vehicles failed** to meet Ministry of Transportation Ontario (MTO) safety standards
- Safety **failures included** exhaust, tires, brakes, body, lights, steering, and suspension

For context, a recent Commercial Vehicle and Safety Alliance (CVSA) inspection in 46 Canadian and US jurisdictions, had a failure rate of 14.1% of 9,132 vehicles inspected.

Examples of Safety Defects

Figure 11. DARTS #410106 Exhaust broken off. Image by FCC Inc.

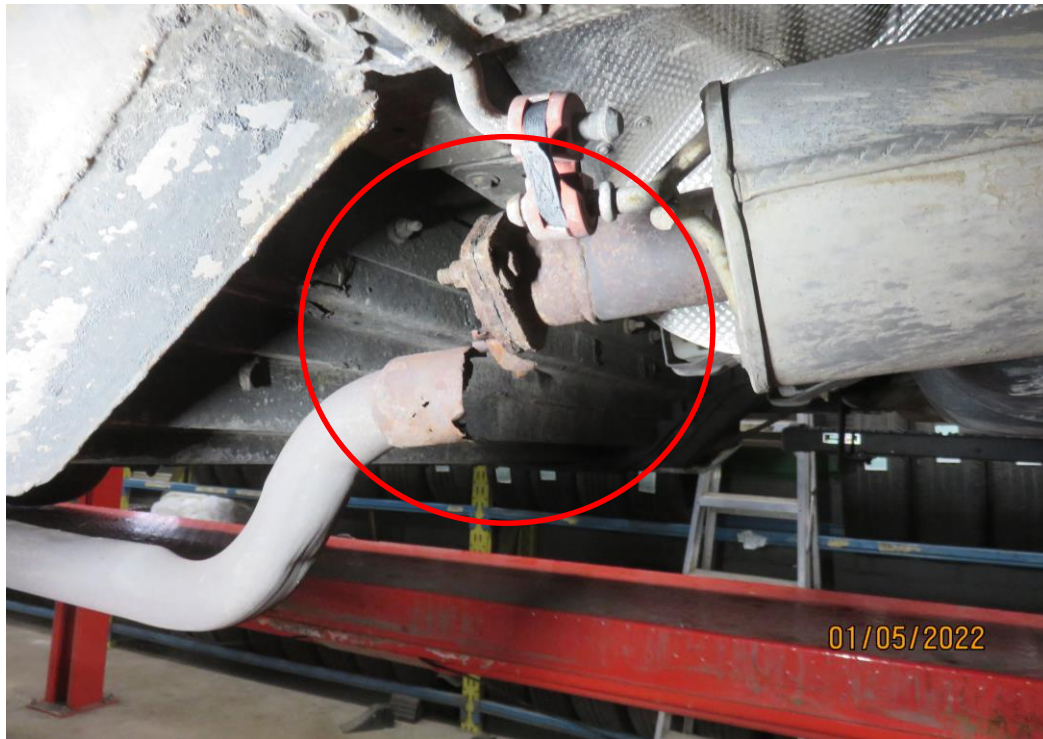


Figure 12. DARTS Unit #410107 - Large hole rusted in muffler. Image by FCC Inc.



Examples of Safety Defects

Figure 8. Vankleef #606 bald tire with steel cords exposed. Image by OCA



Figure 7. Vankleef #672 Split inner tie rod boot. Image by AG&R



Examples - Safety Defects & Incorrect Safety Inspection Documentation

Figure 5. Vankleef #607 rusted hole in body panel. Image by FCC Inc.



Figure 2. H-Rising #HS102 Incorrect safety (trailer) inspection sticker installed. Shown with correct sticker applied later. Image by OCA



DARTS Safety Inspections - *Key Findings*

- Considering the high incidence of failure in week one, a **decision was made** to inspect *all* DARTS and subcontractor vehicles
- **On-site support** provided by OCA staff to observe, document and provide in-person support for the co-ordination of inspections

DARTS Safety Inspections - *Key Findings*

- To **accelerate the safety inspection campaign**, team targeted sixteen daily inspections at two inspection centers
- Target was **generally achieved** and sometimes exceeded (e.g., on May 20, 2022, twenty-one inspections were completed)

DARTS Safety Inspections - *Key Findings*

- In all, **202 inspections completed** over a 10-week campaign
- The total **included re-inspections** for vehicles that **failed** either their **first inspections** or their **second or third** re-inspections

DARTS Safety Inspections - *Key Findings*

- Some vehicles **required second and third inspections** before receiving a pass evaluation as per MTO safety standards, despite having **ample time to address deficiencies** and deliver vehicles with acceptable safety levels prior to our inspections
- Over the 10-week safety inspection campaign **32% failed** first-time inspections

