



Proposal

2021

**Proposal for Fleet Management
and Maintenance Services RFP#
2022-006**

Best and Final Offer (BAFO)



*Vector Fleet Management, LLC
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Charlotte, NC 28269
Aubrey Felton
Executive Vice President
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12/6/2021*

December 03, 2021

Rowan County Purchasing Department
Attn: Anna Bumgarner – Director of Purchasing
130 West Innes Street
Salisbury, NC 28144-4326
PH: 704-216-8100

Vector Fleet Management, LLC
Aubrey Felton – Executive Vice President
9300 Harris Corners Parkway, Suite 350
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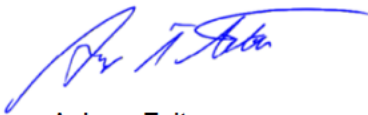
Ms. Bumgarner,

Vector Fleet Management would like to thank Rowan County for giving us the opportunity to answer any questions and address the following specific items for the best and final offer (BAFO).

1. Removing all the transit vehicles (The County has decided to service these Transit vehicles in their current method. In-house) this would be a total of 28 vehicles listed below.
2. Reevaluate your staffing. The County believes you may be able to reduce your staff by one position
3. Reevaluate the VEU cost. This cost was lower than expected because the VEU values were high.
4. How did removing Transit Vehicles effect 2 and 3?

We hope that you will find it complete and that it adequately addresses all your questions as follows.

Sincerely,



Aubrey Felton
Executive Vice President
Vector Fleet Management, LLC

Best and Final Offer

Why Vector Fleet Management is the ideal team to Support Rowan County:

VFM is a privately held American owned company with over 34 years of background and experience in Government and Private fleet maintenance contract management and oversight. Being a privately owned company, we have never lost sight of our employees who contribute to our success in fulfillment of our fleet maintenance contracts.

At Vector Fleet Management we believe and practice these core beliefs for our employees every day:

- We invest in each employee's development through our Vector Technical Institute Training School
- We feel that every employee that wishes to better themselves deserves our full support
- We empower our employees to be their Clients voice and advocate in support of the contract and any circumstances that may arise
- We provide full HR, administrative and support to ensure our employees are able to work at their best
- We value Safety in all our clients garages, and have an unmatched safety record with minimum "lost work time" for each of our clients
- We provide the tools and equipment to complete each job, each task, safely and efficiently
- We respect and value the opinion and input each employee has, especially those working on-site on behalf of our clients
- Nearly all of our Directors and Executive Management Staff hold multiple ASE Certifications. We are maintenance driven.

After 34 years, Vector Fleet Management knows who our Clients rely upon, it is the on-site employees and support staff to execute daily, 100% fulfillment of our word.

"Down the Road" in Charlotte, Rowan County can expect full support and commitment from our Corporate Management Team that will support rowan County and our on-site employees:

- A specific understanding of the administrative, technical, financial, and managerial requirements;
- The relevant experience, organic expertise, and full complement of resources to perform the scope of work;

ent projects for our clients;
satisfaction and the ability to offer services at a price that
r constituents;
approach to fleet maintenance;
improvement is an evolutionary process that fosters and

of a genuine desire to contribute to it;
s acumen and a solid financial posture;
and work entrusted to us;
Rowan County and the "VECTOR FLEET TEAM"
relationships.

tion, nor in negotiation for divestiture, thereby assuring you
ment, for the duration of this contract. Moreover, VFM has
early demonstrating our superior difference when compared

nce with government operations and associated fleet
ts which can crop up for an operation like Rowan County
ements to mitigate and eliminate such areas.

In summary, VFM is committed to providing the highest quality service, on time and at a realistic price. We have the qualifications, processes, structure, tools, staffing, and management insight to fulfill this pledge.

- 1) Removing all the transit vehicles (The County has decided to service these Transit vehicles in their current method In-house) this would be a total of 28 vehicles listed below:

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2) **Reevaluate your staffing. The County believes you may be able to reduce your staff by one position:**

Answer- VFM's original proposal included 2.5 technicians, 1 Site Manager and a full-time clerk/admin. We reduced our staffing to a Part-Time Clerk/Admin. We feel this is the correct Technician Staffing Level, 2.5 technicians. We are also responsible for transporting vehicles to subcontractors, which require staff. We cannot safely manage the contract with less staffing.

