



July 7, 2015

City of Fresno
Purchasing Division (RFP for Fresno Fire Department Fleet)
Attn: Gary Watahira, Purchasing Manager
2600 Fresno Street, Room 2165
Fresno, CA 93721

Dear Selection Team:

Mercury Associates, Inc. is pleased to provide this proposal in response to the City's Request for Proposals (Bid #060215) to provide fleet management consulting services to the City of Fresno. Mercury has extensive experience advising municipalities on how to improve the management and operation of their vehicle and equipment fleets. We are confident that the City will not find a better qualified project team – with a combination of expertise in fleet maintenance and repair best practices and facility programming and planning – than the one we have proposed to conduct this project.

Mercury Associates, Inc. is an employee-owned fleet management consulting firm incorporated and headquartered in Maryland. We have more than two dozen employees located throughout the United States and in Canada, many of whom have served as professional fleet managers in the public and/or private sector prior to commencing their consulting careers. Mercury's mission is to assist organizations in improving the management and operation of their fleets. We do not manage fleets or sell any other company's products or services to fleet owners.

Mercury offers the City of Fresno a combination of hands-on experience and fleet management business process evaluation and analytical capabilities that is unmatched by any consulting firm serving the fleet industry. Our employees have served as fleet managers for such entities as the counties of Jefferson, CO; Los Angeles; Montgomery, MD, Pinellas, FL, and Sarasota, FL; the cities of Charlotte and Colorado Springs; Denver RTD; the State of Michigan; NASA; the US Navy; Bell Canada, and TRW.

Of particular relevance is our work with municipal government fleets and with fire departments specifically. Since incorporation Mercury has worked with more than 600 fleet organizations across the world. The majority of our work is with government clients in the United States. We recently completed (April 2015) a similar study (fleet operations review and facility planning assessment) for the Kent (WA) Regional Fire Authority. We have also worked with Orange County (FL) Fire Department, San Antonio Fire Department, Montgomery County (MD) Fire Department, Vancouver (BC) Fire, and many other fire and public safety organizations. It should be noted that more than half of our municipal client fleet organizations include fire fleet maintenance and repair operations.



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Firm Qualifications and Contact Information

Mercury Associates, Inc. is a Maryland corporation with its headquarters office located in Rockville, a suburb of Washington, DC. We are a fleet management consulting firm that assists organizations in improving the management and operation of their vehicle and equipment fleets. We have been providing consulting, training, recruiting, analytical and other types of management support services, and software development and hosting services since commencing operations in 2002. Mercury's staff consists of approximately 30 full and part-time employees (including the owners), several of whom were professional fleet managers, full-time fleet management consultants, or both, prior to joining the firm. Our employees are located in 10 states, and in Canada.

Mercury's consulting services touch on virtually every facet of fleet management and operation, ranging from broad-based assessments of fleet management organizational structures, staffing levels, facilities, and business practices, to tightly focused analyses of a single issue or opportunity such as "Can we reduce the size of our fleet?" "Should we replace our fleet management information system?" "How can we reduce our maintenance and repair expenditures?" "How many maintenance bays do we need?" and "Are our maintenance operations efficient?"

The consulting services we provide include fleet management business process redesign including policy and procedure development; service level benchmarking; cost charge-back rate development; fleet replacement planning and optimal replacement cycle analysis; fleet management information system specification, selection, implementation, and hosting; maintenance facility space programming and master planning; RFP development; and management training, and more.

Mercury's principals and employees have worked with a wide array of public and private-sector organizations around the world – primarily in the United States and Canada and primarily with governmental jurisdictions – with fleets ranging in size from fewer than 100 to more than 200,000 vehicles and pieces of equipment. For the US federal government, we have provided services to the Army, Navy, Air Force, and Marine Corps; cabinet-level departments (Defense, Homeland Security, Interior, Transportation, etc.); and the General Services Administration, NASA, the Smithsonian Institution, and the US Postal Service. We have worked with one or more agencies in more than half the state governments in the US, three provinces and one territory in Canada; more than 40 colleges and universities; and such prominent non-profit entities as the RAND Corporation, the Transportation Research Board, and the United Nations.

In the private sector, Mercury has provided consulting services to a diverse mix of companies, including 3M, Air Products, Alyeska Pipeline Service Company, Aramark, Bell Canada, Cox Enterprises, BNSF Railway, BP, Ecolab, Flint Hills Resources, Genentech, GlaxoSmithKline, Intel, Honeywell, Laidlaw, National Express Corporation, Pfizer, Rockwell-Collins, Ryder, Schindler



Elevator, Schneider Electric, Shell Canada, State Farm, Suncor, Terra Renewal, and Whiting Oil & Gas. We also have worked with more than 30 electric, gas, and water utility companies.

Of particular relevance to the City of Fresno is Mercury Associates' experience working with municipal government fleets. No other consulting firm in North America has conducted as many fleet studies for local government organizations as Mercury. We have worked with 33 of the 50 largest cities in the US, including the 10 largest, and 3 of the 5 largest cities in Canada. Our current and recent (last three years) list of municipal government clients is extensive. They include, but are not limited to, the cities of Annapolis (MD), Asheville (NC), Austin, Baltimore, Boston, Colorado Springs, Corpus Christi (TX), Dallas, Duluth (MN), Edmonton, Fort Worth, Greenville (SC), Huntington Beach (CA), New York, Norman (OK), Palo Alto (CA), Phoenix, Sacramento, Saint Louis, San Antonio, San Francisco, Seattle, Sioux Falls (SD), Tacoma, Toronto, Vancouver (BC), and Washington, DC. The counties of Harris (TX), Loudoun (VA), Montgomery (MD), Orange (FL), San Bernardino (CA), Sarasota (FL), Wake (NC), and others.

As stated in our cover letter, we also have considerable experience working in the state of California. Mercury was just awarded a project with the State of California Department of General Services Office of Fleet and Asset Management (OFAM) to provide fleet management consulting services related to developing an optimized fleet replacement methodology. The study will determine optimal replacement cycles for various vehicle classifications, develop a long-range fleet replacement plan, and calculate budgetary impacts of implementing the recommended fleet replacement strategy. This is just the latest fleet study that we have conducted for the State of California.

Mercury is also currently working with the City of Sacramento and Sacramento County. For the City, we are conducting life cycle analysis to determine optimal fleet replacement cycles for various fleet classifications within the City's Fire Department fleet. For Sacramento County we are performing a fleet management information system (FMIS) requirements study to determine how well the current FMIS is supporting the fleet operation and to determine if it can be expanded to other County operations. Other clients within California include the cities of Huntington Beach, Long Beach, Palo Alto, Pasadena, Rialto, and San Francisco and the counties of San Bernardino, Santa Clara and many others.

Mercury not only provides traditional fleet management consulting services (i.e., shop performance reviews, service level benchmarking, fleet replacement planning, etc.) we also offer fleet management technology services (i.e., fleet management information system needs determination, system evaluations, implementation, training, and even services as a solution and cloud hosting and storage solutions). Additionally, we provide fleet maintenance facility space needs assessments, facility master plans, and facility evaluations.

We are currently engaged to develop space requirements for the fleet maintenance facility for a new fleet maintenance facility for the District of Columbia. Additionally we have just initiated a facility space needs assessment for the City of Corpus Christi and recently completed fleet maintenance facility programming and planning projects for other municipal organizations such



as Kent, WA Fire Department, the City of San Francisco, Colorado Springs Utilities, and many others.

While many of our municipal engagements include the management and maintenance and repair of fire apparatus and support equipment, we have also performed a number of fleet evaluations specifically for fire departments included a fleet maintenance operational study and facility needs assessment for Kent (WA) Regional Fire Authority, Orange County (FL) Fire Department, San Antonio Fire Department, Vancouver (BC) Fire Department, District of Columbia Fire Department, and others.

Contact Information

Corporate Information	Proposal Contact Information
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Project Approach and Methodology

It is our understanding that the City of Fresno is seeking a professional fleet management consulting firm to conduct a comprehensive review of the Fire Department's current fleet operations and to develop space needs requirements for a proposed new fleet maintenance facility. The City of Fresno is centrally located within the state of California in the San Joaquin Valley. It is the home to approximately 510,000¹ residents. The stated mission of the Fire Department is "To protect and put service above all else". The Department provides emergency service response from 24 fire stations and the Fresno Yosemite International Airport. Approximately 350 sworn and civilian employees make up the Department. Fire personnel responded to over 37,000 incidents in 2013². Department appropriations for FY 2016 budget are \$60.6 million³.

Overview of Our Approach

Our approach to this project draws on more than two decades of consulting experience. It will involve extensive interaction with Fire Department employees and other project sponsors. Data availability permitting, we will employ quantitative performance measurement techniques throughout this study that will be used as a foundation for our proposed solutions including the development of space requirements for a new fleet maintenance facility for the maintenance and repair of Department apparatus and support vehicles and equipment.

In evaluating the Department's fleet management practices and identifying opportunities to improve business practices, our project team will be guided by four key principles that we have found to be critical to managing and operating a fleet of any size and composition effectively and efficiently. Each of these is discussed briefly below.

Quality Matters. The quality of the services provided by fleet management organizations is of paramount importance because, without vehicle and equipment users, there would be no need for such organizations. Thus, the most important indicators of its performance pertain to the results or *outputs* of its fleet management efforts, namely, the safety, availability, suitability, reliability, efficiency, and environmental soundness of the vehicles, equipment, and related goods and services the Department utilizes to perform its mission.

Costs Must be Controlled. Any organization can provide high-quality goods and services if cost control is no object. Few of us, alas, have the luxury of working for organizations – whether in the public or private sectors – in which this are the case. Managing the costs of the vehicles and services provided by an organization is important for two reasons. First, all public-sector organizations have a fundamental fiduciary responsibility to use taxpayers' money wisely, regardless of whether they deliver a high-profile, "front-line" service such as law enforcement, or a behind-the-scenes, "support" service such as fleet management. Second, in contrast to many of the activities performed by City employees, most fleet management activities are

¹ U.S. Census Bureau – 2013 population estimate

² Fresno Fire Department 2013 Annual Report

³ City of Fresno 2015-2016 Proposed Budget



capable of being outsourced to the private sector if they cannot be performed cost effectively in house. Consequently, the need to provide services that are competitive in cost as well as quality with those offered by contractors and vendors is an inescapable reality of public-sector fleet management today. This is not an endorsement of outsourcing; simply recognition of the fact that the private sector is a ready source of fleet management services and, hence, cost benchmarks which many taxpayers and elected officials will not hesitate to use to judge the performance of an in-house fleet management program.

