

City of Fayetteville Fleet Maintenance & Management Proposals & Solutions

Council Work Session

June 4, 2018



Timeline of Events

May 31, 2005

- City and PWC executed a Fleet Services Agreement

May 2017

- PWC Commissioners voted to provide notice of their intent to terminate agreement with City effective June 30, 2018
- Commissioner Shaw sent letter to former Mayor Robertson dated May 10, 2017 to provide notice of PWC's intent to terminate agreement effective June 30, 2018

*According to the revised Charter, shared services are only to be provided if cost is at or below the prevailing market rate

July 2017

- Fleet Maintenance Committee established (CMs Arp, Crisp and Mohn and PWC Commissioners Fowler and Rogers)



Timeline of Events

September 2017

- Five responses received to Request for Information (RFI): **Serco Inc., Reston, VA; Harrell's Auto Service, Fayetteville; Vector Fleet Management, Charlotte; First Vehicle Services, Cincinnati, Ohio; Penske Truck Leasing, Charlotte**
- Submittals provided sufficient data and information to begin to author a Request for Proposals (RFP)

October 2017

- Information sessions with five potential vendors provided staff with recommendations for a Request for Proposal (RFP) format
- Information sessions identified several critical areas to be included in the RFP: Facility, Fleet Life Cycle, Targeted and Non-Targeted Costing Methodologies, and Current Fleet Data/Information

December 2017

- Multiple Meetings held to discuss scope of work and RFP format



Timeline of Events

January 2018

- RFP advertised January 16 on both the City's website and the Interactive Purchasing Site of the State of North Carolina (IPS)

February 2018

- Pre-Proposal conference was held at City Hall on February 7 with the following companies in attendance: **Harrell's Auto Service, Atlantic Emergency Services, First Vehicle Services, Amerit Fleet Solutions, Serco, Vector Fleet Management**
- The City issued an addendum on February 26 extending the proposal submission deadline to March 15, 2018 and provided answers and clarification to the vendor questions received.

March 2018

- The City received eight proposals on March 15 from the following firms: **Atlantic Emergency Services, Amerit Fleet Solutions, First Vehicle Services, Harrell's Auto Service, H&H Auto Service, Penske, Serco, and Vector Fleet Management**

Timeline of Events

April 2018 Fleet Evaluation Team Meetings:

- April 4- Discussed current issues with fleet maintenance/management
- April 12- Discussed departmental desires for fleet maintenance & management moving forward
- April 20- Briefed by Budget on the current cost accounting process for fleet maintenance & management
- April 23- Met with Strategic Performance Analytics dept. who performed a SWOT Analysis focusing on three options:
 - 1) Maintaining current fleet maintenance and management system
 - 2) Hybrid approach with a combination private sector/PWC Fleet Maintenance solution
 - 3) Outsourcing entire fleet maintenance operation

