April 26, 2017

Michael Garner
Public Works Administrative Supervisor
City of Salinas, CA
745 Atherton Circle
Salinas, CA 93906

Dear Mr. Garner,

In 2015, the City of Salinas, California contracted with Mercury Associates, Inc. (Mercury), North America's largest fleet management consulting firm, to evaluate its fleet operations and provide recommendations to improve its efficiency and service levels, and identify opportunities to reduce and contain costs. Mercury's findings report from this study outlined several areas in which notable improvement in the City's fleet operations could be achieved, including focusing on the renewal of the its aging vehicles and equipment, development of updated equipment lifecycles, consolidation of its fleet maintenance and management under DPW, and replacement of its legacy fleet management information system.

Additionally, the City requires assistance establishing a fleet safety program to include best practices such as, development of policies and procedures for fleet operations and equipment operators, routine comprehensive asset inspections by fleet technicians, pre and post trip equipment inspections by operators, inspection management and compliance tracking through a fleet management information system, and annual driver training.

As the City engages in the effort of transforming and consolidating its fleet operations, its executives and key management personnel recognize that it lacks the internal expertise and resources, as well as bandwidth to plan and implement the necessary changes to be successful. As such, the City has expressed a strong interest in contracting with Mercury to provide consulting services to support its efforts in planning and executing the necessary modifications to its business processes and systems.

Enclosed is Mercury Associates, Inc.'s (Mercury) proposal to the City of Salinas, California to provide professional services to assist in (1. the implementation of the City's newly acquired fleet management information system (FMIS), AssetWorks' FleetFocus FA™; (2. Provide remote system administration of FleetFocus FA™ as part of ongoing support and care of the application; and (3. Provide a seasoned professional to serve as the City's fleet manager to facilitate the planning and coordination of its fleet centralization initiative.

Our proposal provides a detailed workplan, timeline and budget to perform the tasks over a twelve-month period. Moreover, the proposal is structured so that the City has the flexibility to terminate or extend these services as it deems necessary. The proposal also includes profiles and resumes for the Mercury resources that will be assigned to this project to ensure its success.

We greatly appreciate the opportunity to continue to serve the City and assist in its fleet transformation initiative. Please let me know if you have any questions about this proposal or would like to schedule a time to talk.

Sincerely,

Brad Kelley
Sr. Vice President
Mercury Associates, Inc.

PROPOSAL TO PROVIDE FLEET MANAGEMENT CONSULTING SERVICES TO THE CITY OF SALINAS, CA

APRIL 2017

Table of Contents

OUR UNDERSTANDING OF THE SITUATION

The City of Salinas is the county seat and largest municipality in Monterey County, located on the coast of central California. The City has a population of over 155,000 residents located within its 23.217 square mile boundary. In support of the delivery of services to its citizens, the City operates a fleet of 390 vehicles and pieces of equipment, which includes 130 units assigned to the Police Department (SPD), 50 units assigned to the Fire Department (SFD), and the remaining 210 units assigned to the Department of Public Works (DPW).

In 2015, the City of Salinas contracted with Mercury Associates, Inc. (Mercury), North America's largest fleet management consulting firm, to evaluate its fleet operations and provide recommendations to improve its efficiency and service levels, and identify opportunities to reduce and contain costs. Mercury's findings report from this study outlined several areas in which notable improvement in the City's fleet operations could be achieved, including focusing on the renewal of the its aging vehicles and equipment, development of updated equipment lifecycles, consolidation of its fleet maintenance and management under DPW, and replacement of its legacy fleet management information system.

Since our initial assessment, the City has taken action towards its fleet improvement initiative by selecting AssetWorks' FleetFocus FA™ as its new Fleet Management Information System (FMIS) through a formal RFP and selection process. The selected software application was determined to be the best-fit for The City's operational needs, culture, and vision for its future of the proposed systems.

The City is presently in negotiations with AssetWorks to finalize licensing and implementation services. The complete cost, statement of work, project tasks and proposed timeline for the selected FMIS and services are included in separate services agreement between the City and AssetWorks, LLC. Once the contract has been ratified with AssetWorks, the City will be prepared to move forward with the implementation of FleetFocus FA™.

As the City engages in the effort of transforming and consolidating its fleet operations, its executives and key management personnel recognize that it lacks the internal expertise and resources, as well as bandwidth to plan and implement the necessary changes to be successful. As such, the City has expressed a strong interest in contracting with Mercury to provide consulting services to support its efforts in planning and executing the necessary modifications to its business processes and systems. The following statement of work outlines Mercury's proposed scope of services, timeline and funding needed to assist the City in transforming its fleet operations.

The following tasks are proposed as part of a comprehensive renewal and consolidation plan for the City's Fleet Management Operations. The tasks are outlined in this proposal individually, but we recommend they be conducted as a complete overall implementation strategy providing a total fleet management solution which will also serve as solid groundwork for a cohesive long-term management plan. Several of the tasks would be conducted in parallel while others would be provided at specific times during the overall engagement term.

COMPANY OVERVIEW

Mercury Associates, Inc. (Mercury) is an employee-owned management consulting and technology firm, incorporated in 2002 in the State of Maryland. The firm is headquartered in Rockville, MD, a suburb of Washington, DC, and has 40 full and part-time employees located throughout the United States and Canada.

Mercury is an independent consulting and technology firm dedicated to providing unbiased advice and leading edge technologies to organizations that operate fleets; including, but not limited to, local municipalities and counties; state and provincial governments; Federal agencies and departments; military and defense departments; non-profit and faith-based organizations; small businesses; and Fortune 500 corporations. We also provide services to fleet suppliers; venture capital and private equity firms, and other fleet industry investors; and professional and trade associations and other organizations that offer conference, trade show, research, and training and certification programs to fleet industry professionals.

Our firm's mission is to improve the quality of fleet management practices; the quality of goods and services utilized in the management and operation of fleets; and the quality of information and professional development services available to the fleet industry. Our firm's values are anchored on the principals of providing unbiased services and solutions to our customers, providing a fair and unbiased environment for our staff to excel at the work they perform, and contribute to the local communities in which we live and work.

FLEET MANAGEMENT CONSULTING SERVICES

Mercury's primary clients are organizations that own and operate fleets. Our services to such entities range from broad-based reviews of all facets of their fleet management practices (and/or those of third-party service providers on whom they rely for assistance in managing their fleets), 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?" and "Should we lease or buy vehicles?"