Fleet Management is Not Just About the Vehicles. Fleet management organizations have always had to perform many different *asset management* activities: specifying and acquiring vehicles; scheduling vehicles for maintenance and repair services; assigning work orders to mechanics; farming out certain vehicle repair jobs to vendors; ordering parts, replenishing fuel stocks, submitting warranty claims, and so forth. Over the last 20 years, however, technological, regulatory, environmental, and other developments and trends have steadily increased the complexity of fleet management endeavors – especially in areas that have nothing to do with vehicles and equipment *per se*. Effective fleet management organizations are multi-faceted and multi-talented; fully conversant with political objectives, regulations, policies, and procedures associated not only with acquiring, caring for, and disposing of vehicles and equipment, but with sourcing and supply chain management, risk management, human resources management, facility management, information management, customer relationship management, and financial management. For this reason, an effective fleet management evaluation and reengineering study such as this one must examine a large number and broad array of *enterprise management* practices that extend well beyond the realm of what many “lay persons” might consider to be fleet-related functions and practices.

A Strategic Approach is Essential to Success. A strategic approach to fleet management is one in which the interrelationships among and between the many asset management and enterprise management functions that the City of Fresno must perform to optimize fleet performance and costs is both understood and managed. For example, optimizing fleet performance requires effective vehicle acquisition, operation, maintenance, and replacement processes. Deficiencies in any one of these areas can undermine fleet performance no matter how good an organization’s practices are in the other areas. Moreover, effective performance in each of these areas requires collaboration or, at a minimum, coordination with non-fleet management organizations. It is difficult to maximize mechanic performance, for instance, if a fleet maintenance organization is hamstrung by employee classification, compensation, evaluation, and other policies and procedures that create disincentives for employees to seek out opportunities for training and professional advancement. Similarly, it is difficult to ensure a high degree of vehicle reliability or availability, no matter how skilled or motivated mechanics are, if budget and finance organizations cannot ensure that there is sufficient funding to replace all vehicles in a timely manner. A strategic perspective is critical for tying together the myriad, interdisciplinary and inter-departmental responsibilities, authority, policies, and procedures that collectively determine the efficiency and effectiveness of a large municipal fleet operation.



Information Gathering and Evaluation Techniques

In formulating findings and recommendations, Mercury Associates utilizes information collection and analysis techniques that fall into two broad categories: quantitative performance measurement and benchmarking, and business process mapping and gap analysis. Having conducted best management practices evaluations for literally hundreds of fleet operations, our project team members understand both the importance of, and the best techniques for, collecting information efficiently and with minimal disruption to day-to-day client work activities. The primary techniques we will use in this project are the following.

Written Information Request. We begin all program evaluation projects like this one by providing the client with a detailed checklist specifying the types of *documentary material* (e.g., organization charts, policy and procedure statements, etc.) and *quantitative data* (e.g., work order and parts transaction data, vehicle meter readings, revolving fund revenues and expenditures, etc.) we would like to review in evaluating fleet management practices and costs. This request will serve as an initial blueprint to follow in assembling information for our review before we commence site visits and interviews; this allows our project team to “hit the ground running.” It also will give us some initial insights into the soundness of the City’s fleet management practices. For example, an organization that cannot provide any documentation of its maintenance quality assurance program probably does not have a very good one.

Interviews and Focus Group Sessions. While surveys are a valuable tool for gathering information from large groups of people, largely quantitative survey data lack the details, anecdotes, and individual perspectives that can only be gleaned from face-to-face conversation. For this reason, employee interviews and focus group discussions are staples of our consulting approach. Even in the case of employee groups that complete questionnaires, we often conduct follow-up interviews in order to help interpret and flesh out survey results.

Site Visits. No amount of second-hand information can substitute for first-hand inspection of facilities and vehicles, and observation of day-to-day work activities. Simply walking through maintenance facilities and yards and observing the number, condition, and appearance of vehicles waiting for service and/or waiting to be picked up by customers; the layout, age, condition, orderliness, and cleanliness of the facility; and the general level of employee activity all provide clues about the performance of a fleet management organization that give direction to our interviews, process mapping, and data analysis efforts.

Performance Measurement and Benchmarking. Data availability permitting, we employ quantitative performance measurement techniques in every best management practices assessment we conduct, interpreting the resulting performance statistics using suitable internal and industry benchmarks. In addition to serving as a valuable diagnostic tool that helps us home in on potential problem areas and avoid devoting unnecessary scrutiny to areas in which current practices are strong, performance measurement adds objectivity and consistency to our evaluation, and hence, credibility to our findings and conclusions.

Business Process Mapping and Gap Analysis. The other key method we use to evaluate fleet management practices and identify opportunities to improve quality and lower costs is process mapping and gap analysis. This involves ascertaining 1) if and how specific management and



operating processes are formally *defined*; 2) the soundness of their *design* – e.g., their logic, thoroughness, compliance with applicable regulations, responsibility and authority for execution, and so forth; 3) their *consistency* with industry best practices; and 4) the nature of their actual *execution*, which is a function of how they are communicated (e.g., through a policy and procedure manual) and how employees are held accountable for using them.

We gain these insights primarily from the review of documentary material such as policy and procedure statements and the conduct of interviews and focus group sessions with employees of the fleet management, fleet user, and associated support (e.g., budget and finance, risk management, IT, etc.) organizations. In order to ensure that we cover each functional area of vehicle and business management thoroughly, we employ a detailed, *Process and Practice Review Checklist* that allows us to gauge the soundness of current practices in each area of endeavor. This typically is the most labor-intensive, but also the most revealing, aspect of any fleet management program review or efficiency study.

An Interactive, Results-Oriented Approach

Mercury's approach to conducting all of our consulting engagements is highly *inclusive, interactive, and results oriented*. Whether we are conducting a comprehensive review of a fleet operation or a tightly focused analysis of a single issue or problem, our ultimate goal as management consultants is for our clients to implement our recommendations. This requires that the organizations with which we work not only understand the analytical results and reasoning behind these recommendations, but actually *take ownership* of proposed organizational, business process, and other changes. This requires, in turn, that we work closely with various stakeholder groups in the City of Fresno from the outset of the study.

City Responsibility and Time Requirement

A significant amount of data and information will be required to conduct the proposed study as detailed below in our proposed Project Scope of Work. Mercury will work closely with the City and the Fire Department specifically to determine the best approach to gather the data and information (e.g., spreadsheet templates, copy of databases, links to information available online, etc.). We understand that the Department must continue operations during the study and have developed, over the years, a successful project approach to minimize disruptions for our clients. The most intensive time and effort requirement of the City will be to compile the requested information (see Task 2 below). However, by providing the City with a detailed checklist and appropriate spreadsheet templates the process can be streamlined significantly.

We anticipate the following meetings, interviews, and focus group sessions:

- Project kickoff meeting to include the City's Project Manager and other project stakeholders
- Interviews with all Fleet Shop Unit personnel including the Shop Supervisor, the Fire Equipment Lead Worker, all Fire Equipment Mechanics, and both Service Workers
- Information gathering/data validation meeting with the individual(s) that are assigned the responsibility of preparing the requested data



- Interviews with other relevant Fire Department and City personnel to obtain an understanding of their project goals and objectives
- Regular in-process reviews with the City's Project Manager to provide project updates, status and preliminary findings, conclusions, and proposed solutions throughout the course of the study

Project Scope of Work

Task 1: Initiate and Manage the Project

In order to officially initiate the study, we will participate in a project kick-off meeting at a mutually agreeable time. The primary objectives of this meeting will be to introduce the key members of the City and Mercury Associates project teams to one another and to confirm both parties' understanding of key study parameters such as scope, deliverables, and timelines. We recommend that specific agenda items for this meeting include the following:

- Introductions of team members and discussion of specific roles and responsibilities on the project;
- Review and discussion of the project approach, methodologies, work plan, deliverables, schedules, and critical success factors;
- Review and discussion of a draft information request, which we will prepare and submit beforehand;
- Establishment of agreement on project progress reporting frequency and format;
- Determination of project logistical procedures, including points of contact; protocols for scheduling meetings, arranging site visits, setting up focus group sessions, establishing work space for Mercury team members when in Odessa; and
- Resolution of any other outstanding contractual or administrative matters relating to the conduct of the study.

The final key ingredient of an effective project management approach is periodic written progress reports. We will submit a brief summary on a monthly basis, reviewing work accomplished to date, adherence to the project schedule and budget, and any significant obstacles to study progress or desired outcomes encountered. These summaries will be integrated with our monthly invoices inasmuch as we propose to invoice by work plan task based on the estimated percentage of the task completed through the end of the prior month.

Task 2: Collect and Analyze Fleet Cost and Performance Data

During the project kick-off meeting, we will review an information request with the project manager, which identifies the quantitative data and documentary material pertaining to the City's fleet and fleet management practices that we would like to obtain to conduct our evaluation. We will submit this request approximately one week prior to the kick-off meeting. We will then use the quantitative information collected via this request to analyze the condition,



utilization, cost, and other performance attributes of both the vehicles and equipment in the fleet and the practices that the organization uses to manage and maintain them.

The information request will be organized by functional area of vehicle and enterprise management covered in the study, e.g., Organizational Structures and Staffing Levels, Fleet Maintenance Facilities, Fleet Utilization Management, Vehicle Maintenance, Parts Management, Fuel Management, Financial Management, Information Management, Customer Relationship Management, etc. It will be written in the form of a checklist that the City can fill out and return along with available data and documents. This way, we will have a clear record of what types of information were – or were not – available for our use in conducting the study.

Examples of the quantitative data we will request include:

- A fleet inventory containing information such as the following on each vehicle/piece of equipment: year, make, model, serial number (VIN), license plate number class code, description, user agency name, vehicle in-service date, original purchase price, life-to-date maintenance and repair cost, current meter reading, utilization during a recent 12-month period, maintenance and repair costs during a recent 12-month period (broken out by labor, parts, and subcontractor charges), type of fuel used, and gallons (or gallon equivalents) of fuel consumed in a recent 12-month period.
- A mechanic roster showing, by mechanic, hours charged to work orders, overtime hours worked, hours of training received, and hours of paid leave, all in a recent 12-month period; and current certifications held;
- The dollar value of parts in inventory, of parts issued from stock in a recent 12-month period; and of parts purchased on an as-needed basis (direct buys) in the same period; and
- Other relevant data that may impact our findings, conclusions and recommendations.

We realize that some of the quantitative data we will request may not be readily available or may not be very reliable. Where it makes sense to expend extra effort to obtain critical information or to develop it from scratch, we will work with the City to do so. We fully understand the importance of being able to back up findings and conclusions with hard numbers. However, we do not believe in analyzing data as an end in itself, and there will be certain areas in which data quality is such that the “juice” simply isn’t worth the “squeeze”; that is, where the level of effort required to quantify certain things will not measurably add to our understanding of performance levels or savings opportunities.