April 30 Fleet Maintenance Committee Meeting

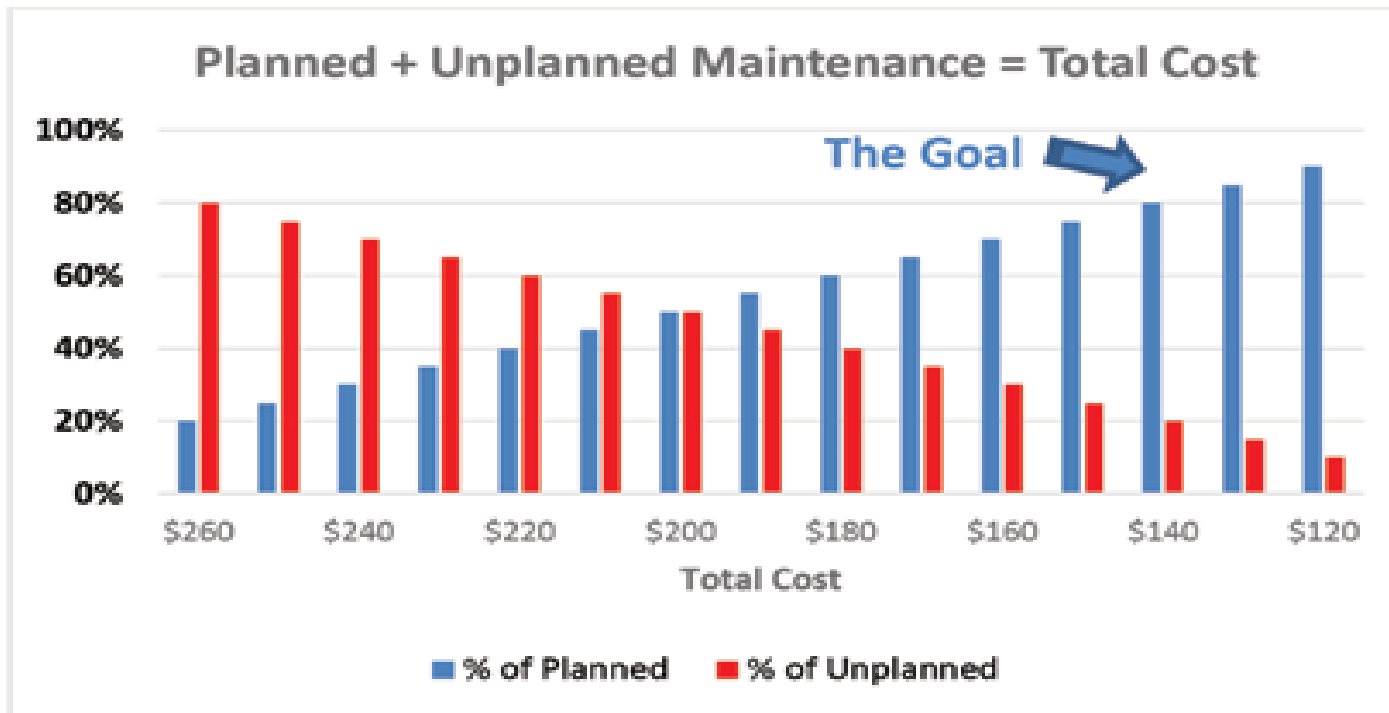
- Staff provided feedback from evaluation of eight proposals received
- Evaluation Matrix provided to Committee
- Direction received to proceed to next steps with the top three proposals
 - First Vehicle Services
 - Serco
 - Vector Fleet Management



Fleet Proposal Review Matrix

[illegible]