Key consulting services we offer include:

- Fleet Management Best Practices Reviews and Competitiveness Assessments
- Fleet Cost Analysis, Reduction, and Containment Studies
- Fleet Utilization Optimization and Rightsizing Studies
- Sustainable/Green Fleet Management Strategy Development
- Program Consolidation and Organizational Restructuring Studies
- Outsourcing Feasibility Studies
- Development of Requests for Proposals for Contractual Services
- Contractor Selection, Contract Negotiation, and Contractor Performance Reviews
- Development of Strategic Business Plans
- Business Process Reengineering and Implementation
- Maintenance Facility Condition Assessment, Network Consolidation Analysis, and Space Programming/Master Planning
- Determination of Optimal Vehicle Replacement Cycles

- • Development of Fleet Replacement Plans
- • Evaluation of Lease versus Buy and other Capital Financing Strategies
- • Charge-Back System Review and Rate Development
- • Internal Service Fund Audits and Replacement Reserve Fund Rightsizing
- • Management Training
- • Executive Recruiting
- • Expert Witness Services

FLEET INFORMATION TECHNOLOGY SERVICES

Mercury is unique among fleet management consulting firms in that its professional staff combines knowledge of day-to-day fleet management and maintenance business processes, fleet leasing company service delivery practices, and the implementation and use of fleet management information systems and associated IT solutions (e.g., on-line policy and procedure manuals, repair manuals, motor pool reservation systems, Web-based management reports, etc.). This combination of skills and experience enables us to perform an array of IT projects for fleet owners.

Examples of work that Mercury's professionals have performed in this area for fleet operators include:

- • System functionality, implementation, and utilization assessments;
- • System requirements definition, functional and technical specifications development, RFP development, and proposal evaluation and software selection projects;
- • System implementation and integration projects;
- • Computer infrastructure (application and database server, network, workstation, etc.) design, installation, upgrading, and/or ongoing maintenance projects; and
- • Functional "fit-gap" analyses of ERP systems such as Oracle and SAP, and enterprise asset management systems such as Maximo.
- • Application Development and Hosting

Recognizing that many organizations that want to use a state-of-the-art fleet management information system and related IT solutions lack the in-house expertise or personnel resources needed to implement and maintain sophisticated software applications properly, Mercury launched its application service provider (ASP) business in 2002, utilizing a Level (3) Communications data center in Houston, TX. In 2006 we opened a second data center in Seattle, WA, to accommodate the rapidly growing demand for these services. In 2016, we launched our third data center, which is in an Internap commercial data center located in Houston, TX.

Mercury is an independent, unbiased evaluator, advisor, implementer, and hoster of many of the best-known commercial-off-the-shelf (COTS) software applications in the fleet industry today. We have conducted in-depth evaluations of, have implemented, and/or host in our data centers such well-known software applications as AssetWorks' FleetFocus M4/M5™ and FleetFocus FA™, Squarerigger, Inc.'s SQ7™, Faster Asset Solutions' FASTER C/S™ and FASTER Web™, Chevin Fleet Solution's Fleet Wave™, Collective Data's CollectiveFleetPro™, E-Drive Technology, Inc.'s Webfleet™, Invers Mobility Solutions' COCOS™ software, and Mitchell1's Repair and Estimator, and electronic repair manuals from an array of original equipment manufacturers.

Mercury has also developed several software applications to meet specific fleet management and analytical needs. While these analytical tools have been used primarily by our consulting staff in support of our traditional consulting services, we have on a limited basis sold these resources to our consulting clients under a standard software license and maintenance agreement. These tools include a fleet management performance measurement and reporting solution called PALS™ (Performance Alert System); on-line fleet management policy and procedure manuals; a fleet replacement planning, financing alternatives analysis, and budgeting tool called CARCAP™; and an optimal vehicle replacement cycle analysis program called ORCA™.

TASK 1.0 – PROJECT INITIATION WORKSHOP

We will convene an onsite project initiation workshop within two weeks of executing a contract or receiving a written notice of intent to award a contract. The purpose of this meeting will be to introduce project team members, discuss project roles, review the project tasks, and finalize a project timeline. Mercury's team will lead this workshop and present a detailed presentation of the current state of the City's fleet operations, key findings from our prior consulting engagement, and our proposed roadmap to transition the fleet to its future state operating mode and structure.

Because we anticipate that Mercury's project team will engage and require support from key City personnel with fleet and non-fleet functions directly related to the tasks we will perform through this project, we recommend that staff from SPD, SFD, and DPW attend this workshop, as well as representatives from the City's finance, budget, and technology departments. As part of the workshop we will discuss each person's and agencies' current role within the City and their expectations of the project.

We estimate that the project initiation workshop will require one full day. The budget for this task is $4,800, which consists of 24 hours of professional services (i.e., three consultants x 8 hours). We anticipate that we can be schedule the onsite workshop in conjunction with other project tasks and therefore are not requesting funds related to travel expenses.

Upon completing this task our consultants will initiate the following project tasks.

TASK 2.0 – FLEET INFORMATION SYSTEM IMPLEMENTATION ASSISTANCE

As part of any system implementation, there are significant resources, decisions, and tasks that the system end-user (e.g., City of Salinas) must bear as its responsibility. It is our experience that most organizations do not have staff with expertise in both fleet management best practices and FMIS solutions, which are essential skills needed to make informed decisions associated with setting up a new fleet system (e.g., system codification, chargeback cost recovery and billing, inventory stocking levels, interface specifications, and data cleanup and conversion). This is not to suggest that the City does not have staff with expertise in fleet or information technology, but rather highlighting the point that an FMIS is a purpose-built application designed to provide comprehensive features for managing a full-service fleet operation. In other words, an FMIS is a niche product with a suite of modules designed to support the managed functions a fleet operation is responsible for managing. Illustration 1 provides an example of some of the core functions performed by a full-service fleet operation, similar that of the City.

Illustration 1 – Core Fleet Management Functions

As previously noted, Mercury has significant experience with nearly all of the major fleet systems (including AssetWorks™ FleetFocus FA™/M4™/M5™, Chevin™'s FleetWave™, Faster Assets™' Faster Win™ and Web™, and Infor™'s Spear™), as well as most enterprise asset management systems (including Infor™'s Hansen™, IBM™'s Maximo™, Oracle™, and SAP™). Furthermore, we have performed over 200 fleet systems projects, including over 100 system implementations and more than 60 system fit-gap evaluations of FMIS – more than any other independent fleet consulting firm in the industry. Some of the public and private sector clients that we have served in this capacity include NASA, US Department of Homeland Security, US Department of Defense (DoD), US Department of State (DoS), General Services Administration (GSA), State of Florida, State of Michigan, City of Tacoma (WA), City of Charlotte (NC), City of New York (NY), Harris County (TX), Palm Beach Sheriff's Office (FL), City of Phoenix, Bell Canada, State Farm, Cox Enterprises, Hoosier Energy, Metropolitan St. Louis Sewer District (MO), and San Antonio Water System (TX) - just to name a few.

Additionally, for over 15 years Mercury has provided Cloud services (i.e. application hosting services) and administration services for over a dozen fleet solutions that are used by public and private organizations located throughout the world; including Fortune 500 companies; local, state and Federal governments; military branches; aerospace agencies and corporations; public and private utilities, transportation and transit operations; non-profit organizations; correctional institutions; small business and large corporations; goods manufacturers and suppliers; mining and construction; and logistics and shipping operations. Our experience serving our Cloud customers gives our professionals continuous exposure to

the latest versions of many of the leading fleet technologies in the market, as well as the limitations and issues associated with these products that are not common knowledge in the industry. Because of our decades of consulting experience and Cloud services, virtually no other consulting firm in the North America has as much "seat time behind the wheel" supporting and implementing tier-1 fleet technologies.