The information request also will identify a wide array of documentary material that we would like to obtain that will assist us in developing an understanding of City ordinances, regulations, plans, policies, procedures, and practices in the fleet management area. Examples of the materials we will request include:



- City ordinances, administrative code sections, executive orders, and other documentation of fleet management responsibilities and authority;
- Fleet operating and capital budgets;
- Charge-back rate model, rate schedules, and YTD and two to three prior years' income statements and balance sheets;
- Fleet organization charts and personnel rosters;
- Position descriptions;
- Fleet mission statement and annual reports;
- Policy and procedure statements;
- Commonly used recordkeeping forms and management reports;
- Sample customer invoices;
- Employee training manuals;
- Sample vehicle and parts purchase specifications, contracts, purchase orders, and vendor invoices; and
- Any previously prepared consulting or internal audit reports on fleet management practices.

We will use the quantitative data collected in this task to begin the process of analyzing fleet-related conditions, costs, and performance levels. Analysis results will help us identify specific fleet management activities in which opportunities for cost reduction and/or performance improvement appear to exist, which we can then scrutinize during the process mapping and evaluation tasks of the study. We will then calculate important fleet statistics such as the average age of the fleet, the workload (total vehicle equivalency units (VEUs)), gross replacement value of the fleet, and others.

Mercury Associates, Inc. maintains and constantly updates a database of VEU values for more than 600 vehicle and equipment classifications. The database includes the entire spectrum of vehicles and equipment found in a typical municipal fleet, from push mowers to aerial ladder fire apparatus. Each class is given a VEU value as it relates to that of a passenger sedan (rated at 1.0 VEU). A street sweeper, for example, can be assigned a rating of 8.5 VEUs. A chain saw has a rating of 0.25 VEUs. A backhoe may be 4.5 VEUs. By statistically reducing a fleet to its equivalent in terms of sedans, we can make reasonable, standards-based comparisons with the fleet operations of other organizations.

A fleet of one hundred patrol cars,⁴ rated at 2.5 VEUs each, constitutes a fleet of 250 VEUs. The number of mechanics/technicians required to maintain this fleet is more than those needed to maintain a fleet of 100 sedans, but far less than those needed to maintain a fleet of 100 pumpers.

⁴For patrol cars, a VEU assignment of 2.5 is one of many used based on any number of different deployment characteristics and is used for illustrative purposes only. The same is true for fire pumpers assigned 8.5 VEUs.



While other consultants use a similar concept (e.g., maintenance repair units) the difference is that we continually update our VEU values and we adjust VEU values for each client that we work with to account for critical factors such as age of the fleet, operating conditions, etc.

A few vehicles and equipment classifications and their associated VEUs are provided in the following table:

Sample Vehicle Equivalent Unit Values

Vehicle Classification	Sample	VEU Value
Sedan, mid-size, administrative use		1.0
Law enforcement sedan, full-size, "hot seat" ⁵		2.5
Pickup truck, LD		1.5
Backhoe, MD		4.0
Fire Engine (Pumper)		8.5

Subject to the availability of reliable data, we will calculate statistics for the City's fleet for several key performance indicators (KPIs) of efficiency and effectiveness. We will interpret these statistics by comparing them against established industry standards, benchmarks, and/or peer survey results, where available, or against internal benchmarks such as averages by vehicle, vehicle class, employee, facility, and agency.

Examples of the performance measures we will use in this task include the following:

- Average annual maintenance and repair cost per vehicle equivalent unit (VEU);
- Ratio of VEUs to mechanics;
- Preventive maintenance schedule compliance rate;
- Ratio of scheduled to unscheduled repairs;
- Vehicle availability percentage by vehicle class;
- Mechanic to supervisor ratio;
- Mechanic to parts worker ratio;

⁵ Hot seat refers to a vehicle being utilized on more than a single shift per day.



- Average annual mechanic productivity rate;
- Average fully loaded cost per mechanic labor hour;
- Maintenance overhead rate;
- Parts management cost as a percentage of the cost of parts issued to work orders;
- Parts inventory turnover rate;
- Parts order fill rate;
- Average annual parts expenditures per VEU;
- Average vehicle age by class;
- Weighted average replacement cycle guideline; and
- Vehicle replacement backlog as a percentage of average annual replacement cost.

The results of our analyses will be incorporated in the development of findings and recommendations in specific areas of fleet management practice in subsequent tasks. It will include not only performance statistics for the Fresno Fire Department fleet but relevant industry benchmarks and standards that we have developed with our work from over 600 other fleet organizations.

[Task 3: Evaluate Fleet Management and Maintenance Practices](#)

In this task we will review and assess the soundness of the City's fleet management regulations, policies, procedures, and practices in all key functional areas of fleet management and operation as listed below. The results of this evaluation will serve as the foundation for developing specific recommendations for modifying or reengineering current organizational structures; staffing levels; facility numbers, locations, and activities; and business processes so as to reduce the costs and/or improve the quality and effectiveness of both fleet management activities and the vehicles and equipment themselves that comprise the City's fleet.

As discussed earlier, we will evaluate current practices using process mapping and gap analysis techniques aimed at first defining and then identifying strengths and weaknesses in specific functional areas of endeavor. We will utilize detailed process evaluation checklists and interview guides to ensure the thoroughness of our review and consistency in the level of detail of evaluation applied to all practice areas examined in the study.

We will determine *how* processes currently are performed through a combination of documentation review, employee interview, focus group meeting, and site visit activities. In doing this, we fully understand that the way City employees are *supposed* to perform certain activities and the way they *actually* do so are not necessarily same. Thus, we will assess the adequacy of both the *definition*, as expressed in statutes, regulations, rules, policies, and procedures, and the *execution* of fleet management and operating processes.



We will determine *how well* these processes are defined and executed by assessing:

1. Their *intrinsic soundness* (e.g., the clarity and logic with which they are documented, the way they are communicated to employees, and the manner in which they are enforced);
2. Their *consistency with industry best practices* which we have observed, and in many cases defined, through our project team's combined decades of professional fleet management, consulting, public speaking, writing, and training experience; and
3. Their *results*, as reflected in the quantitative measurement of costs and performance levels in the previous task, and in the satisfaction levels of management officials, fleet management employees, and fleet users.

In evaluating the strengths and weaknesses of current fleet management practices, our ultimate objective will be to advise the City as to *how these practices can be improved*. Consequently, our evaluation approach will not seek to merely differentiate good practices from bad, but to identify the factors unique to the City of Fresno – whether political, managerial, administrative, fiscal, technological, educational, or other – that explain why some practices are strong and others weak. This will allow us to develop recommendations for improvement that are not generic or academic in nature, but of *direct applicability* to the needs, objectives, conditions, and capabilities of the City and its fleet management and fleet user organizations.

Examples of the specific fleet management practices we may evaluate in this task are summarized the following table:

Vehicle Assignment	
1.	Vehicle assignment policy development
2.	Vehicle business need definition
3.	Vehicle provision alternatives analysis (e.g., rent v. own v. reimburse)
4.	Take-home use management
5.	Management of personally owned vehicle use on City business
Vehicle Acquisition and Disposal	
6.	Vehicle specifications development and selection
7.	Purchase contract establishment and management
8.	Management of ad hoc purchases
9.	Vehicle acceptance, preparation, and delivery
10.	Commercial vehicle rental and use of car sharing services
11.	Vehicle lease contract establishment and management
12.	Vehicle decommissioning
13.	Used vehicle remarketing
Vehicle Operation Management	
14.	Driver/operator certification and record keeping
15.	Driver/operator training
16.	Pre-trip inspection and record keeping



17.	Vehicle misuse/abuse management
18.	Accident reporting and investigation
19.	Accident repair management
20.	Accident repair claim management, including subrogation
Assigned Vehicle Utilization Management	
21.	Establishment of utilization guidelines/criteria
22.	Vehicle utilization data capture
23.	Fleet utilization analysis and management reporting
24.	Identification and investigation of utilization "anomalies"
25.	Reassignment or disposal of under-utilized vehicles
Short-term Rental Vehicle Provision	
26.	Motor pool site selection
27.	Motor pool sizing and composition
28.	Motor pool service delivery (e.g., reservations, vehicle check out/in, etc.)
29.	Motor pool management and operation
Vehicle Maintenance and Repair	
30.	Operator pre-trip inspection
31.	Preventive maintenance program development
32.	Work planning and scheduling
33.	Defect reporting and service writing
34.	Work estimation and work order assignment
35.	Maintenance and repair service delivery
36.	Mechanic supervision
37.	Road call/roadside assistance provision
38.	Vehicle field service (e.g., mobile lube) management
39.	Vehicle and component warranty management
40.	Quality assurance
Vehicle Maintenance and Repair Vendor Management	
41.	Vendor certification / pre-qualification
42.	Service contract establishment and management
43.	Outsourcing benefits determination
44.	Ad hoc purchasing of services
45.	Service expenditure authorization
46.	Service transaction administration (e.g., vendor payment, data capture, etc.)
47.	Vendor performance management
Fleet Maintenance Parts Provisioning	
48.	Parts contract establishment and management
49.	Management of ad hoc parts purchases



50.	Vendor transaction administration
51.	Parts inventory sizing, composition, management, and control
52.	Parts disbursement (i.e., counter service)
53.	Disposal of surplus parts
54.	Parts provisioning performance management
Vehicle Fueling	
55.	Bulk fuel contract establishment and management
56.	Bulk fuel inventory management and control
57.	Commercial fuel card program management
58.	Commercial fuel transaction management and administration
59.	Vendor payment
Vehicle Replacement	
60.	Replacement cycle guideline/policy development
61.	Long-term fleet replacement planning
62.	Vehicle replacement earmarking and budgeting
63.	Fleet replacement financing alternatives analysis (e.g., lease versus buy)
64.	Fleet replacement funding levels
Customer (Fleet User) Relationship Management	
65.	Transaction-based communication
66.	Customer satisfaction measurement
67.	Ongoing relationship management
Fleet Financial Management	
68.	Fleet budget development
69.	Fleet cost management and control
70.	Cost charge-back rate base content
71.	Cost charge-back rate structure
72.	Service activity and vehicle class cost allocation/determination
73.	Chare-back rate computation and updating
74.	Customer billing
75.	Cost management-related analysis and reporting
Human Resources Management	
76.	Organization structure
77.	Staff assignment and utilization management
78.	Employee classification and compensation
79.	Employee training and professional development and certification
80.	Employee performance management
Information Management	
81.	Management information system availability and functionality
82.	System configuration and data codification



83.	System deployment, accessibility, and use
84.	Development, management, and use of system interfaces and EDI processes
85.	Management analysis and report development
86.	IT infrastructure acquisition, upgrading, maintenance, and user support
87.	Data security and disaster recovery/business continuity management
Fleet Management Infrastructure Management	
88.	Maintenance and fuel facility location analysis and site selection
89.	Facility design, construction, condition assessment, and maintenance
90.	Facility housekeeping
91.	Capital equipment testing and replacement
92.	Shop safety management
93.	Shop equipment asset inventory management
Regulatory Compliance	
94.	Occupational safety and health
95.	Highway safety (NSC)
96.	Accounting and financial reporting
97.	Alternative fuels/emission control
98.	Environmental protection (e.g., shop and fuel facility leak prevention/waste management)

Our findings in each of the above areas will identify opportunities to reduce service costs and/or to improve service quality, as appropriate. We will make specific recommendations for improving policies, procedures, organizational structures, staffing levels, data processing systems, and/or physical infrastructure, as appropriate, and provide best practice examples or models in those areas identified in the City's RFP.

