

OFFICE OF INSPECTOR GENERAL CITY OF JACKSONVILLE



REPORT OF MANAGEMENT REVIEW

CONTRACT REVIEW OF TAKE 5 OIL CHANGE

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INSPECTOR GENERAL

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“Enhancing Public Trust in Government Through Independent and Responsible Oversight”



OFFICE OF INSPECTOR GENERAL CITY OF JACKSONVILLE

MANAGEMENT REVIEW CASE NUMBER: 2023-0042-II

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EXECUTIVE SUMMARY

In September 2023, the Office of Inspector General (OIG) conducted a review of the vehicle maintenance services provided to the City of Jacksonville (COJ), Jacksonville Sheriff’s Office (JSO) by vendor Take 5, LLC doing business as Take 5 Oil Change (Take 5). The OIG initiated its review after receiving numerous complaints from Officers about the substandard services that were being provided by Take 5 at several locations. These substandard services often resulted in these Officers being out of service while waiting for additional repairs or being forced to take the vehicle to the Fleet Management Division (Fleet Management) for repairs, which resulted in additional repair costs and downtime.

In April 2021, Take 5 was one of 2 vendors approved by the COJ to perform oil change and lube services under Blanket Purchase Agreement 626911-21. In April 2022, the Blanket Purchase Agreement option was approved for Take 5 but not for the other vendor under this agreement because the second vendor failed to adhere to the terms and conditions of the agreement. This made Take 5 the only vendor approved for oil and lube services for JSO vehicles.

Our review found that from July 2021 to August 2023, there were 45 complaints from Officers attributing issues with their vehicles to be related to substandard work provided by Take 5. The maintenance records for the vehicles related to these complaints were reviewed and showed consistent problems with the reattachment of the splash shield on the 2020 & 2021 Ford Explorers. This splash shield must be removed to gain access to the oil pan and filter and is attached with a complex combination of nuts, screws, and rivets. We found that often, some of the fasteners were not replaced correctly which caused the splash shield to come loose and on some occasions, drag on the pavement.

In 5 of the 45 complaints, the vehicle did not need to be repaired or was brought back to Take 5 to correct the issue. Of the remaining 40 complaints, repairs were conducted by Fleet Management who billed JSO for the costs. This resulted in an additional \$6,082.22 being billed to JSO for parts and labor. Additionally, we identified an additional \$754.26 in Officer downtime while they were waiting for these repairs at Fleet Services.

The costs identified in this review are estimates and not definitively attributable to services provided by Take 5. However, our review did identify issues with the vehicle maintenance services being provided by Take 5 and although we could not attribute all of the 45 complaints directly to them, there are certainly additional costs and Officer downtime attributable to this vendor.

Fleet Management personnel are actively managing this contract as evidenced by the termination of the relationship with the vendor that was not performing up to standards. They reported that they were unaware of the Officer's complaints and would have addressed these issues with the vendor if notified. They estimate that Take 5 completes approximately 8,000 oil changes for COJ vehicles per year. The 45 complaints represent a small fraction of vehicle maintenance performed by Take 5.

ISSUE, GOVERNING DIRECTIVES, AND FINDINGS

Issue:

Whether the approved COJ vendor Take 5 was providing substandard service which resulted in additional costs to JSO.

Governing Directive:

The OIG is tasked with the responsibility to “Audit, evaluate, investigate and review past and present the activities, accounts, records, contracts, procurements, change orders, grants, agreements, and other programmatic and financial arrangements undertaken by any office, agency, department, or part of the entire consolidated government, and any other function, activity, process or operation conducted by any office, agency, department, or part of the entire consolidated government; its officials and employees, contractors, their subcontractors and lower tier subcontractors, and other parties doing business with any office, agency, department, or part of the entire consolidated government, or receiving funds from any office, agency, department, or part of the entire consolidated government.” (*COJ Code of Ordinances Sec. 602.303 (b)*)

Findings:

- There are valid Officer complaints regarding the vehicle maintenance services provided by vendor Take 5.
- Poor vendor performance by Take 5 resulted in additional costs to the COJ and the JSO.
- JSO Officers either do not know the process for reporting contractor performance or they do not understand the importance of providing this information to Fleet Management.

RECOMMENDED CORRECTIVE ACTIONS

- Contract compliance personnel should receive training in oversight and documentation.
- Contract compliance personnel should monitor vendors' performance and periodically communicate with applicable COJ departments during the contract term.
- Contract compliance personnel should be assigned to each contract and be responsible for verifying the receipt of all deliverables promptly and efficiently.
- Fleet Management personnel should notify management when a pattern of repetitive repairs and part replacements attributed to a vendor is recognized.
- Employees who drive COJ vehicles should promptly notify Fleet Management or their chain of command regarding issues resulting from vendor-performed vehicle maintenance.

MANAGEMENT'S RESPONSE

The OIG provided the COJ Fleet Management Division and the Jacksonville Sheriff's Office an opportunity to submit a written explanation or rebuttal to the findings as stated in this investigative report within ten (10) calendar days. The Jacksonville Sheriff Office declined to submit a response. The Fleet Management Division's verbatim response to each recommended corrective action is listed below.

- Contract compliance personnel should receive training in oversight and documentation.

Fleet Management Response: As the contract administrator Fleet Management ensures the vendors comply with the bid specifications. Any reported compliance issues are communicated to our vendors.

- Contract compliance personnel should monitor vendors' performance and periodically communicate with applicable COJ departments during the contract term.

Fleet Management Response: Due to the nature of the service being provided, Fleet Management must rely on the vehicle operator to inform us when there is an issue with service not being performed correctly.

- Contract compliance personnel should be assigned to each contract and be responsible for verifying the receipt of all deliverables promptly and efficiently.

Fleet Management Response: The Fleet Management Division has one (1) employee assigned to review all invoices from the outside vendor and verify an invoice, signed by the vehicle operator, is received confirming the deliverables were received. These are drive-up services and deliverables are received immediately prior to the operator signing the invoice.

- Fleet Management personnel should notify management when a pattern of repetitive repairs and part replacements attributed to a vendor is recognized.

Fleet Management Response: Fleet Management personnel notify management when a pattern is detected or recognized. These were not recognized as a pattern due to the statistically low number of occurrences. The light vehicle shops see approximately 1,300 work orders a month. The average number of vehicles a month incoming for this issue is 1.6 per month. Given this information, 0.12% of the monthly workorders were related to this issue.

- Employees who drive COJ vehicles should promptly notify Fleet Management or their chain of command regarding issues resulting from vendor-performed vehicle maintenance.

Fleet Management Response: Concur. To improve upon this, Fleet Management and JSO need to solidify a procedure for reporting outside vendor issues/complaints that arise as a result of outside vendor services.

INSPECTOR GENERAL STANDARDS

This report/review has been conducted in accordance with ASSOCIATION OF INSPECTOR GENERAL Principles and Quality Standards for Investigations.