<i>Position</i>	<i>Number of Employees</i>
Site Manager	1
Part-Time Clerk/Admin	.5
Full-time Mechanics (1 – EVT Certified)	2
Part-time Mechanic	.5
Total Employees	4.0



3) Reevaluate the VEU cost. This cost was lower than expected because the VEU values were high:

Answer- Aside from reduction to a part-time clerk/admin, we are also able to remove parts from transit vehicles no longer being in scope.

Vector Fleet Management lowered the annual cost by the following:

- Year 1- Reduced by (\$61,005.91)
- Year 2- Reduced by (\$62,531.05)
- Year 3-Reduced by (\$64,094.32)
- 3-Year Total Reduction- (\$187,631.28)
- Parts Cost Reduced by (\$34,424)
- Reduced Parts Markup (1.5%)
- Total VEU Count Reduced by (466.8)

Reduction of our Non-Target parts mark-up from our proposed amount of 10% to 8.5%.

APPENDIX D COST PROPOSAL FORMS

TARGET COST PROPOSAL

Vendor: **Vector Fleet Management**

		Year One	Year Two	Year Three	3 Yr Total
Wages and Salaries	Management and Administrative	\$ 70,351	\$ 72,109	\$ 73,912	\$ 216,372
	Mechanics	\$ 130,651	\$ 133,917	\$ 137,265	\$ 401,833
	Parts Personnel	\$ -	\$ -	\$ -	\$ -
	Other Personnel	\$ -	\$ -	\$ -	\$ -
	Subtotal	\$ 201,002	\$ 206,027	\$ 211,177	\$ 618,205
Fringe Benefits	Management and Administrative	\$ 30,150	\$ 30,904	\$ 31,677	\$ 92,731
	Mechanics	\$ 55,993	\$ 57,393	\$ 58,828	\$ 172,214
	Parts Personnel	\$ -	\$ -	\$ -	\$ -
	Other Personnel	\$ -	\$ -	\$ -	\$ -
	Subtotal	\$ 86,144	\$ 88,297	\$ 90,505	\$ 264,945
Parts & Supplies		\$ 207,576	\$ 212,765	\$ 218,085	\$ 638,426
Subcontractor Services		\$ 40,000	\$ 41,000	\$ 42,025	\$ 123,025
Overhead		\$ 77,943	\$ 79,892	\$ 81,889	\$ 239,724
Corp. & Admin. Fees		\$ 49,676	\$ 50,918	\$ 52,191	\$ 152,785
Total Target Cost		\$ 662,340.01	\$ 678,898.51	\$ 695,870.98	\$ 2,037,109.51

Notes:

1. Provide detail for each cost element on a separate page, as required.
2. Explain changes from year-to-year on a separate page, as required.
3. Provide number or personnel in each staffing category for wages, salaries and fringe benefits

Management and Administrative	1.5
Mechanics	2.5
Parts Personnel	
Other Personnel	

Question 3 Cont'd:

Answer- Vector Fleet Management was able to lower several cost components once the Transit vehicles were removed.

- Annual associated cost reduced by (\$27,453)
- Regular Time Labor rate reduced by (\$6.27/hour)

NON TARGET COST PROPOSAL			
Total Target Cost for Year 1	\$676,142		
Number of mechanics (does not have to be a whole number)	2.5		
Expected annual direct labor hours per mechanic (for example, 1500)	1750		
Total labor hours	4375	calculation	
% of business activity expected to be associated with shop labor (i.e. not parts, fuel, or subcontractors)	45%		
Annual associated cost (% x target budget)	\$304,264	calculation	
Regular time labor rate	\$69.55	calculation	See Proposal narrative
% of business activity expected to be associated with parts management	10%		
Annual associated cost (% x target budget)	\$67,614	calculation	
Estimated annual parts cost (based on target budget, VEU's and contractor experience)	\$207,576		
Estimated markup on parts	8.5%	calculation	
% of business activity expected to be associated with management of subcontracted services	12%		
Annual associated cost (% x target budget)	\$81,137	calculation	
Estimated annual cost of subcontractor services (based on target budget, VEU's and contractor experience)	\$68,000		
Estimated markup on subcontracted services	5%	calculation	
% of business activity expected to be associated with fuel management services	3%		
Annual associated cost (% x target budget)	\$16,904	calculation	
Estimated annual fuel cost (based on County's 2022 budget)	\$1,727,197		
Estimated markup on fuel services	1.0%	calculation	See Proposal narrative
% of business activity expected to be associated with fleet management services	30%		
Annual associated cost (% x target budget)	\$202,843	calculation	
Total VEU's (from Fleet List tab)	687.20		
Estimated annual fleet management fee per VEU	\$295.17	calculation	See Proposal narrative
	100%	calculation (check of %s)	
TRANSITION COST PROPOSAL			
Item Description			
Staff training/payroll prior to contract start	\$10,500.00		
Safety materials	\$2,000.00		
Corporate travel for shop set-up/training	\$4,750.00		
Total	\$17,250.00		

4) How did removing Transit Vehicles effect 2 and 3?