[Task 4: Develop Fleet Maintenance Facility Space Requirements](#)

Adequately sized, suitably configured, correctly equipped, and appropriately positioned facilities are the most remarkable contributor to efficient and effective fleet maintenance programs. Conversely, no amount of effort can fully overcome facilities that are outgrown, disorganized, lacking in equipment, and/or positioned in the wrong place.

We will carefully develop and record an understanding of strategic goals of the fleet maintenance organization and the tactics used to maintain and repair vehicles and equipment now and into the future. Our goal in this task is to establish the future master planning concept and direction for the new fleet maintenance facility that will meet the organization's maintenance and repair needs for the next several years. The concept will be aligned with the goals and vision of the fleet maintenance organization and others that will benefit from the proposed facilities.

We will conduct a space needs assessment that will identify gross space requirements by major area type (shop space, shop support areas, administrative space, and employee amenities). Our space needs assessment will be based on workload and workforce requirements and the types



of work to be performed at/from the new centralized fleet maintenance facility that resulted from our work in the previous task.

We will identify and project sizes for the fleet maintenance shop (e.g. repair bays, small engine repair shop, etc.), administrative areas (e.g., offices, workstations, shared space, etc.), shop support areas (e.g., parts room, reference library, etc.), employee amenities (e.g., locker rooms, training area, etc.), and circulation within the facility. If specialty areas are required (e.g., pump testing pit for fire truck pumper testing) we will include these areas as necessary. Gross square footage will be calculated for each of these general areas as identified above.

We will also estimate exterior area required for the fleet maintenance operation. This includes staging areas for the ready line and dead line; parking for employees and visitors; refuse and waste oil; vehicle washes; and staging for other functions as necessary such as vehicles waiting for auction. Our budget for this task assumes a virtual⁶ facility and does not include any formal drawings, diagrams, etc. We will provide space requirements for the general areas in tabular format. However if facility layouts are requested, we will provide a price quote for the additional task. WHAT TYPE OF DRAWINGS

Task 5: Report Findings, Conclusions and Recommendations

We will document all findings, conclusions and recommendations in a formal project report. We will submit it in draft form for review and comment and make revisions as necessary based on written feedback received from the Equipment Services Division or other project stakeholders. The final document will be delivered electronically.

We have not included any presentations in our project budget since it is unknown if one will be required. However, if it is determined to be of value at a later time we will be happy to develop a quote for the additional services.

Project Schedule

We anticipate that the draft report associated with this proposed scope of work can be delivered in approximately 16 weeks of receiving all of the requested data and information or the date of the initial project visit, whichever is later. Our firm has a well-established track record of completing projects on time and within budget. Our large staff of permanent, full-time consultants provides us with unparalleled capacity to meet our client's timeline requirements and to move additional resources as dictated by circumstances.

Key determinants of the timetable will be the speed with which the City is able to provide the information and data we will need to conduct the project, the availability of staff to meet with us, and turnaround time for review of draft deliverables. A detailed project schedule is included in the Appendix.

⁶ Virtual facility is not limited by existing physical structures, land, or other restrictions.



Subcontractors

Mercury Associates, Inc. has the resources (as the largest dedicated fleet management consulting firm in North America) and the expertise within our firm and therefore does not plan on teaming with any other firms to complete the evaluation of fleet maintenance practices and the development of fleet maintenance facility space requirements for the City of Fresno Fire Department.

Project Staffing

Our consultants are the strength of our firm and are among the foremost experts in the fleet management field. They tackle challenges that require a degree of technical sophistication and analytical rigor that simply cannot be found anywhere else. Our consultants are recognized industry experts in virtually every area of fleet management including operations, finance, leasing, maintenance, information technology, fuel including alternative fuels, and safety, among others. Moreover, since most of our consultants have spent decades actually managing fleets, we offer clients practical advice and solutions that work in real world situations - not just on paper.

The staff that we are proposing for this engagement will include one owner as Project Director and other senior professionals. Note that we will be dedicating at least four staff to this project. It is our experience that projects of this type require significant effort to be done correctly. A one or two person team, in our view, would simply be insufficient to meet the City's needs. Moreover, since we have by far the largest staff in the fleet consulting industry we can bring bona fide experts in fleet functional areas such as competitiveness, leasing, facilities space needs assessments, life-cycle cost analysis, and information management to this project. Other firms can only offer generalist consultants who lack the in-depth knowledge of specialty areas of fleet management that we can provide to the City. Other members of our firm will be used as their areas of expertise are required.

We have only included biographies for the three owners of Mercury and for our senior project team members. Résumés are provided in the Appendix.

Paul Lauria is the President of Mercury Associates and is located in our Rockville, MD headquarters office. Over the last 29 years, he has provided consulting and management training services to hundreds of corporate, investor-owned utility, and federal, state, and local government fleet operations touching on virtually every facet of fleet management. His particular areas of expertise also include program evaluation, strategic business planning, cost of service analysis, charge-back rate development, and replacement planning and financing. Before co-founding Mercury, Mr. Lauria was a Vice President in Maximus, Inc., a publicly held management consulting firm, where he served as national director of fleet management consulting services. Before joining Maximus in 1992, he was a Senior Manager in the National Transportation





Consulting Group of Ernst & Young, which he joined in 1984. Prior to this, he was a transportation program analyst with the North Carolina Department of Transportation and Durham (NC) Transit. He holds a Master's Degree in Transportation Planning from the University of North Carolina.



Randy Owen, CAFM is Senior Vice President of Mercury Associates and is located in our Charlotte, NC office. He has 19 years of experience as a fleet manager and fleet management consultant, and is a nationally recognized expert in fleet management best practices and in the areas of fleet management outsourcing and managed competition. His areas of expertise also include fleet utilization analysis and rightsizing, and performance measurement and benchmarking. Before co-founding Mercury Associates, Mr. Owen was a Senior Manager in Maximus, Inc. Prior to this he served as the fleet manager for the City of Charlotte and for the Los Angeles County Department of Public Works and worked as an independent consultant. He holds a Master's Degree in Political Science from the University of California at Los Angeles.

Brad Kelley, is a Senior Vice President in Mercury Associates with 15 years of experience in the fleet management profession. He is the director of Mercury's Houston, TX-based cloud computing and information technology consulting services. Mr. Kelley has assisted a number of prominent organizations with information technology projects including the implementation of stand-alone and web-based fleet and fuel management information systems; assessments of the performance and use of existing fleet systems; the implementation of platform and network upgrades; the conduct of fit-gap analyses of commercial off-the-shelf ERP systems; and the design and development of specialized analytical and management reporting tools for fleet managers. Before co-founding Mercury Associates, Mr. Kelley was a Manager in the Maximus, Inc. Fleet Group. Prior to this, he worked in the Fleet Management Department of Sarasota County, FL. He holds a Master's Degree in Public Administration from Southern Illinois University.



Tony Yankovich is a Senior Manager in Mercury Associates with more than 25 years' experience as a management analyst and consultant in the fleet management and public works areas. Mr. Yankovich specializes in serving state and local governments, universities and private companies in the provision of fleet management consulting services, management operations reviews, facilities space needs assessments, and development of facilities master plans. Prior to joining Mercury Associates, he was Senior Manager in the Fleet and Facilities Division of Eclipse, a division of Bucher, Willis & Ratliff Corporation, and Senior Consultant with Maximus, Inc. Before beginning his consulting career, he worked for the Unified Government of Wyandotte County and Kansas City, KS where he held several management positions in the Public Works, Operations Services, and County Clerk departments. Mr. Yankovich's particular areas of expertise include program evaluation; productivity and competitiveness assessments; fleet replacement planning and financing; maintenance facilities reviews and facilities space needs assessments. He holds a Bachelor's Degree in Sociology from the University of Kansas.





Keith Grant is a Manager in Mercury Associates who has 29 years of experience in the fleet management profession. Prior to joining Mercury, he spent 17 years as the Director of Fleet Management for Pinellas County, FL, directing an organization that managed and maintained a County-wide fleet of more than 3,300 units. Before that, he spent 22 years in public transit, serving as maintenance superintendent for a fleet of 400+ units, and as a maintenance technician and supervisor for a large local government jurisdiction, St. Petersburg, FL. A former ASE-Certified Master Technician, Mr. Grant successfully navigated the transition from wrench turner to enterprise-wide fleet manager. He is experienced in the deployment and use fleet management information systems, fleet cost charge-back systems and revolving funds, vehicle and equipment replacement planning models, automated fuel management systems, vehicle specification development, vehicle acquisition, and regulatory compliance for fuel sites. Mr. Grant possesses a combination of first-hand experience with, and deep knowledge of vehicle and equipment technology, and experience running a large, successful fleet management organization that is rare in the fleet management and fleet management consulting profession.



Len Bammer is a Manager with Mercury Associates and works from our Denver office. He has worked as a consultant with Mercury for the past eleven years. Prior to this, Mr. Bammer had more than 20 years' experience as a public-sector fleet manager, his last position was as the General Superintendent of Maintenance for the Regional Transportation District in Denver. Mr. Bammer has managed public works and transit fleets, fire and police fleets, and utility maintenance fleets ranging in size from 80 to more than 2,000 vehicles and pieces of equipment. He has been directly responsible for the development technical specifications and evaluation procedures for maintenance programs, new vehicles (including transit buses), bus and vehicle refurbishment programs and emerging technologies. His private sector experience includes Denver & Rio Grande Western Railroad, Rocky Mountain Airways, and Vail Transportation Services. He is a past Chairman of the Board of the Rocky Mountain Fleet Management Association and a former Associate Member of the Society of Automotive Engineers.



