

Council on Competitive Government



Fleet and Fuel Management Services

Request for Information

RFI# CCG-FFMS-2009-001

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Responses Due: May 28, 2009

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The Texas Council on Competitive Government (CCG) is a statutorily established council of key state leadership offices. The Council consists of the following seven members:

- Governor Rick Perry (Council Chair)
- Comptroller of Public Accounts Susan Combs
- Lieutenant Governor David Dewhurst
- Speaker of the House of Representatives Joe Straus
- Texas General Land Office Commissioner Jerry Patterson
- Commissioner of Labor from the Texas Workforce Commission Ronald Gene Congleton
- Texas Facilities Commission Executive Director Edward Johnson

CCG has statutory authority to transform the business of government through reengineering reviews and statewide contracting authority.

CCG seeks information from vendors and qualified stakeholders on current innovations and opportunities in the area of fleet and fuel management. Of particular interest are discrete and identifiable services that could be established and managed via contract with specified deliverables and service level agreements.

This RFI is being distributed strictly for the purpose of gaining knowledge of services available and should not be construed as intent, commitment, or promise to acquire services or solutions offered.

1. Background

1.1 Current Environment

The following outlines state entities with responsibility in the area of fleet and fuel services and programs:

1.1.1 Fleet Funding and Oversight

Legislature/Legislative Budget Board

The Legislature provides oversight to the state fleet and fuel assets through the budgeting process. Agencies submit all budget requests, including requests for vehicle acquisition, maintenance and operations to the Legislative Budget Board (LBB) in their Legislative Appropriations Request (LAR). In addition, state agencies are required to submit separate capital budget requests in their LAR for capital expenditures exceeding \$25,000. Since most fleet vehicles exceed this threshold, state agency requests for new vehicles are typically made through this process. The LBB must then approve the budget requests and include them in the biennial General Appropriations Act (GAA) for passage by the Legislature.

Article IX, Section 14.03 of the GAA also notes that any use of discretionary (non-capital) funds appropriated in the GAA for capital expenditures must first be approved by the Governor and the LBB.

In addition, the Legislature has authority to pass laws changing or creating new programs or establishing guidance related to the purchase and use of state fleet vehicles and fuel assets.

Comptroller of Public Accounts

By Texas statute the Comptroller of Public Accounts (Comptroller) is provided direct authority over passenger vehicles for the state fleet and the establishment of rules and procedures for the acquisition of fleet vehicles (Texas State Government Code, Chapter 2158). This chapter also establishes many of the legislatively mandated requirements concerning the use of alternative fuel vehicles in the state fleet.

In addition, the Comptroller is given direct authority over the Office of Vehicle Fleet Management (Texas State Government Code, Chapter 2171). In this role, the Comptroller is required to provide a vehicle reporting system to assist agencies in their management of fleet vehicles and to enable required reporting to the legislature.

Office of Vehicle Fleet Management (OVFM)

The Office of Vehicle Fleet Management (OVFM), within the Comptroller's Office, is primarily charged with the administration and management of the State Vehicle Fleet Management Plan and the statewide vehicle data reporting system. OVFM assesses state agencies and universities a yearly per vehicle fee for required maintenance and upgrades of related information data systems. OVFM additionally manages the state's fuel card services and monitors agency compliance with the state's alternative fuel program purchasing requirements. All of these functions are performed in coordination with the CCG.

Texas Procurement and Support Services (TPASS)

The Texas Procurement and Support Services (TPASS) division of the Comptroller currently provides term contracts for the acquisition of fleet vehicles (Term Contract 071-A1), accessories (Term Contracts 055-A1 and 055-N1), maintenance items and parts (Term Contract 060-A1) and trucks (Term Contract 072-A1). TPASS also manages term contracts for the retail purchase of alternative fuels (Term Contract 405-A1) and re-refined and blended oil (Term Contract 405-A2).

Council on Competitive Government

The Council on Competitive Government (CCG) directs the development of the State Vehicle Fleet Management Plan. CCG also must review and approve all requests for increases to the approved fleet cap size.

State Agency Fleet Managers

Agency Fleet Managers are empowered with executive approval for all fleet management decisions within the guidelines of the State Vehicle Fleet Management Plan. This includes, but is not limited to:

- Vehicle purchase decisions
- Vehicle replacement decisions
- Maintenance decisions
- Repair decisions
- Vehicle assignment and use decisions
- Disposal decisions
- Review of reported inappropriate uses of state vehicles

Fleet Managers act as the central point of contact with OVFM and are responsible for reporting vehicle use data, responding to queries about the agency's fleet, preparing waiver requests, and conducting any other business with OVFM. They are also responsible for developing and enforcing agency specific policies and procedures and observing and enforcing statewide fleet management policies and procedures.