In this task we, Mercury's consultants, will assist the City with its implementation of the FleetFocus FA™ fleet management information system which was selected as previously outlined. The following narrative outlines the services that Mercury will provide to ensure that the City of Salinas achieves a successful migration to its new FMIS. We estimate that the timeline for completion of this effort is four to five months. However, some of the tasks can be performed in parallel with Task 2 to cut the overall timeline to six months. We are proposing a budget of $42,040 for professional services plus $7,500 in travel expenses.

TASK 2.1 – FMIS IMPLEMENTATION MEETING

We will convene a separate FMIS implementation meeting with the City and AssetWorks to introduce project team members, discuss project roles, review the project tasks, and finalize a project timeline. Additionally, we will discuss how the application will be deployed, data migration requirements, interface specifications, and training approach. We anticipate that this meeting will be performed remotely between parties utilizing collaboration software, such as WebEx.

TASK 2.2 - DATA POPULATION AND CONVERSION

As part of deploying any fleet management information system, there are certain core data (e.g., fleet inventory and parts inventory) sets that are required to "turn on" in the application for productions use. In conjunction with our on-site project implementation workshop, we will discuss what data is required to pre-populate the system. In most implementation projects, we find that the organization has the core data in an electronic format (e.g., spreadsheet, database, or vendor system) that we can utilize to populate the new system. However, in circumstances where data is not available, we provide Excel templates that can be used by the organization to create the necessary data. Depending on the quality and quantity of available data, we can perform a basic master record conversion up to a detailed data conversion, which is a comprehensive migration of all master records and detailed transaction into the FMIS. The following narrative describes our data conversion approach.

TASK 2.2.1 - DATA SCRUBBING AND NORMALIZATION

During data conversion, we recommend cleaning up the existing information contained in the current database. It is very common (for example) to find variations in spelling of key pieces of information, such as vehicle make and model or vendor names. To address this issue, we will perform the necessary data scrubbing and normalization process to get the information in the best condition possible.

We will begin this process by extracting data from the current SQL database into MS Excel spreadsheets using queries to help identify records that require attention. We will then perform the tasks necessary to normalize the data (i.e. data consistency). We will also purge any incomplete or invalid records that have been created as part of any system

testing or previous user errors. We will work in conjunction with system users to create a complete dataset for import into the new FMIS.

Our initial assumption in this project is that we will extract master records (equipment, parts, vendors, and technicians) at a minimum. We also understand there may be limited transactional data (work orders, parts orders, and parts receipts and issuance) in the existing data from the current fleet system.

Note: prior to the production export / import task we will perform a final data analysis to address any recent data issues that may exist.

TASK 2.2.2 - DATA EXTRACTION

Once the information from the current fleet system has been normalized, we will begin formatting the data through export scripts and manual manipulation to comply with the required data templates and formats for import in the new FMIS. It is imperative during this development process that we properly map the data fields from the export files into the FMIS database structure. This is a time-consuming process because a relational database like the one used in modern FMIS applications are complex and requires that the imported data be linked properly to the master tables and other supporting tables within the system.

TASK 2.2.3 - PRODUCTION DATA CONVERSION

Prior to entering the production phase of this project, we will require that the client cease making changes to the spreadsheets and other data sources in order to ensure that all records are migrated into the production database instance. The client will be required to keep paper records of any transactions created after we create the final data extract as part of our final, production data conversion. These paper transactions can be manually entered into the fleet information system after entering into production use of the application (i.e., typically 2 – 3 days between final data extract and go-live use of the system in production).

TASK 2.3 - INTERFACE DEVELOPMENT

In this task, we will finalize the development of the specifications for any integrations or interfaces that have been previously identified in the needs analysis. Examples of these interfaces are typically fuel transaction imports and/or chargeback billing integrations. The specifications include data handling and validation rules required to import/export accurate transactions. Once the integration development has been completed by the vendor, we will collaborate with the client's project team to test its functionality. We will document any issues found during testing, facilitate corrections, and then retest functionality. Once the interfaces have been successfully tested, the final version will be migrated to the production environment.

TASK 2.4 - SYSTEM DESIGN AND LAYOUT MODIFICATIONS

It is our experience that clients often require cosmetic screen changes, custom reports, or other minor system modifications. These changes are usually required to accommodate the unique workflow processes of the organization. If modifications are requested by the client, we will

discuss alternative approaches and industry best practices prior to making these changes. If these alternative approaches do not fit the client's needs, we will document the necessary modifications and work with the FMIS vendor and/or other appropriate application developers to develop a formal change order for development.

TASK 2.5 - SYSTEM SETUP AND PROCESS CONFIGURATION

In this task, we will assist the City with configuring the FMIS in a workshop setting. The users included in this session should be decision-makers and key personnel that have a direct impact on "how business is done" as it relates to the fleet operation, reporting, and administration information requirements. The purpose of this task is to instruct users on the configuration procedures and codification that is necessary to capture data and produce information in ways that suits its established business procedures.

While the software vendor will be providing detailed instruction on how to configure the system during this task, we will provide guidance and recommendations based on industry best-practices on how the system should be configured to meet client needs.

TASK 2.6 - KEY PERFORMANCE INDICATORS

Typically, FMIS systems will natively have the ability to visualize data to some degree in charts and lists that can be presented on a home page dashboard, or start page. The dashboard and other metrics allow users to logically click-and-find the information they need. These items are generally customizable to include user prompts for search criteria, drill-down capabilities, graphing, and report export and print features. We will identify an appropriate suite of tools to benefit the major operational roles for the organization and assist in configuration and setup of these items.

TASK 2.7 - BUSINESS PROCESSES RE-ENGINEERING AND TRAINING

Although the selected vendor will provide detailed training on how to use the features and functions of their system, this training is rather mechanical in nature and does not attempt to improve business processes. In this task, we will provide an educational workshop that addresses fleet management business practices, including establishing an in-depth understanding of fleet management's workflow and operations, what KPIs, reports and information each role in the organization should review, interpreting and effectively managing operations with reports and KPIs. Our proposed training will cover the following functional area within Fleet Management:

- Fleet Financial Management (cost management, billing)
- Parts Management
- Short-term Rental – Motor Pool Management
- Shop Scheduling and Operations Management
- Vehicle Acquisition and Disposal
- Preventive maintenance scheduling
- Vehicle Fueling
- Vehicle Maintenance and Repair
- Vendor Management

This workshop will help professionally develop county staff and facilitate their understanding of how to leverage information to manage the operation. It will also solidify the staff's understanding of how to utilize the new FMIS to effectively manage the operation.

TASK 2.8 - USER TRAINING

Although the software vendor will provide a trainer(s) to instruct the client on the use of the system, we will collaborate to develop training scripts or guides for the software vendor. The purpose of the script is to ensure that the training provided by the software vendor is closely aligned with client business practices and compliments the focus and procedures identified in previous tasks.