Ralph Filicko is a Manager with Mercury Associates and is located in Suffolk, VA. He specializes in the evaluation, development, implementation and administration of fleet information systems, data verification, validation and analysis. Prior to joining Mercury Associates, he was a senior project manager and implementation specialist for CCG Systems, Inc., providers of the *FASTER* Fleet Management Information System, where he successfully managed and performed implementation and fleet system installations for more than 50 city, county, state and federal fleet operations. As a 20 year Army career veteran, Mr. Filicko managed service and support operations for military based trade schools and field operations and holds a degree in Accounting.





Cost Proposal

FEES

Our proposed cost for this project is a firm fixed not-to-exceed price of \$89,200. This includes all professional fees and normal expenses including travel for the base services identified in this proposal. A detailed breakdown of our budget including hourly rates, expenses, etc. is provided in the Appendix.

We wish to reiterate that we have proposed a very thorough and technically rigorous study approach and work plan based on the extensive and specific scope of work included in the City's RFP. Our cost proposal reflects this. We realize that other respondents may propose lower billing rates and/or total project fees and expenses than we are proposing. Nonetheless, we believe that a careful comparison of our proposed services, the experience of our project team, and our prior experience providing fleet management consulting services with those of any other respondent will convince the City that our cost proposal is quite competitive.

As stated earlier, however, we are open to exploring ways to reduce the cost of the project by modifying our approach and work plan if it is important to the City to do this to adhere to budget or other constraints that apply to the study.

Payment

We propose to submit progress payment invoices to the City on a monthly basis for the estimated percentage of work completed on each work plan task through the end of the prior month. These estimates would be based on the details of a progress report submitted with each invoice. Our standard payment terms are Net 30 and payment can be made by check, EFT, or credit card.

References

Client	Description of work performed	Client contact information
Kent WA Fire Department Project Date: 2014-15 Project Cost: \$68,700	The Kent Regional Fire Authority (RFA) retained Mercury Associates, Inc. in 2014 to evaluate various aspects of its Fleet Vehicle Maintenance programs. The scope of work commissioned by the department included fleet maintenance and repair practices, fleet replacement practices, facility space requirements, and fleet management information system needs.	Mark Jones Battalion Chief 253-856-4350 mjones@kentfirefa.org



Proposal to Provide
Fleet Management Consulting Services

Client	Description of work performed	Client contact information
 City of Norman, OK Project Date: 2013-14 Project Cost: \$83,580 	Mercury conducted a comprehensive review of the fleet management and maintenance practices for the City's fleet of 900 vehicles and pieces of equipment valued at \$65 million in 2013. The objective of the study was to identify opportunities to improve the operation and reduce costs. Subsequent to the initial study the City engaged Mercury (2014) to conduct a fleet rightsizing study to determine if there was a possibility to reduce the size of the fleet and decrease overall fleet costs. The City fleet organization maintains and repairs all Fire Department specialty and support vehicles and equipment.	Shawn O'Leary, P.E. Director of Public Works 405-366-5453 Shawn.OLeary@NormanOK.gov
Orange County (FL) Fire Department Project Date: 2014 Project Cost: \$48,200 	Mercury conducted a review of fleet maintenance and repair practices for the Orange County (FL) Fire Department fleet operation. The Department maintains all specialty fire apparatus in a shop that is co-located with the County fleet maintenance operations.	John Westmoreland Battalion Chief 407.836.8233 John.Westmoreland@ocfl.net
City of San Antonio Fire Department Project Date: 2012-13	Mercury completed a study of fleet maintenance and repair operations for the City of San Antonio Fire Department. The objective of the review was to provide SAFD with the foundation to improve	Steve Reuthinger III Stephen.Reuthinger@sanantonio.gov



Proposal to Provide
Fleet Management Consulting Services

Client	Description of work performed	Client contact information
Project Cost: \$49,500 	internal business processes and practices in order to become more effective supporting SAFD operations. The Department owns and operates 415 specialty fire apparatus and support vehicles and pieces of equipment.	
Sarasota County, Florida Project Date: Several engagements since 2006 including current project Project Cost (all): \$200,000 	Mercury has worked with Sarasota County Equipment Services Division a number of times over the past 10 years. Projects have included a review of fleet maintenance and repair practices, analysis and development of long-term fleet replacement plans, development of a fleet maintenance facility program of space needs, and a review of motor pool operations. The County fleet organization is responsible for maintenance and repair of all County fire apparatus, rescue units and support fleet for the Fire Department.	Greg E. Morris, CEM Manager, O&M Fleet Services Sarasota County gmmorris@scgov.net 941-861-9621



Appendix

Detailed Project Budget

Exhibit A – Cost Proposal

Project Schedule

Disclosure of Conflict of Interest

Addendum 1

Résumés



Detailed Project Budget

Task		Project Director			Project Manager			Lead Analyst			Analyst			Total	
#	Task	Hourly Rate	Hrs	Cost	Hourly Rate	Hrs	Cost	Hourly Rate	Hrs	Cost	Hourly Rate	Hrs	Cost	Total Hrs	Total Cost
1	Initiate and manage the project	\$ 225	8	\$ 1,800	\$ 190	16	\$ 3,040	\$ 175	0	\$ -	\$ 150	0	\$ -	24	\$ 4,840
2	Collect and analyze fleet cost and performance data	\$ 225	2	\$ 450	\$ 190	8	\$ 1,520	\$ 175	16	\$ 2,800	\$ 150	40	\$ 6,000	66	\$ 10,770
3	Evaluate fleet management and maintenance practices	\$ 225	8	\$ 1,800	\$ 190	80	\$ 15,200	\$ 175	88	\$ 15,400	\$ 150	0	\$ -	176	\$ 32,400
4	Develop fleet maintenance facility space requirements	\$ 225	2	\$ 450	\$ 190	40	\$ 7,600	\$ 175	80	\$ 14,000	\$ 150	0	\$ -	122	\$ 22,050
5	Report findings, conclusions, recommendations	\$ 225	8	\$ 1,800	\$ 190	16	\$ 3,040	\$ 175	16	\$ 2,800	\$ 150	0	\$ -	40	\$ 7,640
Total Professional Fees		28		\$ 6,300		160	\$ 30,400		200	\$ 35,000		40	\$ 6,000	428	\$ 77,700
Expenses															\$ 11,500
Total Project Budget															\$ 89,200



Exhibit A - Cost Proposal

Should the City desire additional services beyond the proposed scope of this project, the following billable rates will be used to develop the cost proposal. We have only included Mercury staff that is anticipated to be used on any further consulting projects with the City of Fresno.

Professional Billing Rates

Position	Name	Hourly Billing Rate
President	Paul Lauria	\$225
Senior Vice President	Randy Owen Brad Kelley	\$215
Senior Manager	Tony Yankovich Janis Christensen Willie Gookin	\$190
Manager	Len Bammer Ralph Filicko Keith Grant	\$175
Senior Consultant	Sarah Hollis Scott Conlon David Burtnick Tom Adams Dave Seavey Bannu Hurtig Carita Adams Nancy Deras Adlore Chaudier Gary Hatfield Richard Simon	\$150
Consultant	Rishi Gulhar	\$140

Project Expenses

Expense Item	Reimbursement Rate
Travel (hotels, airfare, rental cars, food, parking, etc.)	To be reimbursed at actual cost
Mileage (personal vehicle)	To be reimbursed at the current IRS rate
Printing of reports, handouts, and other information (normal and customary)	No charge
Printing beyond normal and customary	To be reimbursed at actual cost



Proposed Project Plan for the City of Fresno



DISCLOSURE OF CONFLICT OF INTEREST

[Project Title]

PROJECT TITLE

		YES*	NO
1	Are you currently in litigation with the City of Fresno or any of its agents?	☐	☒
2	Do you represent any firm, organization or person who is in litigation with the City of Fresno?	☐	☒
3	Do you currently represent or perform work for any clients who do business with the City of Fresno?	☐	☒
4	Are you or any of your principals, managers or professionals, owners or investors in a business which does business with the City of Fresno, or in a business which is in litigation with the City of Fresno?	☐	☒
5	Are you or any of your principals, managers or professionals, related by blood or marriage to any City of Fresno employee who has any significant role in the subject matter of this service?	☐	☒
6	Do you or any of your subcontractors have, or expect to have, any interest, direct or indirect, in any other contract in connection with this Project?	☐	☒
* If the answer to any question is yes, please explain in full below.			

Explanation: _____

Randall G. Owen
Signature

07/02/2015
Date

Randall G. Owen
(Name)

Mercury Associates, Inc.
(Company)

7361 Calhoun Place, Suite 680
(Address)

Rockville, MD 20855
(City, State and Zip)

☐ Additional page(s) attached.



City of

Finance Department
Michael Lima, Director

Purchasing Division - (559) 621-1332 - FAX (559) 488-1069 - www.fresno.gov
2600 Fresno St. Room 2156
Fresno, California 93721-3622

ADDENDUM NO 1

FLEET MANAGEMENT CONSULTING SERVICES FOR FRESNO FIRE DEPARTMENT SHOP FACILITY NEEDS ASSESSMENT AND FLEET OPERATIONS REVIEW Bid# 060215

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of 3:00 P.M., July 7, 2015.

All changes and or clarifications will appear in **bold underlined type**.

1. Are we to develop or identify possible funding sources for the improvements?

We do not want them to identify funding sources

2. Given the holiday weekend, is it possible to extend the due date by one week?

We will not extend the date.

City of Fresno



GARY WATAHIRA
Purchasing Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: Randall J. Owen

Company: Mercury Associates, Inc.

This addendum is being distributed by FAX only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

Addenda to date:
July 1, 2015



Expertise

- Business process mapping, evaluation, and reengineering
- Performance measurement and benchmarking
- Strategic business planning
- Fleet rightsizing
- Activity-based costing and cost charge-back system design
- Vehicle life cycle cost determination
- Vehicle replacement cycle optimization
- Fleet management outsourcing feasibility assessment and facilitation
- Replacement planning and modernization business case analysis
- Evaluation of alternative capital financing approaches

Education

- MRP in Transportation, University of North Carolina at Chapel Hill, 1984
- BA in History, Guilford College, 1980

Organizations

- NAFA, The Fleet Management Association
- American Public Works Association
- National Conference of State Fleet Administrators

Mr. Lauria is the President of Mercury Associates, Inc. Over his 30-year consulting career, he has worked with a wide array of organizations in the public and private sectors touching on virtually every facet of fleet management and operation. He has conducted presentations and workshops on fleet management best practices for almost 50 organizations in 20 countries around the world; directed research studies for entities such as the NAFA Foundation, the RAND Corporation, and the National Cooperative Highway Research Program; and served as an expert witness in several class-action lawsuits and arbitrations. He also has authored articles for a large number of transportation and fleet industry journals. Mr. Lauria has directed or participated in fleet management consulting projects in more than half the states in the US; was a founding member of the National Conference of State Fleet Administrators (NCSFA) in 1986, and received the association's Distinguished Service Award in 2008.