Planned or Targeted Costs Versus Unplanned or Non-Targeted Costs



Planned Maintenance Lower Fleet Cost

Unplanned Maintenance Higher Fleet Cost



Fleet Life Cycle (APWA) Examples

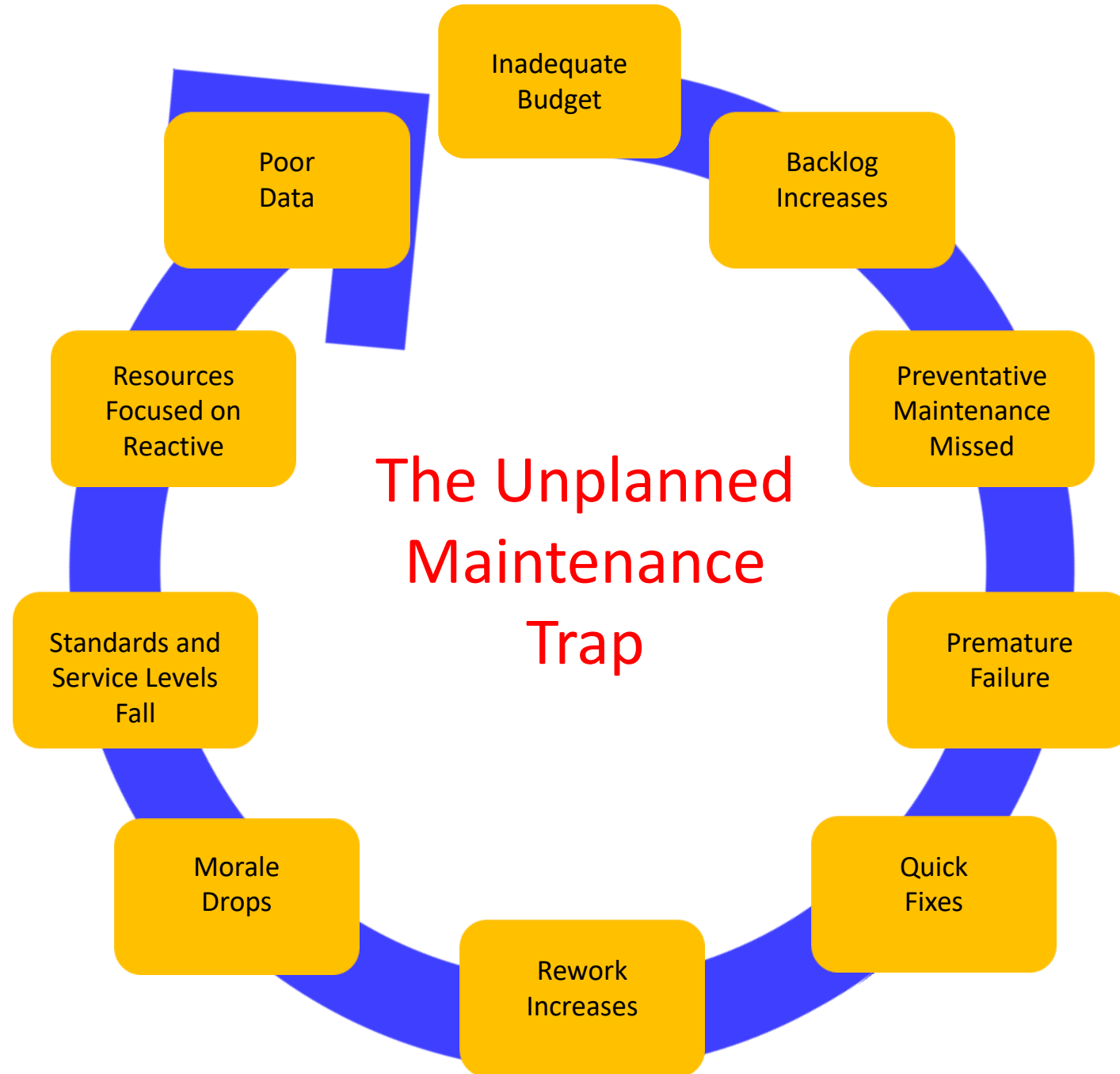
Vehicle Type	Age / Years	Mileage/Hours
Note: age or mileage whichever comes first		
Patrol/Pursuit (Take Home)	4	100,000 miles
Admin. Sedans	5	100,000 miles
Pickup Truck	7	100,000 miles
Fire Pumper	10	
Sewer Jet Vac	10	8,000 hours
Bucket Truck	8	100,000 miles
Dump Truck Single Axle	8	120,000 miles
Dump Truck Tandem	10	120,000 miles
Tractor Mower	8	
Backhoe (rubber tire)	7	
Refuse Truck Side-Loader	7	
Refuse Truck Rear-Loader	9	
Street Sweeper	7	12,000 hours



Unplanned or Non-Targeted Maintenance

Unplanned Maintenance is also known as reactive maintenance, corrective maintenance, breakdown maintenance, or run-to-failure maintenance. The trigger for this type of maintenance is normally a breakdown.

Unplanned Maintenance activities **3x** more costly than planned maintenance. A high percentage of unplanned maintenance can dramatically drain financial resources.





Review and Recommendations

May 22 – 23, 2018 Fleet Evaluation Team

- Presentations by First Vehicle Services, Serco and Vector Fleet Management to the Fleet Evaluation Team
 - Written responses to questions from the Fleet Evaluation Team
 - In-depth presentations on proposals and overview of business model and practices

Team Recommendation: Consider further review and vetting of the following companies:

- 1) Vector Fleet Management-** A North Carolina Company, targeted fixed cost pricing based on fleet lifecycles, facility costs included in target pricing, availability guarantees: 133 Pepsi Lane Facility
 - 2) First Vehicle Services** – Facility identified but not included in pricing and targeted fixed cost pricing based on demands
- *Both vendors proposed a comprehensive approach to the management and maintenance services of the complete fleet.*
 - *Proposals included a centrally located facility, extensive transition plan, a costing methodology that includes target and/or non-targeted pricing - correlated to a fleet life cycle, or cost plus parts and materials*
 - *Both have experience in maintaining and managing similar fleet quantity and composition.*