It is our experience that the most effective training occurs in small groups that cover materials relevant to the trainees' daily job. Moreover, the training sessions should be short and focused – no longer than two hours per session. Some groups may require multiple training sessions in order to address all of the user questions and features of the application. Training will generally be conducted in several phases which may include all or some of the following sessions:

- Key user training
- Pre-production training
- Production training
- Post-production training

TASK 2.9 - PRODUCTION SUPPORT

In this task, we will provide a consultant on site for the first week of production to answer any user questions and address technical issues with the system. This support resource is very effective in relieving anxieties and streamlining the transition into the "new way of doing things." It is our experience that new users typically have a series of "how do I" questions and minor technical issues that are easily addressed by a knowledgeable consultant.

TASK 3.0 - SUPPORT SERVICES

In this project task, we are proposing to provide the City with a technical resource to support the administration of its new fleet management information system, and a senior manager to serve temporarily as the City's fleet manager during its fleet consolidation initiative. Both positions are proposed as part-time for a period of twelve months, which can be terminated or extended at the City's sole discretion. The justification and roles of each position is defined in the following narrative. These support services will be performed in collaboration with the FMIS implementation efforts.

TASK 3.1 - FLEET MANAGEMENT INFORMATION SYSTEM ADMINISTRATION / DATA ANALYST

The City of Salinas does not currently have a fleet management information system administrator or data analysts capable of caring for its new FMIS. This position requires a person with a deep technical understanding of the FMIS application, and fleet operations and data to effectively lead the City's support and proper use of the system. Due to the niche aspects of fleet management and FMIS products qualified system administrators are in very high demand, difficult to recruit, and command significant compensation. Although it is anticipated that the City may recruit a person for this role, in the interim

Mercury is proposing to provide remote system administration services to manage the application, test new releases, continue to implement system features and modules currently licensed to the client, identify and remedy data issues, refine system codification, provide ongoing training and standardize use of the system, develop reports and key performance measures, modify system settings, and administer internal application security. The City's IT Department would continue hosting the application and caring for related infrastructure, but Mercury would manage the application.

This position will also perform statistical metrics and management reports. Although a general analyst can typically produce management reports and metrics; without fleet operational knowledge to fully understand the context of the data the resulting analytics will often be inaccurate. Whereas a fleet analyst understands the business processes and activities of a fleet operation and can quickly aggregate the appropriate data sets, develop suitable formulas, statistically control data issues and outliers, and leverage industry metrics to produce meaningful management reports. Moreover, a competent fleet analyst can also interpret reports and identify the operational factors influencing results, similar to those services provide in our client engagements.

We anticipate that the FMIS system administrator / data analyst resource will begin service approximately 2 months after the start of the FMIS implementation task in order to effectively transition into production support of the application.

TASK 3.2 - FLEET MANAGER

The process of consolidating a number of independent fleet operations under one control is lengthy and requires careful attention to details. Each fleet operation has, over time, developed their methods of operation, priorities and networks (parts and sublets) to manage their needs. Each operation needs to be fully considered and a foundation of common operations needs to be laid to gain the confidence and support necessary for success of the new structure.

The skills and experience required to successfully navigate the intricacies of a large-scale fleet consolidation project, like the one contemplated by the City requires a fleet professional with specialized expertise; such as, contracting, organization, restructuring, recruitment, charge-back rate development, asset replacement planning, policy and procedure development, issue resolution, and definition of reporting standards – just to name a few. The City does not currently have a person on staff with the requisite comprehensive set of skills needed to ensure its success in transforming and consolidating its fleet operations. Moreover, the know-how required to manage the multitude of topics, issues, document modification and development, analysis, research, and communication associated with a change of this nature are far beyond the typical fleet manager's, which is why organizations frequently contract with consultants to manage this process.

Mercury is proposing to provide a contract fleet manager for a 12-month period to manage the City's consolidation initiative. The person assigned to this role shall be a seasoned professional with the pre-requisite skills and proven experience transforming and consolidating full-service vehicle and equipment operations. We have three senior managers with significant careers as fleet managers and the desired skillset to serve as the City's temporary fleet manager (Steve Saltzgiver, Len Bammer, and Keith Grant; resumes provided in Appendix A). Please note that the City will have final approval of the staff member that we assign to this project.

Additionally, although our contract fleet manager will be the "boots on the ground" managing the City's consolidation efforts, Mercury's team of consultants and business tools will also be leveraged to support these efforts. These additional resources will further boast the skills and resources applied to the project to ensure its success.

Key tasks that the contract fleet manager will perform shall include, but are not limited to the following:

- **Develop fleet consolidation implementation plan** - A detailed implementation plan to accomplish centralization of the City's fleet program, including a comprehensive list of tasks will be developed along with responsibilities, funding and resource requirements, timelines, and critical paths. The plan will be developed in concert with primary stakeholders so that all departments have input to the future fleet program and the steps required to make this happen. Each department will be interviewed and consulted as to their views. The completed plan will be presented to all stakeholders to ensure that plan is accurate, responsibilities are clear, and timelines are achievable.

- **Manage consolidation effort and address key issues –** The contract fleet manager will administer the effort of executing the City's approved fleet consolidation implementation plan.
  o Define fleet organization structure
  o Define service locations and address maintenance facility issues
  o Define internal and sublet services to be performed by fleet
  o Manage consolidation of fleet service and materials contracts
  o Manage audit of fleet assets and parts inventory
  o Develop Service Level Agreements (SLAs) – A formal agreement between Fleet Management and Customers describing responsibilities, services, timelines, fees, and standards for all fleet activities. This document is used by Fleet and Customers to ensure a common understanding of duties and responsibilities.
  o Validate staffing levels and skills are adequate to support the City's assets. For example, emergency vehicle technician (EVT) certifications are required to maintain fire equipment and other emergency response assets. Develop recommendations and justifications for increasing/decreasing staff levels as needed.
  o Establish a unified preventive maintenance program for each application and type of equipment in the City's fleet
  o Establish a fleet safety program to include, but not limited to, development of policies and procedures; initial and reoccurring comprehensive asset inspections by fleet technicians; define pre and post trip inspections by equipment operators; collaborate with FMIS administrator to load FMIS inspection schedules into FMIS; and assistance with contracting 3rd party driver training service provider. Currently the City has no such program
  o Serve as the primary representative of Fleet to customers to develop and enhance Fleet/customer relationships
  o Work closely with FMIS implementation team to review and test system and coordinate training for staff and others
  o Produce management reports on activities and challenges
  o Manage project tasks and assign duties to project team members

- **Develop Cost Charge-back System and Rates -** Calculate an accurate set of charge-back rates that equitably allocate costs to fleet users. Our methodology will be fully compliant with federal costing standards as outlined in Circular OMB A-87. Basic principles articulated in this circular require that charge-back-funded organizations (they need not be classified as internal service funds) operate on a break-even basis; recover only allowable costs from federally funded customer organizations; make adjustments for under and over recovery of costs (preferably through adjustments to future billing rates); bill all users at the same rate for similar services; utilize billing units which represent services provided or benefits received; and not improperly utilize revenues generated by one type of service to finance the delivery of another type of service (e.g. capital charge-back rate revenue does not subsidize operating costs, or visa-versa) .