Prior to co-founding Mercury Associates in 2002, he held positions as Vice President and Director of Fleet Management Consulting Services for Maximus, Inc.; Senior Manager in the National Transportation Consulting Group of Ernst & Young; and transportation analyst with the North Carolina Department of Transportation and Durham (NC) Transit.

Fleet Management Best Practices Studies

Mr. Lauria has directed evaluations of fleet management practices for large and small organizations across a wide array of industries, including numerous state government agencies. A sample of clients with whom he has worked in this area includes:

- **Air Products; Carolinas HealthCare System; Hunt Brothers Pizza; Joerns, Laidlaw; Lighting Maintenance, Inc.; Mathews International; Praxair; QEK; Shell Canada; Sprint; Terra Renewal; Walt Disney World Company**
- **Cities of Baltimore, Boston, Charlotte, Chicago, Honolulu, Los Angeles, New Orleans, Salt Lake City, San Francisco, Toronto, Washington, DC**
- **Counties of Bexar, TX; Chester, PA; Fairfax, VA; Harris, TX; Hillsborough, FL; Jefferson, CO; Los Angeles; Loudoun, VA; Montgomery, MD; Monroe, FL; Nashville-Davidson, TN; Orange, CA; Orange, FL; Pinellas, FL; Sacramento, CA; Saint Louis, MO**
- **States of Alabama, Colorado, Connecticut, Iowa, Michigan, Minnesota, Missouri, New Jersey, North Carolina, Rhode Island, South Carolina, Utah; US Virgin Islands; Province of Saskatchewan; Yukon Territory**
- **Canada Post Corporation**
- **Fort Campbell US Army Base and Fort Hood US Army Base (with RAND Corporation)**
- **US Department of the Interior, National Wildlife Refuge System**
- **NASA**

Fleet Replacement and Alternative Capital Financing Studies

Mr. Lauria designed Mercury's optimal vehicle replacement cycle determination and fleet replacement planning methodologies and tools, based on work he has performed since the late 1980's to assist organizations in evaluating their fleet replacement practices. Key services he has provided in this area include determining optimal replacement cycles for specific types of assets; evaluating rebuild versus replacement programs; modeling long-term fleet replacement costs; developing business case analyses to justify fleet modernization programs; and evaluating alternative capital

Awards

Distinguished Service Award,
NCSFA, 2008

Years of Experience

31

financing methods such as buy outright versus borrow versus lease. Examples of the organizations to whom he has provided such services include:

- **Air Products, Alyeska Pipeline Service Company, Mulzer Crushed Stone; Toyota Tsusho**
- **Cities of Baltimore, Boston, Chicago, Colorado Springs, Houston, Long Beach, Minneapolis, New Orleans, Philadelphia, Richmond, Sacramento, Salt Lake, San Antonio, San Diego, Seattle, Tampa, and Washington, DC**
- **Counties of Harris, TX; Howard, MD; Jefferson, AL; Jefferson, CO; Loudoun, VA; Orange, FL; Salt Lake, UT; San Luis Obispo, CA; Pinellas, FL; Sarasota, FL**
- **States of Alabama, Connecticut, Georgia, Illinois, New Mexico, New York, Rhode Island, Utah, Virginia; provinces of Ontario and Saskatchewan; Yukon Territory**

Vehicle and Fleet Cost Determination and Cost Charge-Back Studies

Mr. Lauria is a nationally recognized expert in the determination of both vehicle and fleet costs. In the area of vehicle cost determination, he has utilized life cycle cost analysis methods to analyze asset replacement cycles and, by implication, the effectiveness of organizations' fleet replacement practices. He has used similar techniques as an expert witness in class-action lawsuits with tens of millions of dollars in claims resulting from the under reimbursement of employees for the use of their personal vehicles for business purposes. Activity-based costing methods are the centerpiece of his work in assessing the cost competitiveness of organizations' fleet management practices; determining the costs/savings associated with outsourcing (or insourcing) specific fleet management functions, and evaluating and/or developing internal cost charge-back programs and rates. Some of the clients with whom he has worked in these areas include:

- **Cities of Baltimore, Chicago, Milwaukee, Long Beach, Phoenix, Sacramento, San Antonio, Salt Lake, and Washington, DC**
- **States of Connecticut, Illinois, Michigan, Oregon, Rhode Island, and Virginia**
- **More than half a dozen prominent law firms**

Fleet Rightsizing Studies

Mr. Lauria worked on his first fleet rightsizing study, for Georgia Power Company, in 1985. Since then, he has participated in or directed projects aimed at optimizing fleet size and composition for dozens of large and small organizations. Prominent clients with whom he has worked in this area include:

- **Cities of Baltimore, New Orleans, San Francisco, Salt Lake, Seattle, Tampa, and Washington, DC**
- **States of Alabama, Alaska, Colorado, Connecticut, Georgia, Iowa, Missouri, Nevada, New York, Ohio**
- **Port Authority of New York and New Jersey**



Randy Owen, CAFM is Senior Vice President of Mercury Associates and is located in our Charlotte, NC office. He has 20 years of experience as a fleet manager and fleet management consultant, and is a nationally recognized expert in fleet management best practices and in the area of fleet management outsourcing. His areas of expertise also include fleet utilization analysis and rightsizing, and performance measurement and benchmarking. Mr. Owen has personally worked on 200 fleet study projects during his career.

Before co-founding Mercury Associates, Mr. Owen was a Senior Manager in the fleet consulting practice of Maximus, Inc. Prior to this he served as the fleet manager for the City of Charlotte and for the Los Angeles County Department of Public Works.

Expertise

- Project Management
- Strategic Planning
- Financial Analysis
- Cost of Service and Rate Design Studies
- Best Practices Assessments
- Outsourcing Feasibility Studies
- Fleet Replacement Modeling and Planning
- Fleet Rightsizing
- Benchmarking

Education

- M.A. in Public Administration, University of California at Los Angeles 1983
- B.A. in Political Science, University of California at Los Angeles 1981

Organizations

- NAFA, The Fleet Management Association
- Rocky Mountain Fleet Managers Association
- American Public Works Association

Certification

- Certified Automotive Fleet Manager (NAFA)

Operational Reviews

- Mr. Owen has assisted some of the most prominent government jurisdictions in North America review fleet program costs and performance. In most of these studies the central fleet operation supported solid waste. A representative list of clients for which he has provided these services include:
- **NASA, Washington DC** – National Fleet Performance Review, Particular Focus on Johnson Space Center in Houston
- **Department of Homeland Security, Washington DC** – Fleet Program Support (On-going) Including Annual Policy Compliance Reviews, Fleet Rightsizing Reviews Across all Components, and Fleet Procurement Support
- **State of California** – Cost and Performance Benchmarking Study
- **State of Wisconsin** – Centralization Feasibility Study
- **State of Alaska** – Operations Review and Fleet System Study
- **City of San Antonio, Texas** – Fire Fleet Performance Review, Water System Fleet Performance Review, City-wide Alternative Fuels feasibility Study
- **City of Phoenix, Arizona** – Benchmarking Study
- **City of Sacramento, California** – Fleet Operations Review
- **City of San Francisco, California** – Operations Review and Best Practice Study
- **City of Orlando, Florida** – Operations Review and Best Practice Study
- **City of Tacoma, Washington** – Police Take-Home Vehicle Cost/Benefit Study
- **City of Seattle, Washington** – Water Utility fleet Operations Review
- **City of Boise, Idaho** – Fleet Strategic Plan
- **City of Portland, Oregon** – Customer Service Review
- **City of Atlanta, Georgia** – Performance Review and Benchmarking
- **Suncor Energy, Alberta Canada** – Operations Review and Fleet System Study
- **BNSF Railways, Texas** – Fleet Leasing Review

Years Experience

25

Outsourcing Feasibility Studies and Procurements

Mr. Owen is one of the leading experts in the country on fleet outsourcing. His experience in this area began in Charlotte where he successfully won a managed competition. Since then he has worked on dozens of fleet outsourcing and procurement projects. Clients and projects for which he has provided these services include:

- **City of San Clemente, CA** – Fleet Maintenance Contract Review and Evaluation of Alternatives Including Renegotiate Contract with First Vehicle Services, New Procurement, and Bring Services In-house.
- **City of Wilmington, Delaware** – Fleet Maintenance Services RFP, Evaluation, Contract Negotiations, Transition Services, and Performance Monitoring
- **City of Edmond, Oklahoma** – Competitiveness Assessment for Fleet Services
- **Tinker Air Force Base, Oklahoma** – Fleet Maintenance Services RFP
- **City of Dallas, Texas** – Fleet Maintenance RFP
- **City of Houston, Texas** – Managed Competition for Police Fleet Maintenance Services
- **Harris County, Texas** – Outsourcing Feasibility Study for Law Enforcement Vehicle Upfitting
- **City of Fort Worth, Texas** – Managed Competition for Fleet Maintenance Services
- **City of Brownsville, Texas** – Transit Fleet Maintenance RFP, Proposal Review, and Contract Negotiation
- **Shelby County, Tennessee** – Managed Competition for Fleet Maintenance Services
- **State of Florida** – Outsourcing Feasibility Study and Strategic Business Plan
- **City of Arlington, Texas** – Managed Competition for Fleet Maintenance Services
- **City of Dunedin, Florida** – Competitiveness Assessment for Fleet Services
- **San Diego County, California** – Managed Competition for Fleet Maintenance Services
- **Virginia DOT** – Fleet Maintenance Managed Competition
- **United Nations, New York and Geneva** – Worldwide Cooperative Fleet Procurement Initiative Including Fleet Standardization, Technical Specifications, and Procurement Support

Fleet Replacement Plans

Mercury's staff work with clients to determine optimal replacement cycles by completing life-cost analysis, to develop long-range fleet capital plans, and to assess the pros and cons of alternative financing approaches including reserve funds and leasing. These studies allow clients to lower the total cost of ownership of their fleets by developing a rational replacement program supported by rigorous financial modeling. A representative list of clients Mr. Owen has served in this area include:

- **State of South Carolina** – Replacement Funding Requirements Study
- **Florida DOT** – Fleet Replacement and Alternative Financing Study
- **City of San Antonio, Texas** – Fleet Replacement Model
- **Los Angeles County, California** – Life-cycle Cost Analysis and Capital Plan
- **City of San Antonio, Texas** – Long-range Fleet Replacement Plan
- **City of Corpus Christi, Texas** - Long-range Fleet Replacement Plan
- **City of Seattle, Washington** – Water Utility Long-range Fleet Replacement Plan
- **City of Tacoma, Washington** – Long-range Fleet Replacement Plan

- **Mecklenburg County, North Carolina** – Fleet Size and Replacement Planning Study
- **City of Asheville, North Carolina**– Fleet Replacement and Best Practices Review
- **City of Scottsdale, Arizona** – Fleet Replacement Model
- **City of Palo Alto, California** – Fleet Funding Requirements Study
- **City of Peoria, Arizona** – Replacement Funding Analysis
- **City of Palo Alto, California** – Fleet Funding Requirements Study

Fleet Rightsizing Studies

Optimizing the size of a fleet is one of the best ways to reduce costs. Even underutilized vehicles consume fuel and require maintenance – often at a much higher cost per mile than vehicles that are well used. More importantly, all vehicles lose value every day and so selling unused vehicles is a prudent financial decision.

