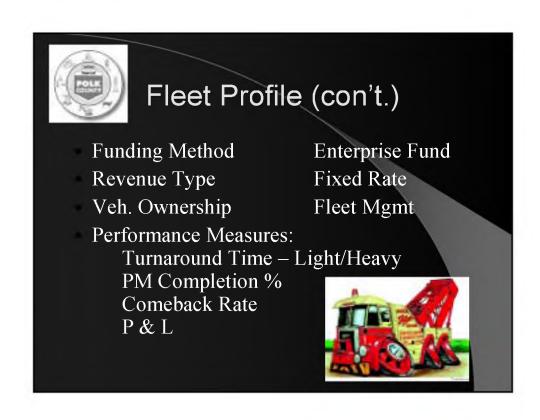


Polk County Fleet Profile	
Vehicles	2005
Technicians	33
Gallons Fuel Pumped	3,425,000
Fuel Sites	12
Heavy Equipment	362
Operating Budget	\$2,900,000
Repl. Vehicle Budget	\$5,500,000



Bob Stanton Director of Fleet Management

- Certified Public Manager
- 27 Years Experience (9 in Government)
- President Fla. Assoc. of Fleet Administrators
- Published in:
 - "Diesel Equipment Superintendent"
 - "California Fleet News"
 - "Fleet Equipment"
 - "Automotive Fleet"
 - "The Guardrail" (TMC)



Fleet Management Initiatives

- Light Vehicle Motor Pool
- On Site PM Service for Fire Service
- OEM Test Program (Ford, GM)
- ☐ Fixed Rate Revenue Generations
- ☐ Automated Fueling System
- Life Cycle Cost Vehicle Replacement Syst.
- Incentive Based Performance Contracts

Fleet Initiatives (con't)

- Technician Incentive/Career Dev. Program
- Underutilized Vehicle Program
- GPS Vehicle/Equipment Productivity Tools
- Battery Recovery Program
- Heavy Equipment Motor Pool
- Meaningful Vehicle Numbering System
- 2nd Generation Automated Fleet System

Management Challenges or What's in this for Me??

- Technician Shortage/Technician Retention
- Technological Currency
- Take your Pick:
- Alternative Fuels, Mgmt. Information '02 Diesel Emissions Requirements, Driver Shortage, 42 Volt Charging Sys. and on... and on.........



Prior Purchase Methods Low Bid Meeting Specifications Based on Capital Cost Total Cost Bid Based on Capital Cost Guaranteed Buy Back Pegged Maintenance Costs

Low Bid Shortcomings

- Promoted Creative Specification Writing
- Forced Unfavorable Purchase Decisions
- Decision Based on 20% of Equip. Cost
- Suppliers/Customers Agree Low Bid isn't the Best Method

Total Cost Bid Shortcomings

- Limited # of Bidders
- Decision Swayed by Creative Buy Back \$\$
- Caused Animosity Between Purchaser and Supplier
- Administratively Cumbersome

Alternative Decision Objectives

- Make the Best Decision for the County & the Taxpayers
- Decision Factors Based on <u>Total Cost of</u> Ownership
- Decision Weighted on Realistic Factors

 Mutually Agreed Upon
- Weight the Decision in the Best Interest of the County

Proposal

- Heavy Equipment Purchase will be Made on 5 Criteria
- Three Criteria to be Supplied by Bidders
- Two Criteria Supplied by County
- County Criteria to Use Industry Accepted/Available Information

Decision Criteria • LOW BID • WARRANTY • 20% STRENGTH • COST/HOUR • 5 YR. BUY BACK GUARANTEE • 10 EQUIP. VALUE • 10%

Low Bid Criterion

- TO BE CONSIDERED, BIDDER MUST SATISFY ALL SPECIFICATION REQUIREMENTS
- LOWEST COST (\$) SCORES HIGHEST POINTS

Warranty Strength

- BIDDER W/BEST WARRANTY IS SCORED HIGHEST
- LONGEST TERM, WITH BROADEST COVERAGE(BUMPER to BUMPER)
- REDUCED COVERAGE SCORES FEWER POINTS