  Calculation of cost charge-back rates involves several steps, with analyses of total costs joining information gathered on service operations to create a rate structure that provides insight on the total costs of an organization's specific activities. The following steps are normally included in calculation of cost charge-back rates:

  - Identify costs to be recovered;
  - Define the services provided by the fleet organization;
  - Allocate costs to cost pools that correspond to the services provided;
  - Define the rate structure;
  - Determine billable units of service; and
  - Calculate rates.

- **Develop Fleet Position Descriptions -** Write new position descriptions and job duty statements for Fleet Manager and Parts Manager positions the City is creating for its centralized fleet management program. The fleet manager will research similar positions in peer cities in California as well as salaries. We will also consult with appropriate City staff on similar positions already in place to ensure that the new positions are harmonized with existing positions.

- **Modify Fleet Policies and Procedures -** Review policies and procedures and update or initiate new as needed to accommodate the centralization. The framework of the policy and procedures will incorporate the following components.
  - A comprehensive fleet policies and procedures manual that follows the Table of Contents (TOC) agreed between Mercury's Fleet Manager and the City. The purpose of this document is to lay out the fleet management practices of the organization and it will be most frequently referred to by Fleet Services and Senior Managers.
  - A Driver handbook that lays out the responsibilities of the driver, including vehicle receipt, pre and post trip inspections, preventive maintenance, licensing, crash reporting, etc. This Handbook will be kept with the vehicle at all times and serve as a reference for operators.
  - A baseline SLA between Fleet Management and customers describing responsibilities, services, timelines, fees, and standards for all fleet activities. This document is used by Fleet and Customers to ensure a common understanding of duties and responsibilities.

- **Develop Fleet Replacement Plan –** A plan that projects near and long-term vehicle (and/or other fixed asset) replacement costs, depreciation costs, residual values, funding requirements under alternative financing approaches (e.g., lease, lease-purchase, reserve fund, etc.), replacement

charge-back rates, and replacement reserve fund balances. Mercury is proposing to leverage its Capital Asset Replacement Cost Analysis Program (CARCAP™) fleet replacement modeling solution to perform this task. CARCAP™ employs two types of inputs to produce the above outputs: planning and analysis parameters and fleet inventory data. Because all analyses are parameter driven, the application is particularly well suited to analyzing the effects on an organization's long-term fleet replacement funding requirements of changes in such variables as fleet size and composition, vehicle utilization levels, replacement cycles, purchase prices, inflation rates, and interest rates. Some of the key outputs that CARCAP™ will product include the following.

Key Features of CARCAP™

- Identify future replacement dates and costs of individual assets and the entire fleet
- Produce detailed, defensible capital budget requests
- Calculate replacement rates for reserve fund optimization
- Model future budget requirements under alternative financing methods (e.g., buy versus lease)
- Perform what-if analyses
- Alternative replacement cycles
- Impact of spending caps on future replacement backlogs
- Optimization of current reserve fund balance
- Integration of Alternative Fuel Vehicles into the fleet

CARCAP™ Example: Lease Payment Less Sale Proceeds

PROJECT TEAM

Mercury's proposed team for this project consists of some of the most skilled and seasoned professionals in the fleet industry. Moreover, the professional resources assigned to this project have nearly 20 years or more experience as fleet managers, consultants, and technologists. We are confident that our team for this project are exceptionally qualified to successfully perform the body of work we have proposed. Below are profiles of our named project team members with copies of their full resumes provided in Appendix A.

Brad Kelley
Project Manager
Mr. Kelley is a Senior Vice President and the Chief Information Officer of Mercury Associates with 20 years of experience in the fleet management profession. He is the director of Mercury's Houston, TX-based application hosting and information technology consulting services. Mr. Kelley has assisted a number of prominent organizations with information technology projects, as well as operational transformation and consolidation projects. Before co-founding Mercury Associates, Mr. Kelley was a Manager in the Maximus,

Inc.'s Fleet Group. Prior to this, he was Assistant Director of Sarasota County, Florida's Fleet Management Department.

Ralph Filicko
Information Technology Consultant – FMIS Implementer
Mr. Filicko is a Manager with Mercury Associates. He has 20 year of 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. Mr. Filicko 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.

Contract Fleet Manager
Resumes for our proposed contract fleet manager candidates are provided in Appendix A. The individual selected to fill this position will be determined by Mercury and City executives prior to project initiation.

Fleet Management Information System Administration / Data Analyst
Additionally, system administration of FleetFocus FA™ and data analytics will be performed remotely by Mercury's technology support team, which will require the City to allow remote access to the FMIS' application and database servers. Mercury's project manager will confer with the City's IT Department to outline these remote access requirements.

PROJECT TIMELINE

We currently estimate a 12-month project timeline for the proposed scope of work, which will start on the Task 1.0 – Project Initiation Workshop date. Illustration 2 provides a detailed timeline of the proposed project. We anticipate that Task 2 – FMIS Implementation Assistance and Task 3 – Support Services work will occur in parallel so as to accelerate the City's fleet transformation process.

During any project of this nature, it may be necessary to adjust one or more project tasks' allocated time budget to accommodate unforeseen activities. Mercury reserves the sole right during the project to adjust time allocations to achieve a successful implementation, as long as we do not exceed the total project budget. Rest assured that we will do everything possible to maintain our proposed allocations, since we believe this to be the optimal project plan.

Project Tasks	Project Timeline											
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Task 1.0 – Project Initiation Workshop	▓											
Task 2.0 – Fleet Information System Implementation Assistance												
Task 2.1 – FMIS Implementation Meeting	▓											
Task 2.2 - Data Population and Conversion	▓											
Task 2.2.1 - Data Scrubbing and Normalization	▓											
Task 2.2.2 - Data Extraction	▓											
Task 2.2.3 - Production Data Conversion				▓								
Task 2.3 - Interface Development	▓	▓	▓									
Task 2.4 - System Design and Layout Modifications		▓	▓									
Task 2.5 - System Setup And Process Configuration		▓	▓									
Task 2.6 - Key Performance Indicators			▓									
Task 2.7 - Business Processes Re-engineering and Training				▓								
Task 2.8 - User Training				▓								
Task 2.9 - Production Support				▓								
Task 3.0 - Support Services												
Task 3.1 - Fleet Management Information System Administration / Data Analyst		▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓
Task 3.2 - Fleet Manager	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓

PROJECT BUDGET

The budget for the proposed scope of work is 1,259 hours for a total of $230,080 for professional services and $29,100 for project related travel; total project budget with professional services and travel is $259,180. A detailed breakdown of our proposed budget can be found in the Illustration 3 table below. All onsite services will be provided at facilities within the City of Salinas, California. Our proposed travel budget is an estimate only. All travel will be invoiced to the City for reimbursement of actual expenses incurred.