Mercury works with clients to identify vehicles that are both underutilized and less critical on a relative basis and also helps identify alternatives to permanent vehicle assignment including pooling, rentals, and mileage reimbursement. Projects completed by Mr. Owen include:

- **State of California** – State-wide Fleet Rightsizing Study (resulting in a reduction of 3,500 vehicles and projected savings of \$50 million)
- **Harris County, Texas** – Rightsizing and Mileage Reimbursement Study
- **City of Corpus Christi, Texas** – Fleet Size Review
- **City of Salt Lake City, Utah**– Fleet Size and Composition Study
- **City of Seattle, Washington**– Water Utility Fleet Size and Composition Study
- **City of North Bay, Ontario** – Fleet Size and Composition Study
- **Western University, Ontario** – Fleet Size and Composition Study
- **Santa Clara County, California** – Parks Fleet Size and Composition Study
- **Duke University, North Carolina** – Fleet Size and Composition Study
- **City of South Lake Tahoe, California** – Fleet Size and Composition Study
- **City of Austin, Texas** – Water Utility Fleet Rightsizing Study
- **City of Duluth, Minnesota** – Vehicle Allocation Model

Tony Yankovich Senior Manager

MERCURY



Expertise

- Project Management
- Best Practices Assessments
- Fleet Rightsizing
- Benchmarking
- Space Needs Assessments
- Facilities Master Plans
- Fleet Replacement Modeling and Planning
- Financial Analysis
- Cost of Service and Rate Design Studies
- Outsourcing Feasibility Studies

Education

- B.A. in Personnel Administration/Sociology, University of Kansas 1986

Organizations

- NAFA, The Fleet Management Association
- American Public Works Association

Years of Experience

25

Mr. Yankovich is a Senior Manager in Mercury Associates with more than 25 years' experience as a management analyst and consultant in the fleet management and public works areas. Mr. Yankovich specializes in serving state and local governments, universities and private companies in the provision of fleet management consulting services, management operations reviews, facilities space needs assessments, and development of facilities master plans. Prior to joining Mercury Associates, he was Senior Manager in the Fleet and Facilities Division of Eclipse, a division of Bucher, Willis & Ratliff Corporation, and Senior Consultant with Maximus, Inc. Before beginning his consulting career, he worked for the Unified Government of Wyandotte County and Kansas City, KS where he held several management positions in the Public Works, Operations Services, and County Clerk departments.

Fleet Management Best Practices Studies

Mr. Yankovich has worked with more than a hundred federal agencies, states, counties, cities, and universities to improve their fleet program costs and performance. A representative list of clients for which he has provided these services include:

- NISH; SCR Medical Transportation; Suncor Energy
- Cities of Annapolis, MD; Baltimore; Boston; Colorado Springs; Duluth, MN; Fort Worth, TX; Hillsboro, OR; Huntington Beach, CA; Hyattsville, MD; Kent, WA; Louisville, KY; Norman, OK; North Las Vegas; Orlando; Saginaw, MI; Saint John, NB; San Antonio; Scottsdale, AZ; Sioux Falls, SD; St. Louis; Toronto; University City, MO; Vancouver, BC; Washington DC, Wentzville, MO
- Counties of Albemarle, VA; Bexar, TX; Chesterfield, VA; Genesee, MI; Harris, TX; Jefferson, CO; Johnson, IA; Kane, IL; Loudoun, VA; Marion, OR; Montgomery, MD; Monroe, FL; Orange, CA; Orange, FL; San Bernardino, CA; Sarasota, FL; Scott, IA; Wake, NC
- States of California; Florida; Michigan; Oregon; South Carolina
- US Department of Energy; Department of Homeland Security; National Park Service
- NASA
- Universities of Alaska; Arkansas (Little Rock); California Polytechnic State University Iowa; Massachusetts; Miami (OH); Sam Houston State;

Fleet Replacement and Alternative Capital Financing Studies

Mr. Yankovich has assisted numerous organizations in evaluating their fleet replacement practices. Key services he has provided in this area include determining optimal replacement cycles for specific types of assets; evaluating rebuild versus replacement programs; modeling long-term fleet replacement costs; developing business case analyses to justify fleet modernization programs; and evaluating alternative capital financing methods such as buy outright versus borrow versus lease. Examples of the organizations to whom he has provided such services include:

- Cities of Baltimore, Boston, Chandler, AZ; Colorado Springs, Las Vegas; Peoria, AZ; Philadelphia, San Antonio, Seattle, Tacoma, WA; Topeka, KS; Waterford, CT

- Counties of Anderson, SC; Harris, TX; Jefferson, AL; Jefferson, CO; Los Angeles; Loudoun, VA; Orange, FL; Sarasota, FL, Seattle; Ventura, CA; Wake, NC
- States of Florida, New Mexico, New York, Oregon; South Carolina; Virginia

Fleet Rightsizing Studies

Mr. Yankovich has participated in or directed projects aimed at optimizing fleet size and composition for dozens of large and small organizations. Prominent clients with whom he has worked in this area include:

- Cities of Baltimore; Boston; Clearwater, FL; Colorado Springs; Duluth, MN; Norman, OK; Seattle; University City, MO
- Counties of Bexar, TX; Jefferson, AL; Loudoun, VA;
- States of California; Florida, New York
- National Park Service
- US Marine Corps

Fleet Facility Master Plans and Operational Assessments

Mr. Yankovich has been developing fleet maintenance facility master plans for over 10 years. The projects range from evaluating current facilities to determine if they support the fleet maintenance operation to developing detailed facility master plans that identify individual space requirements and unique characteristics of each office, room, shop, area, etc. Projects completed include:

- Cities of Annapolis; Boston; Brentwood, CA; Colorado Springs; Corpus Christi, TX; Hyattsville, MD; Kent, WA; Louisville, Oxnard, CA; Pullman, WA; San Francisco; Sioux Falls, SD; St. Louis; Toronto; Vancouver, BC; Washington, DC
- Counties of Chesterfield, VA; Genesee, MI; Kane, IL; Montgomery County, MD; Sarasota, FL
- The state of New York



Keith Grant is a Manager with Mercury Associates. Over his 30 year fleet management career, he has directed and supervised large local government and public transit fleets. A former ASE-Certified Master Technician, Mr. Grant successfully navigated the transition from wrench turner to enterprise-wide fleet manager. Mr. Grant possesses a combination of first-hand experience with and deep knowledge of vehicle and equipment technology and fleet management organization management that is rare in the fleet management and fleet management consulting profession.

Prior to joining the firm, he spent 17 years as the Director of Fleet Management for Pinellas County, FL, directing an organization that managed and maintained a County-wide fleet of more than 3,300 units. Prior to that, he spent 22 years in public transit, serving as maintenance superintendent for a fleet of 400+ units, and as a maintenance technician and supervisor for a large local government jurisdiction, St. Petersburg, FL.

Expertise

- Deployment and use of fleet management information systems
- Performance measurement and benchmarking
- Fleet rightsizing
- Activity-based costing and cost charge-back systems and revolving funds
- Vehicle and equipment replacement planning models
- Vehicle specification development
- Vehicle acquisition
- Fleet inventory and parts management strategies
- Automated fuel management systems
- Fuel site management and regulatory compliance
- Preventive Maintenance Strategies

Education

- St. Petersburg College, Business Administration, Computer Literacy, Total Quality Management
- ICMA Performance Measurement
- Emergency Management Institute, IS00100 & IS00700
- National Institute for Storage Tank Management

Fleet Management Best Practices Studies

Mr. Grant has served on project teams for evaluations of fleet management practices for large and small organizations. Most of these studies included the evaluation of fleet fuel management practices:

- **Gulf Stream Marine (GSM)**
- **City of Toronto**
- **Loudoun County, VA**
- **Lighting Maintenance, Inc.**
- **The State of Oregon Department of Transportation**
- **State of New York Office of General Services**
- **City of Baltimore, Department of General Services**
- **Orange County Fire and Rescue Department (OCFRD)**
- **Olympia Fire Department**
- **Kent Fire Department (KFD)**

Fleet Fuel Management Studies

Mr. Grant's lengthy career and expertise in fleet fuel management and regulatory compliance has allowed him to serve on multiple project teams for studies focusing on fleet fuel management practices, and infrastructure. Much of this work has been done as part of larger, comprehensive fleet management best practices studies. However, specific projects which incorporated fuel management as part of these studies include:

- **City of Toronto**
- **Lighting Maintenance Inc.**
- **City of Olympia, WA Fire Department**
- **Town of Stratford, CT.**
- **Pinellas County, FL**

- ASE Master Certified Automotive & Truck Technician
- General Motors Certified Truck and Coach Technician

Years of Experience

31

Fleet Inventory and Parts Management Strategies

Mr. Grant's lengthy career and expertise in fleet inventory and parts management strategies has allowed him to serve on multiple project teams for studies focusing on fleet inventory and parts management practices, and infrastructure. Much of this work has been done as part of larger, comprehensive fleet management best practices studies. However, specific projects which incorporated inventory and parts management as part of these studies include:

- Pinellas County, FL
- City of Toronto
- City of Baltimore
- Lighting Maintenance Inc.
- Olympia Fire Department
- Town of Stratford, CT
- Orange County Fire & Rescue Department
- Kent Fire Department

Preventive Maintenance Strategies

Mr. Grant's lengthy career and expertise in fleet preventive maintenance has allowed him to serve on multiple project teams for studies focusing on fleet preventive management practices. Much of this work has been done as part of larger, comprehensive fleet management best practices studies. However, specific projects which incorporated preventive maintenance practices reviews as part of these studies include:

- Pinellas County, FL
- City of Toronto
- Lighting Maintenance Inc.
- Olympia Fire Department
- Town of Stratford, CT
- Orange County Fire & Rescue Department
- Kent Fire Department



Expertise

- Business process mapping, evaluation, and reengineering
- Performance measurement and benchmarking
- Best practices evaluation
- Fleet rightsizing
- Activity-based costing and cost charge-back system design
- Vehicle life cycle cost determination
- Vehicle replacement cycle optimization
- Maintenance operations analysis
- Technical specifications and vehicle acquisition processes
- Fuel management systems and supply controls

Education

- BS in Business Administration, Regis University, 1990

Organizations

- RMFMA, Rocky Mountain Fleet Management Assoc. (past Regional Chairman)

Awards

Fleet Manager of the Year, 1997

Years of Experience

30

Len Bammer, Manager, has more than 30 years of experience as a public-sector fleet manager and fleet management consultant. Immediately before joining Mercury in 2003, he was the General Superintendent of Maintenance for the Denver Regional Transportation District, where he managed a fleet maintenance organization with 580 employees and an annual operating budget of \$46 million. During his 20-year professional fleet management career, Mr. Bammer also served as fleet manager for Jefferson County, CO (northwest suburbs of Denver), Larimer County, and the City of Colorado Springs. He was responsible for all vehicle replacements and disposal, multiple fleet maintenance shops and fuel facilities including specialized sites for CNG (heavy transit), fast fill, and propane. He has also conducted alternative fuel feasibility studies for the cities of San Antonio, Texas and Palo Alto, California. His particular areas of expertise include maintenance operations planning and program evaluation, vehicle life cycle cost analysis, fleet replacement planning, and fleet maintenance outsourcing feasibility determination and contractor performance evaluation and oversight.