COST per HOUR

- PURCHASER USES DATAQUEST
- CPH IS BASED ON 980 HOURS/YR.
- BIDDER W/LOWEST CPH SCORES HIGHEST

5 Year Buy Back Guarantee

SELLER'S OPINION OF MACHINE VALUE IN THE SHORT TERM

- AS A FUNCTION OF THE BID, PURCHASER REQUIRES BIDDER TO <u>GUARANTEE</u> TO BUY BACK MACHINE AFTER 5 YEARS, <u>AT</u> <u>PURCHASER'S OPTION</u>
- HIGHEST BUY BACK PRICE SCORES HIGHEST

10 Year Valuation

HOW DOES THE MACHINE HOLD IT'S VALUE??

USING CONSUMER'S GUIDE FOR CONSTRUCTION EQUIPMENT, PURCHASER WILL ESTABLISH AN AVERAGE PROJECTED VALUE OF THE PROPOSED EQUIPMENT, AFTER 10 YEARS:

BENEFITS

- DECISION NOT BASED ON PRICE ALONE
- VENDORS CONTROL 60% OF PROCESS
- PURCHASER MAKES A MORE INFORMED COST EFFECTIVE DECISION
- BUY BACK PROVIDES A "NO RISK" OPTION TO SELL MACHINE

Polk County Fleet Management

Universal Source Vehicle Purchase Agreement



Vehicle Purchase History

- Low Bid
- Accounts for 20% of Ownership Costs
- Cost of Ownership NOT a Factor
- Few if any services received from current vehicle/equipment sources
- 95% Purchases OUTSIDE Polk County
- Local dealers reluctant to extend services

Project Objectives

- Improve/Enhance Purchase Decision
- Lower Cost of Ownership
- Enhance Technicians' Working Environment
- Improve Customer Service
- Purchase Vehicles WITHIN Polk County

Project Design

- Commit to one dealer source
- Vendor/Dealer to provide service & technology enhancements

ESTABLISH A COUNTY/DEALER PARTNERSHIP

Design Specifics

- Service Preference at Dealer's garage
- Preferential Service Pricing
- Preferential Parts Pricing & Delivery
- Warranty/Policy Concessions

TECHNOLOGY ACCESS

Technology Access

- ON LINE TECH. SERVICE BULLETINS
- ON LINE SERVICE INFORMATION
- ON LINE OASIS OR EQUIV.
- ON LINE PARTS CATALOGUE & ACCESS
- ON LINE WARRANTY ACCESS
- TECHNICIAN TRAINING/NO CHARGE
- REAL TIME CONNECTION TO OEM SATELLITE NETWORK

How We Got There

- ☐ Implement a Vehicle Replacement Program
- Design an Outline of the Project
- Feasibility Meeting w/prospective Dealers
- Recontact Dealers to gauge interest level
- Issue an R.F.I.for public/vendor response
- Analyze and Award

Polk County Benefits

- Lower Vehicle Acquisition Costs, equal or lower than State Contract
- Access to current vehicle service/parts
- Real Time Diagnostic/Technical info.
- ☐ Factory Training for our Technicians
- Access to most advantageous pricing methods
- Dealer partnership in vehicle selection & acquisition
- Reduction in Administrative Load



Benefit Summary



- FULL Technology Access
- Standardizes Vehicle Inventory
- Improves Technicians' Work Environment
- Lower Cost of Vehicle Ownership
- Improves/Adds Value to Fleet's Services
- BRINGS BUSINESS BACK INTO POLK COUNTY

Results to Date

- Light/Medium Vehicles Rec'd by T'giving
- ☐ Tech's more PC literate
- Order Turnaround Days reduced by 48
- \$\text{Veh. Avg. \$127.00 more than State Cont.}
- One Hvy. Eq. Low Bidder has won order
- □ T.C.O. lowered by \$280,000/yr.

Thanks for your Interest!!