DARTS Safety Inspections -10 Week Recap

Inspection Recap	Qty.	Percent
Identified DARTS units*	167	
Units taken out of service/retired**	25	15%
Units awaiting inspection	2	1%
Active units to be inspected	140	
Total inspections (including re-inspections)	202	
Total re-inspections (2nd, 3rd, 4th)	62	31%
Total first-time inspections	140	69%

* Includes all DARTS units

** Does not include two units retired after the first inspection

DARTS Safety Inspections - 10 Week Recap

Inspection Campaign Results	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Weeks 7 to 10	Overall Total
Total Passes	21	17	63	19	10	6	6	142
Total Fails	18	7	24	8	2	1	0	60
Total	39	24	87	27	12	7	6	202
Percentage of fails - including re-inspections (average weekly):	46%	29%	28%	30%	17%	14%	0%	30%
Percentage of fails- first inspection only (average weekly):	46%	23%	30%	0%	25%	25%	0%	32%

Note: During week 4 there were 4 first inspections and all passed.

DARTS *Business Practices–Key Findings*

- **Inadequate quality assurance processes** in the DARTS fleet maintenance garage to ensure that repairs and inspections are being completed to industry standards
- **Insufficient vigilance** by DARTS personnel regarding contractual vehicle safety inspection requirements and maintenance practices of its subcontractors

DARTS Fleet Review – *Key Findings*

- Vehicle safety inspection procedures in place at DARTS and subcontractors have proven to be **inadequate** as seen by the high vehicle safety inspection campaign failure rate
- There is **too much dependency** on DARTS drivers to detect and report vehicle mechanical problems between scheduled preventive maintenance (PM) inspections and 6-month MTO safety certifications

DARTS Contract Review – *Key Findings*

- Although DARTS business structure has changed significantly over time, the MOA, which was executed almost ten years ago, **remains much the same**
- Terminology in the MOA is nebulous: Example, term used: "*Certificate of Mechanical Fitness*" is a colloquial term open to incorrect interpretation. The program is **correctly referred to** as the Ministry of Transportation (MTO) Safety Standards Inspection (SSI) program.

DARTS Contract Review – *Key Findings*

- in the ATS-DARTS Master Operating Agreement (MOA) there are **no defined requirements** regarding new driver recruitment, pre-hire screening or driver abstracts, other qualifications, or driver's license classifications to qualify as a DARTS driver
- There is no contract language regarding **standards of safe driving**, provision of safe driver training, professional driver improvements courses (PDICs), consequences of accidents, traffic violations, or accumulated demerit points, nor any provision to obtain driver abstracts at regular intervals

DARTS Contract Review – *Key Findings*

- Procedurally, evidence of some DARTS contractual obligations was **absent** (example: documentation of Transit subcontractor approval)
- Several **irregularities** and areas of contractual **non-compliance** were apparent during our review of the subcontractor fleets

DARTS Contract Review – *Key Findings*

- In consideration of our review, in particular the high rate of initial safety inspections and re-inspection failures, and given past operating practices, DARTS **subcontractors seem incapable** of maintaining their fleets to the standards of safety required by their contracts with DARTS

DARTS Fleet Review – *Recommendations*

- Fleet Challenge Canada prepared a **final report** detailing our DARTS and subcontractor fleet review
- In our report we make **64 recommendations**
- The recommendations have been designed **to address the safety and procedural issues** identified during the DARTS fleet review and safety inspections processes



Additional Findings

- With one of the subcontractors there was a related party relationship between them and the garage used to certify vehicles – which could be considered a conflict of interest. The other 2 subs had related party garages but used independent garages for certification
- Evidence that a principal of one of the subs faced prior charges related to fraudulent insurance and safety certificates and was convicted of forgery in 2018. This calls into question the due diligence by DARTS and Transit when the subcontractor was brought on in 2019
- After Council directed that all vehicles had to pass the audit inspection process before being placed into service we found 42 instances of non-compliance

Additional Findings

- In addition there were instances found of passenger runs by vehicles without an identifying number
- Limited oversight and management of the DARTS contract –for example Transit did not conduct regular, independent, unannounced site visits or inspections
- Transit needs more functional access to Trapeze
- There are no contingency plans to deal with situations where the City may choose to cancel a contract for non-performance

AUDIT THEMES

-  QUALITY ASSURANCE PROCESSES
-  SAFETY AWARENESS AND TRAINING
-  CONTRACT OVERSIGHT
-  MINIMUM STANDARDS
-  QUALIFICATIONS
-  INSPECTION PROCEDURES
-  DATA MANAGEMENT

CONCLUSION