Fleet Management Best Practices Studies

Mr. Bammer has conducted evaluations of fleet management practices for large and small organizations across a wide array of industries. Most of these studies included the evaluation of fleet fuel management practices:

- Cities of **Salt Lake City, Toronto, Saginaw, San Clemente, Annapolis, San Antonio, Prince George and Sacramento**
- Counties of **Bexar, TX; Dade, FL; Loudoun, VA; Sacramento, CA; Pinellas, FL; Berks, PA; and Ada, ID**
- States of **Alabama, Florida, New York, Yukon Territory**
- **Canada Post Corporation, SUNCOR, British Columbia Hydro**
- **Melbourne Fire Brigade (AUS)**
- **Bell Canada; Laidlaw; Goodwill Industries; Terra Renewal; Alyeska Pipeline Services Corp.; Alaska Railroad**

Fleet Fuel Management and AFV Feasibility Studies

Mr. Bammer has served as primary analyst on a number of studies focusing on fleet fuel management practices, infrastructure, and integration of alternative fuel vehicles:

- Development of bulk fuel and fuel site management standard operating procedures for the **City of Seattle**
- AFV feasibility assessment for **Bexar County, TX; Larimer County, CO**
- Evaluation of total cost of ownership for alternative fueled vehicles and development of fuel infrastructure for **City of San Antonio, TX**
- Development of fuel management system specifications and procurement for **City of Wilmington, DE.**
- Evaluate fuel support practices (including remote fueling) for **BCHydro, Vancouver, B.C.**

Vehicle and Fleet Cost Determination and Cost Charge-Back Studies

Mr. Bammer has participated in numerous projects that included detailed analysis of life cycle costs, total cost of ownership, and analysis of charge-back rates and methodologies. He has determined true activity costs, cost competitiveness of various organizations and has done comparative analysis of internal costs versus out sourced



Mr. Filicko is a Manager with Mercury Associates. He has more than 18 years' experience in computing and networked environments, fleet system's implementation services and application support and is involved in the day to day support and management of Mercury's enterprise data centers located in Houston, Texas and Seattle, Washington. He provides direct support, administration and management of hosted fleet applications.

Ralph specializes in the evaluation, development, implementation and administration of fleet management information systems, data verification, analysis and validation, and supporting technologies. Mr. Filicko's understanding of best practices in the fleet industry allows him to provide guidance in configuring fleet systems to meet each client's unique operational requirements.

Expertise

- Project Management
- Information Systems Implementation and Support
- Fleet Data Analysis
- Cost of Service and Rate Design Studies
- Best Practices Assessments
- Outsourcing Feasibility Studies
- Fleet Replacement Modeling and Planning
- Fleet Rightsizing
- System Integration
- Business Intelligence
- Management Reporting
- Benchmarking
- Inventory Management and Accountability

Education

- A.A.S., Accounting, Thomas Nelson College (Hampton, VA)

Certification

- Microsoft Certified Systems Engineer (MCSE)

Years' Fleet Experience

18

Fleet Management Information Systems Implementations

Mr. Filicko has assisted nearly 50 city, county, state and federal fleet operations to implement fleet management information systems including:

- **City of Corpus Christi, TX** – Managing transition to Asset Work's M5 FMIS
- **Gulf Stream Marine, Inc., Houston, TX** –Full FMIS implementation services - installation, configuration and user training.
- **State of Alabama** Department of Corrections – FMIS Implementation, process development, electronic interface specifications; data analysis, normalization and conversion services; user training.
- **Harris County, TX** Flood Control District - Implementation and configuration services, data normalization and conversion, business process review, system configuration, management consulting and user training.
- **Province of Saskatchewan, Central Vehicle Agency (CVA)** - Process analysis and needs assessment; FMIS RFP, system selection and implementation services; developed new cost charge-back system; provided fleet management training.
- **Cox Enterprises, Inc.** – FMIS Implementation, configuration and conversion services, data normalization and integration, interface development, system administration and reporting services
- **Harris County, TX** – FMIS implementation, interfaces, data normalization and conversion, business process review, system configuration, management consulting and user training. Custom reporting and system administration
- **NASA** – FMIS pilot implementation, interfacing and federal reporting requirements.
- **Fort Lewis, WA US Army** – FMIS Implementation, business applications, interface development
- **Tinker Air Force Base, OK** – FMIS Implementation services, electronic equipment manuals, custom reporting and training.
- **State of Missouri, DOT** – FMIS Implementation services, multifunctional data transfers and interfaces.
- Performed and managed process review, project management, implementation services, data conversion, customized interfacing and reporting during fleet management information system installation and configuration for more than 35 additional fleet operations including, but not limited to:

- City of Fort Worth , TX
- City of Madison, WI
- Town of Castle Rock, CO
- City of Bakersfield, CA
- City of Elk Grove, CA
- City of Goodyear, AZ
- City of Irving, TX
- Airport Services, LAX, CA
- Boulder County, CO
- City of North Las Vegas, NV
- Municipal Light and Power, Anchorage, AK
- Phoenix Aviation, AZ
- Volusia County Fleet Services, FL
- City of Fayetteville, NC
- Washington DC Fleet Services

Fleet Data, Systems and Operational Reviews and Services

Mr. Filicko has also participated in more than 50 systems related operational reviews and service projects including:

- **City of Baltimore, MD** – performed physical inventory count and perpetual inventory reconciliation.
- **Sacramento County, CA** – Conduct FMIS use evaluation and configuration assessment and business process review.
- **City of Sioux Falls, SD** – FMIS RFP and needs assessment.
- **Wake County, NC** - Fleet systems best practice review and management reporting solution.
- **Orange County, FL Fire Rescue Department** - Fleet systems review and data analysis services.
- **North Bay, ON.** – Fleet system review; data analysis services. FMIS Needs and requirements assessment, RFP development and system selection.
- **Village of Lake Bluff, IL.** – FMIS recommendations
- **City of Tacoma, WA.** - Needs assessment and fit gap analysis of SAP; TCO assessment, ROI calculations and alternate systems recommendations, best practice management reporting and data management procedures.
- **New York Office of General Services** - Provided data normalization and analysis services.
- **District of Columbia Fire and Emergency Medical Services Department (FEMS).** - Fleet systems review; data mining and analysis services.
- **Region of Waterloo, ON** - Data normalization and analysis services. Operational review.
- **Town of Stratford, CT.** - FMIS needs assessment and system review.
- **Florida Department of Management Services.** - Data mining, normalization and analysis, reviewed internally developed FMIS application and provided options and recommendations for a state-wide FMIS system.

- **Department of Veterans Affairs** - Fleet systems evaluation and comparative system's analysis - needs and requirements assessment.
- **Palm Beach Sheriff, FL** - FMIS analysis, detailed data cleaning and normalization services; custom management reporting and key performance measurement tools. Validated customized ERP interface function and operation. Management and operational staff training.
- **City of Glendale, AZ** - FMIS systems review and use assessment
- **City of Pasadena, CA** -FMIS systems review and use assessment
- **San Antonio, TX Fire Department** - FMIS data integrity and system use assessment
- **EPCOR Utilities** – GPS/Telematics feasibility study, systems selection and implementation services.
- **US Department of Defense** - Requirements assessment for the defense property accountability system for all DoD components and agencies.
- **City of Annapolis, MD** – Best practice fleet review, FMIS review, fleet utilization and rightsizing analysis.
- **METRA**, Chicago, IL regional commuter rail agency - Fleet rightsizing and utilization review.
- **City of Baltimore, MD** - Fleet rightsizing and utilization study, total cost of ownership analysis and replacement plan.
- **Harris County, TX** - Fleet review, rightsizing study
- **Corpus Christi, TX** - Replacement plan, alternative financing analysis, heavy equipment motor pool requirements, operating rate analysis.
- **Tacoma Public Utilities** - Rightsizing study, replacement program review,
- **Biogen IDEC Biotechnologies**, Weston, MA - Best practice fleet management review, maintenance and repair operational evaluation, FMIS and management reporting review.
- **US Federal Government Agency** - Data normalization, fleet rightsizing recommendations.
- **City of Charlotte, NC** - Fleet systems evaluations and consolidation study
- **Corpus Christi, TX** - Fleet rightsizing, competitiveness assessment, performance evaluations.
- **City of Hyattsville, MD.**- Fleet systems review, best practice analysis
- **City of New York Department of Citywide Administrative Services** - Implementation recommendations, needs analysis for a city-wide fuel management system.
- **US Department of Homeland Security** – FMIS fit-gap analysis, requirements evaluation and solutions recommendation
- **National Park Service** - Data analysis, normalization and data quality assurance.
- **Harris County, TX** – Up-fit feasibility study, centralization study.
- **Huntington Beach, CA** – FMIS review and gap analysis, outsourcing and centralization feasibility study, FMIS gap analysis and recommendations.

- **Fort Worth, TX** - Data analysis and consulting services, outsourcing RFP
- **San Bernardino County, CA** - fleet program assessment, FMIS review.
- **Battelle Corporation of Idaho National Laboratory** - Data normalization, systems review and process recommendations
- **Fayetteville NC** - Management best practices assessment. Cost of service analysis, FMIS evaluation.
- **Fort Worth TX** - Fleet data analysis, FMIS review, process mapping. Fleet performance trends and key performance indicators.
- Performed gap analysis identifying functional deficiencies of FMIS for **City of Vancouver, BC Fire and Rescue Services**. FMIS gap analysis, configuration and implementation strategies reporting services.
- **Montgomery County, MD Fire and Rescue Services** - FMIS assessment, configuration and user training.