We will invoice monthly under NET 30 Terms. Support services will be invoiced at 1/12 the total stated budget and all other services shall be invoiced based on percentage of task completion. We will submit any travel expenses for reimbursement as part of our monthly billing.

Our proposed project budget is contingent upon the availability the client resources (e.g. staff, key personnel, access to facilities, computer hardware and software, and Internet connectivity) during the agreed upon time by both parties (i.e. Mercury and the client). Failure on the client's part to make any resources required by Mercury prior to the execution of a task may result in an increase in the project budget at Mercury's discretion. It's not our intention to suggest that the project budget will grow, but rather to highlight that our budget assumes that the client will collaborate and be responsive throughout the project.

Illustration 3 – Project Budget

Project Tasks	Service Hours	Service Fees	Travel Budget
Task 1.0 – Project Initiation Workshop	24	$4,440	$0
Task 2.0 – Fleet Information System Implementation Assistance	227	$42,040	$7,500
TASK 3.0 - Support Services			
Task 3.1 - Fleet Management Information System Administration / Data Analyst	288	$50,400	$0
Task 3.2 - Fleet Manager	720	$133,200	$21,600
	1259	$230,080	$29,100

The City will have the authority at any point during the project to terminate part or all of the project services to be provided by Mercury. In such a case, the City agrees to pay any fees for services rendered and project related travel expenses incurred. The City shall also have the flexibility to extend the proposed support services (i.e., Fleet Management Information System Administration / Data Analyst and Fleet

Manager roles) beyond the initial 12-month period. Any extension of these support services will result in a maximum increase in fees of 2.1% for each 12-month extension period.

APPENDIX A – FLEET MANAGER RESUMES

Brad Kelley
Fleet Management Executive

MERCURY

Expertise
- Fleet Best Practices
- Key Performance Measures
- Management Reporting
- Fleet Information Systems
- Fuel Management Systems
- GPS / Telematics
- Mobile Solutions
- Wireless Technology
- Enterprise Security
- Business Analytics
- Data Vizualization
- Cloud Services
- Fit-Gap Evaluations
- System Interfaces
- Project Management
- System Implementations
- Technology Development
- Data Center Architecture

Education
- B.S., Spring Hill College 1993
- M.P.A., Southern Illinois University 1995

Years Experience
20

Brad Kelley is a Senior Vice President and the Chief Information Officer of Mercury Associates with 20 years of experience in the fleet management profession. He is the director of Mercury's Houston, TX-based application hosting 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 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.

Before joining Mercury Associates, Mr. Kelley was a Manager in the fleet consulting practice of Maximus, Inc. Prior to this, he was Assistant Director of the Fleet Management Department of Sarasota County, FL.

Systems Evaluation and Fit-Gap Assessment

Mr. Kelley has assisted several public and private organizations throughout the world with evaluating the functional capabilities, operational level of use, and configuration of systems (i.e. fleet systems, fuel systems, telematics, ERP, and EAM) used to management their fleet operations. Additionally, Mr. Kelley performed numerous fit-gap analysis of solutions to identify functional gaps within systems that are required to support clients' fleet operations; which is frequently used to identify system enhancement needs or determine the operational appropriateness of an existing product or solution(s) an organization is considering for procurement.

A representative list of clients for which he has provided these services include:

- **Hoosier Energy**
- **Pacific Gas & Electric Company**
- **Seattle Public Utilities**
- **Suncor Energy**
- **Salt River Project, AZ**
- **Turlock Irrigation District, CA**
- **Department of Homeland Security**
- **US Department of Defense (DoD)**
- **US Department of State**
- **US Marine Corps**
- **NASA**
- **State of Florida**
- **State of Michigan**
- **State of Oregon**
- **County of Gwinnett, GA**

- **County of Jefferson, AL**
- **County of Orange, CA**
- **City of Austin, TX**
- **City of Charlotte, NC**
- **City of Orlando, FL**
- **City of Phoenix, AZ**
- **City of Scottsdale, AZ**
- **City of Seattle, WA**
- **City of Tacoma, WA**

Solution Specification and Procurement

Mr. Kelley has extensive experience developing solution specifications and request for proposals (RFP) to assist organizations with procuring new systems and technologies to address an organization's specific functional needs. Additionally, many organizations leverage his deep operational and technical knowledge throughout the procurement process to assist them with evaluating and selecting proposed solution.

A representative list of clients for which he has provided these services include:

- **Bell Canada**
- **Sarasota County, FL**
- **City of New York, NY**
- **City of Springfield, IL**
- **Church of Latter-Day Saints**
- **BC Hydro**
- **San Antonio Water System's (SAWS)**
- **Cox Enterprises, Inc.**
- **Provincial Government of Saskatchewan**
- **County of Harris, TX**
- **Quanta Services**
- **Gulf Stream Marine**
- **Alabama Department of Corrections (ADOC)**
- **Capstreet**
- **Cudd Energy Services (CES)**
- **Salt River Project**
- **US Department of State**

System Implementation

Mr. Kelley has extensive experience implementing fleet technologies (e.g., fleet management systems, fuel management solutions, and GPS) to meet the client

specific needs. His deep technical knowledge and fleet operational experience enables him to provide clients with successful implementations that meet the needs of every role within an organization.

A representative list of clients for which he has provided these services include:

- **Emirates Transport**
- **Quanta Services**
- **Fort Lewis, US Army**
- **Tinker Air Force Base, US Air Force**
- **County of Seminole, FL**
- **County of Wyandotte, KS**
- **Hillsborough County**
- **City of Plano, TX**
- **Port of Houston, TX**
- **Alabama Department of Corrections (ADOC)**
- **State of Delaware**
- **State of Georgia**
- **State of Minnesota**
- **Gulf Stream Marine**
- **City of Los Angeles Department Water and Power**
- **Metropolitan St. Louis Sewer District**

Enterprise Cloud Services

Mr. Kelley is the designer and chief information officer (CIO) over Mercury's enterprise cloud platform, which has delivered fleet technologies to small businesses, Fortune 500 companies, state and local governments, Federal agencies throughout the world for nearly 15 years. His extensive knowledge of enterprise architecture, digital security, mobile and wireless communications, and fleet technologies has enabled Mercury to provide high-availability systems to prominent organizations throughout the world.