Answer- Transit vehicles play a vital role in every community. These vehicles often require additional maintenance and repair procedures. Not only for uptime, safety, but per FTA guidelines. Removing these vehicles has had a positive effect, as far as pricing and parts mark-up for Rowan County. Please know that VFM is very familiar with a transit fleet, and the County may ask to roll these units back into our maintenance program at any time, if we are the selected vendor.

Aside from reduction to a part-time clerk/admin, we are also able to remove parts from transit vehicles no longer being in scope.

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Below is the Vector Fleet Management internal calculation for technician staffing based on County Fleet:

Prod Factor	# of Techs	
78%	Req'd	Fleet Composition
of	2.63	Light Vehicles
2080 hrs	0.03	Med. Vehicles & Equip
	0.44	Heavy Vehicles & Equip
	0.03	Trailers
	0.00	Misc Equip
	3.13	

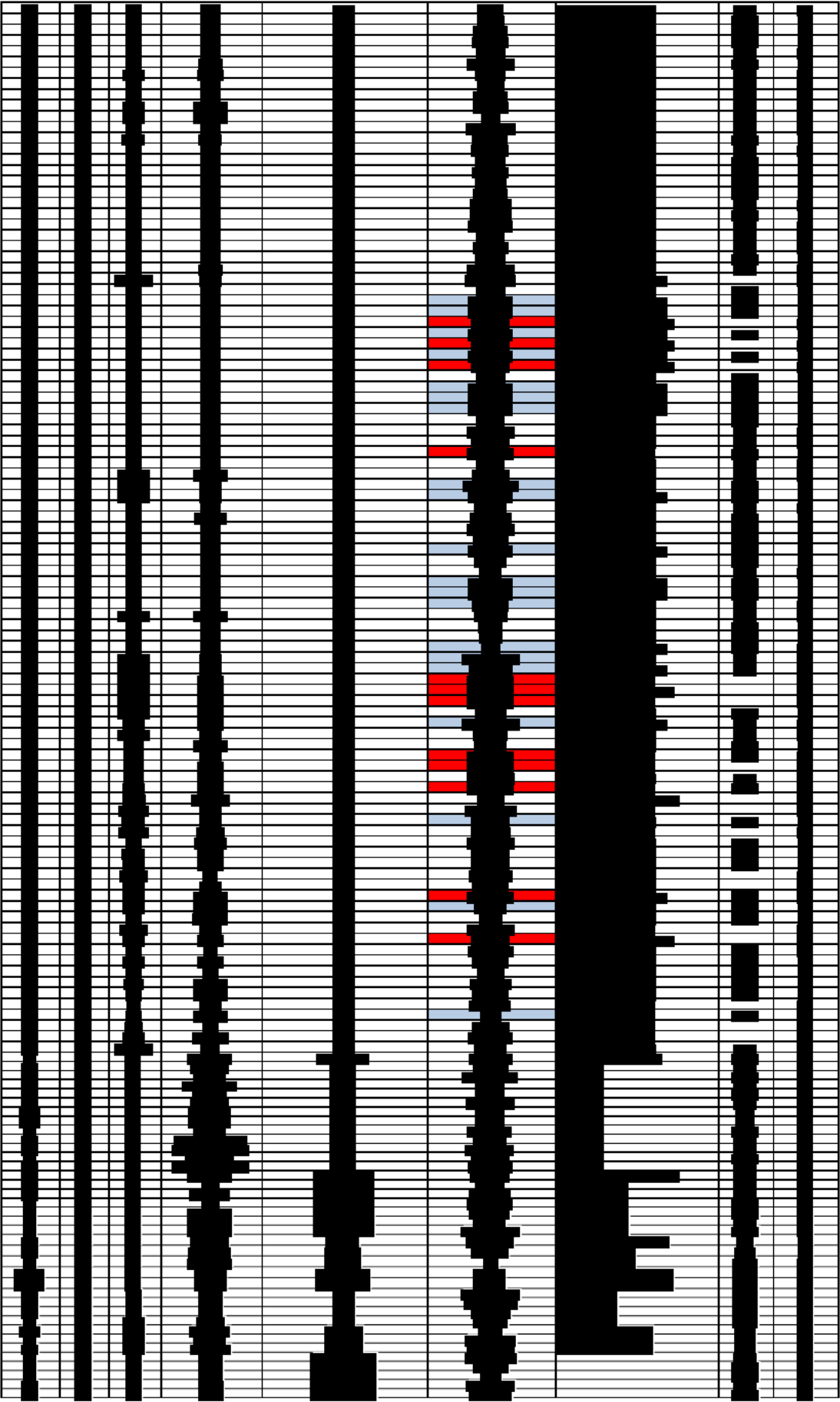
VEU Model

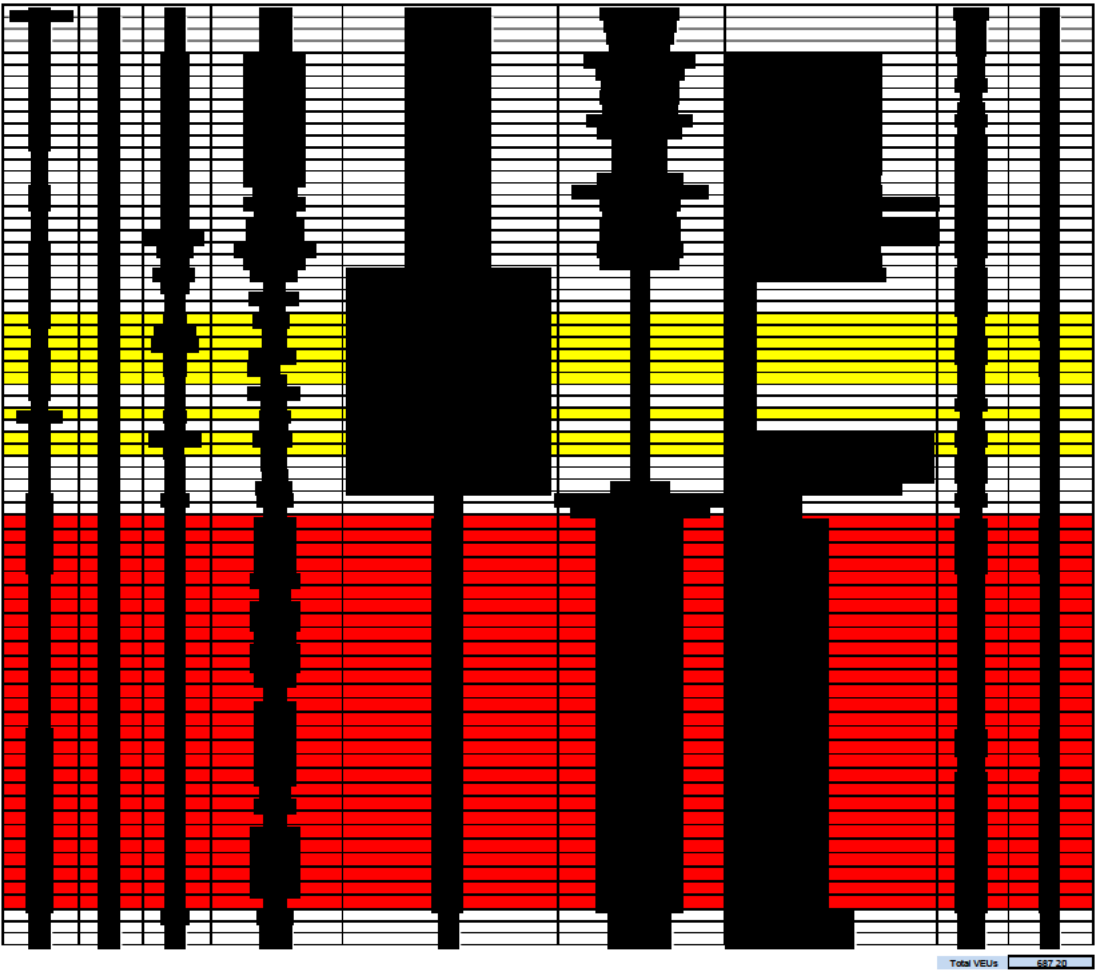
APPENDIX A - FLEET LIST

Instructions and notes: Proposers must enter a VEU value for each vehicle on the list of Target Vehicles. VEU values and calculated cost per VEU will be used, among other things, to establish a final first year target budget thus accounting for changes in fleet size and composition that may happen between the time of releasing this RFP and finalizing contract with the successful proposer.

TARGET VEHICLE LIST

[illegible]





Total VEU's 587.20