A representative list of clients for which he has provided these services include:

- **Willbros**
- **General Motors**
- **Associated Materials**
- **Cox Enterprises**
- **Burns & McDonnell**

- **Britt Hunt**
- **State Farm**
- **Lumos**
- **NCIS**
- **Enterprise Car Rentals**
- **Cudd Energy Services / RPC**
- **Gulf Stream Marine**
- **City of Palm Beach Gardens, FL**
- **City of Sanford, NC**
- **City of Tracy, CA**
- **County of Leon, FL**
- **County of Shasta, CA**
- **County of Harris, TX (Houston)**
- **City of Durham, NC**
- **Keolis**
- **Virginia Department of Juvenile Justice**
- **Exel**
- **Hawaii Gas**

Ralph Filicko

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)

Certifications

- Microsoft Certified Systems Engineer (MCSE)

Years of Experience

19

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:

- Cities of **Anchorage AK; Bakersfield CA; Corpus Christi TX; Fayetteville NC; Fort Worth TX; North Las Vegas NV; Washington DC**
- Counties **of Boulder CO; Harris TX; Prince William VA; Wake NC**
- States of **Alabama, Missouri, Saskatchewan**
- **NASA**
- **Fort Lewis US Army Base WA; Tinker Air Force Base OK**
- **Airport Services, Los Angeles International CA, Phoenix Aviation, AZ**
- **Gulf Stream Marine, Inc.**
- **Cox Enterprises, Inc.**
- **Cudd Energy 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:

- Cities of **Baltimore MD; Corpus Christi TX; Glendale AZ; Hyattsville MD; New York City NY; North Bay ON; Pasadena CA; Sioux Falls SD; Stratford CT; Tacoma WA; Waterloo ON**
- Counties of **Harris TX**; **Sacramento CA; Wake NC; San Bernardino CA**
- States of **Florida, New York**
- **Orange County, FL Fire Rescue Department, District of Columbia Fire and Emergency Medical Services Department; Montgomery County, MD Fire and Rescue Services; Palm Beach Sheriff, FL; San Antonio, TX Fire Department; Boston Fire Department**
- **Department of Defense**, **Department of Homeland Security, Department of Veterans Affairs, National Park Service, US Navy**
- **Biogen IDEC Biotechnologies**
- **Battelle Corporation of Idaho National Laboratory**
- **EPCOR Utilities**
- **METRA**

Steven W. Saltzgiver, CAFS

MERCURY

Expertise

- CAFS, NAFA 2016
- Shop standards and technician productivity optimization
- Strategic business planning
- Fleet Management Information Systems review and implementation
- Performance analysis and benchmarking
- Business process mapping, evaluation, and reengineering
- Fleet rightsizing analysis and deployment
- Activity-based costing, cost charge-back system zero base budget design
- Organizational redesign, optimization and administrative centralization
- Telematics deployment, utilization and predictive analytics
- Vehicle replacement cycle optimization
- Fleet management outsourcing feasibility assessment and facilitation
- Asset technology and complexity analysis driving excess operational expense
- Sustainable fleet planning using alternative fuel and propulsion systems

Education

Mr. Saltzgiver is a manager with Mercury Associates, Inc. Over his extensive career, he developed a rather unique perspective having served at virtually every organizational level. Holding various roles ranging from technician to vice president in public, private and non-profit establishments while leading diverse fleets of over 50,000 assets, with annual operating budgets exceeding $1 billion dollars; leading process improvement teams and cost reduction initiatives; optimizing complex maintenance operations, and executing comprehensive talent management programs. He has taught workshops and best practice seminars on a wide array of topics throughout the US, Canada and Europe. He is recognized as a change advocate who has supervised the implementation of several fleet and ERP data systems, and as an executive for two Fortune 500 companies, two sizable state fleet operations in Utah and Georgia, Mr. Saltzgiver has been recognized for achievements in data analysis, benchmarking for continuous improvement, fleet cost reductions, sustainable fleet planning and telematics technology deployment.

Mr. Saltzgiver has led myriad multi-year strategic fleet management planning initiatives. He has also been active in several professional fleet organizations serving in various leadership positions including: NAFA Board of Directors, Curriculum and Governmental Affairs Chair, RMFMA Board Chair, NCSFA Executive Director, Past-President along with serving on various industry boards. He is also widely quoted in industry publications and has collaborated on numerous articles. He was twice nominated for Automotive Fleet magazine, Manager of the Year award and is the recipient of the 2000 Honda Environmental Leadership award, 2005 NCSFA Distinguished Service Award and recipient of the 2015 Fleet Technology Expo Sustainable Fleet of the Year award.

Government Fleet Management Experience

Mr. Saltzgiver served four State Governors in two different states and has overseen the management of over 20,000 assets valued over $300 million dollars in two large state fleet operations. He was responsible for the oversight, strategic planning, creation and management of multi-million dollar annual budgets. He worked closely with the Governor's Office of Budget and Planning, the Legislature and over 150 stakeholders in local, state and federal government to orchestrate programs and initiatives to optimize government processes and programs to reduce expense and waste to ensure taxpayer confidence. As Director of the State fleet he managed the Nation's largest consolidated fuel network with hundreds of municipal government and university participants to increase the economy of scale for fuel purchases reducing costs. He was accountable for the oversight of the State of Utah's Surplus Property Division and management of the efficient and ethical disposal of all state property assets. He has also helped to optimize operations for:

- Municipalities of **Austin, Baltimore**, **Boise, Oak Brook, Salt Lake City, Stamford, Vancouver, Yellowknife, West Jordan** and **Orange County, CA**
- States of **California, Florida, Georgia, Oregon, Utah,** and **Washington**
- **Utah Transit Authority**

Corporate Fleet Management Experience

Mr. Saltzgiver was responsible for the strategic direction over the fleet management operations of over 52,000 assets valued at $4 billion dollars, $800 million annual capital expense and over $1 billion operating budget. Responsibilities included strategic direction, capital budget planning, employing LEAN/Six Sigma techniques, and implementation of operational best practices, in addition to influencing

- Center for Strategic Leadership, 2015
- LEAN cerification, 2012
- MAOM-Masters of Arts Organizational Management, University of Phoenix, 1999
- BSBM, University of Phoenix, 1996
- University of Utah, Business Mgt, 1985
- Salt Lake Community College journey diesel program, 1980

Organizations/Boards

- Board of Directors - National Association of Fleet Administrators
- Executive Director - National Conference of State Fleet Administrators
- Board - Utah and Georgia DOE Clean Cities Coalitions

Awards

- Public Fleet Manager Hall of Fame inductee 2017
- Government Technology Expo (GFX), "Sustainable Fleet of the Year" - Republic Services, 2015
- East Bay Clean Cities Coalition, "Sustainable Fleet of the Year" – Republic Services, 2014
- Recognized DOE sustainability partner at Republic Services and Coca-Cola, 2013
- Automotive Fleet nominee for Public Fleet Manager of the Year, 2010
- Honda Motors Environmental Leadership Award, 2000

Years of Experience

38

thousands of employees across hundreds of shops. He has been a recognized in corporate sustainability initiatives and is an award-winning leader for his extensive work serving in various industry boards and in the deployment of alternative fuel vehicles in two of the largest Fortune 500 fleet operations in the United States for:

- **Republic Services, Inc.**
- **Coca-Cola Refreshments**

Best Practice Studies and Executive Recruitment

Mr. Saltzgiver served as the Executive Director over the National Conference of State Fleet Administrators for three years and was responsible to survey all 50 states and University fleet operations to provide detail benchmarking data comparisons for fleet operational efficiencies. He was for providing day-to-day support, conference event planning, and detailed fleet related survey results to arm states with data to optimize their operations. He received the "Honda Environmental Leadership" award for his work in fleet sustainability accomplishments. He participated in and directed comprehensive fleet best management practice operational reviews, shop productivity analysis, sustainable vehicle analysis, PM design and deployment, fleet data system design and implementation, and data analysis and benchmarking studies providing detailed recommendations for organizational optimization and improvement for several organizations and clients including:

- Municipalities of **Austin, Baltimore**, **Boise, Oak Brook, Salt Lake City, Stamford, Vancouver, West Jordan City, Wilmington** and **Orange County, CA**
- States of **California, Florida, Georgia, Oregon, Utah, Washington**
- **Fordham** and **Duke University**
- **Laidlaw Transit** (now First Student) and **National Express** School Transportation
- **Manitoba Telecom Services, Aramark, Brinks** and **Marco Group**

Business Planning, Audits, Strategic Consulting and Fleet Education

Mr. Saltzgiver has conducted fleet education seminars, created and designed multi-year strategic plans, performed fleet system reviews, modernization studies, Greenhouse Gas and sustainability planning analysis, rightsizing analysis, shop productivity, PM optimization program design and analysis to optimize depreciation life cycles lowering capital and operating expenses for:

- **NAFA**, **NCSFA**, **NTEA**, **RMFMA, FedFleet, Dossier User Group,** and various fleet management educational and sustainability venues
- **Austin, Baltimore**, **Boise, Oak Brook, Salt Lake City, Stamford, Vancouver, West Jordan City** and **Yellowknife**
- **California, Florida, Georgia, Oregon, Utah,** and **Washington**
- **Republic Services and Coca-Cola Refreshments**
- **Citgo, Decisiv, Marco Group, Pricelock, Lancaster Foods,** and **Church of Jesus Christ of Latter Day Saints**

Len Bammer

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 the Town of Vail, CO; Jefferson County, CO (northwest suburbs of Denver); Larimer County, CO; and the City of Colorado Springs. He was responsible for developing and implementing vehicle maintenance programs, all vehicle replacements and disposal, multiple fleet maintenance shops and fuel facilities including specialized sites for CNG (heavy transit), fast fill, and propane. 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.

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

36

Maintenance Process Analysis and Development

Mr. Bammer has conducted detailed process analysis for the maintenance and rebuild of fleet equipment and aerial devices to streamline and institutionalize shop activities. Deliverables included detailed flow diagrams and step-by-step guidance to improve quality and safety.

- **Denver RTD**
- **Laidlaw Student Transportation**
- **British Columbia Hydro**
- **Canada Post Corporation**

Fleet Management Best Practices Studies

Mr. Bammer has participated in a number best practices studies for a variety of agencies including state fleets, municipal governments, and private industry. These studies included business process mapping and gap analysis, process development, and implementation planning.

- **Suncor, British Columbia Hydro, Alaska Railroad**
- Cities of **Salt Lake City UT; Wilmington DE; Sioux Falls SD; Toronto ON; Sacramento CA; Glendale AZ; Odessa TX**
- Counties of **Bexar TX; Loudoun VA; Sacramento CA; Chester PA**
- States of **Alabama, California, Florida, South Carolina**
- **Canada Post Corporation, Yukon Territory, Prince George BC**
- **Melbourne Fire Brigade, Australia**
- **Public Utilities Board, Brownsville TX**
- **Goodwill Industries, Pearl River Resorts**

Fleet Replacement Strategy and Optimal Replacement Plans

Mr. Bammer has conducted or participated in an extensive list of fleet replacement studies and development of optimum replacement cycles. A brief list of clients includes:

- Cities **of Wilmington DE; San Antonio TX; Sacramento CA**
- Counties of **Jefferson Parish LA; Los Angeles CA**
- States of **California; Rhode Island DOT**

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 costs. These projects included maintenance costs for shop operations and fuel support operations. A few of the clients he has provided analysis include:

- Cities of **Wilmington DE; Brownsville TX; Glendale AZ; Sacramento CA; San Antonio TX**
- Counties of **Bexar TX**; **Sacramento CA**; **Jefferson Parish LA**
- **Los Angeles County Metro Transit Authority (industrial rebuild)**
- **Baldwin EMC, Community Emergency Medical Services**
- **Alabama Department of Corrections**

Fleet Vehicle and Equipment Technical Specifications

Throughout Mr. Bammer's career as a professional fleet manager and as a fleet consultant he has been directly involved in the research and development of technical specifications for a wide array of vehicle and equipment types, including basic fleet vehicles, specialized utility and construction equipment, emergency vehicles for police and ambulance operations, and specialized fire apparatus. Examples of the organizations to whom he has provided such services include:

- Cities of **Colorado Springs CO; Wilmington DE; Hamilton Township PA**
- Counties of **Jefferson CO; Larimer CO; Ada IA**
- **Gompers Habilitation Center, SUNCOR, Denver RTD**

Fleet Rightsizing Studies

Mr. Bammer has participated in a large number of fleet rightsizing studies aimed at determining the appropriate compliment of vehicles in the fleet and ensuring that the type of equipment is appropriate for the organization's mission. Examples include:

- Cities of **Salt Lake City UT; Seattle TX; Tampa FL; Wilmington DE; Colorado Springs CO**
- **Jefferson Parish LA.**
- States of **California, Florida, and New York**
- **Seattle Public Utilities**

,

Keith Grant

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

Keith Grant is a Manager with Mercury Associates, Inc. Over his more than 35 -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.

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 governmental fleets including:

- Cities of **Baltimore MD; Toronto ON**
- County of **Loudoun VA**
- States of **New York, Oregon**
- **Kent Fire Department, Orange County Fire and Rescue Department**, **Olympia Fire Department**
- **Sarasota County Area Transit**
- **Gulf Stream Marine**
- **Lighting Maintenance, Inc.**

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:

- Cities of **Austin TX; Toronto ON; Stratford CT**
- County of **Pinellas FL**
- **Lighting Maintenance Inc.**
- **Olympia Fire Department**

Fleet Inventory and Parts Management Strategies

Mr. Grant's 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

MERCURY

- National Institute for Storage Tank Management
- ASE Master Certified Automotive & Truck Technician
- General Motors Certified Truck and Coach Technician

Years of Experience

37

studies include:

- Cities of **Baltimore MD; Toronto ON; Stratford CT**
- County of **Pinellas County FL**
- **Kent Fire Department, Olympia Fire Department**, **Orange County Fire & Rescue Department**
- **Lighting Maintenance Inc.**

Preventive Maintenance Strategies

Mr. Grant's has extensive experience 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:

- County of **Pinellas FL**
- **Cities of Toronto ON; Stratford CT**
- **Kent Fire Department, Olympia Fire Department, Orange County Fire & Rescue Department**
- **Lighting Maintenance Inc.**