Texas Public Finance Authority

By Texas statute the Texas Public Finance Authority (TPFA) may issue bonds for alternative fuel projects including construction, acquisition, or maintenance of fueling stations and vehicle conversion projects (Texas State Government Code, Chapter 1232).

1.1.2 Fuel

Council on Competitive Government (CCG)

CCG has established a Retail Fuel Card contract that provides state agencies and local governments the opportunity to realize savings on fuel and maintenance purchases on their vehicles through a purchase card program that provides electronic discounting. OVFM is the agency of responsibility for the contract and provides day-to-day management of the contract.

State Energy Conservation Office (SECO)

By Texas statute State Energy Conservation Office (SECO) under the direction and control of the Comptroller provides guidance and establishes standards regarding energy conservation efforts of state agencies (Texas Government Code, Chapter 477). These efforts include fleet related fuel conservation efforts such as the identification and promotion of fuel-saving technologies.

1.2 Current Assets

The following provides a general overview of the State's fleet and fuel assets. All data provided are self-reported figures or figures from secondary sources that have not been independently validated and should be considered minimums.

1.2.1 Fleet Assets

The following table provides a breakdown of the type and number of vehicles in the state fleet as of the end of Fiscal Year 2008 (September 1, 2007 – August 31, 2008).

| Vehicle Type | Vehicle Count end of FY 08 |
|---------------------------|-------------------------------|
| Passenger Car | 3,421 |
| Truck - Heavy Duty | 2,944 |
| Bus - Small (15-pass) | 62 |
| Motorcycle | 3 |
| SUV | 1,243 |
| Van - Cargo & Passenger | 3,056 |
| Truck - Light Duty | 8,872 |
| Mounted Equipment | 1,299 |
| Truck - Light/Medium Duty | 2,910 |
| Truck - Medium Duty | 875 |
| Minivan | 729 |
| Bus - Medium (16-28 pass) | 80 |
| Bus - Large (29+ pass) | 317 |
| Other | 12 |
| TOTAL | 25,823 |

1.2.2 Fuel Assets

Bulk Fueling Capacity

State agencies and universities maintain in excess of 1,400 above ground and underground bulk fuel storage tanks with approximately 8 million gallons in total volume capacity. This capacity is geographically dispersed throughout the state, and currently there are no common statewide processes for the procurement and delivery of bulk fuel, or the monitoring, management and security of fuel tanks.

1.2.3 Fleet Usage

The following table provides a breakdown of the total and average miles driven by vehicle type for Fiscal Year 2008.

| Vehicle Type | Total Mileage (FY08) | Average Mileage (FY08) |
|---------------------------|-----------------------------|-------------------------------|
| Passenger Car | 67,768,784 | 16,485 |
| Truck - Heavy Duty | 26,086,097 | 8,837 |
| Bus - Small (15-pass) | 441,783 | 7,617 |
| Motorcycle | 3,255 | 1,085 |
| SUV | 14,116,851 | 11,394 |
| Van - Cargo & Passenger | 33,633,597 | 11,115 |
| Truck - Light Duty | 97,277,861 | 10,620 |
| Mounted Equipment | 1,127,286 | 7,002 |
| Truck - Light/Medium Duty | 32,332,374 | 11,219 |
| Truck - Medium Duty | 8,037,486 | 8,881 |
| Minivan | 5,403,513 | 7,589 |
| Bus - Medium (16-28 pass) | 502,854 | 5,650 |
| Bus - Large (29+ pass) | 5,360,422 | 20,152 |
| Other | 46,493 | 4,649 |

1.2.4 Fuel Usage

The following table provides a breakdown of the total state fleet fuel consumption based on fuel type for Fiscal Year 2008.

| Fuel Type | Fuel Consumption (FY08) |
|------------------|--------------------------------|
| Diesel | 7,290,542 |
| Biodiesel | 13,623 |
| Gasoline | 11,060,851 |
| CNG | 55,231 |
| LPG | 30,523 |
| E85 | 45,258 |
| Undefined | 13,507 |
| TOTAL | 18,509,534 |

1.2.5 Fleet Operating Costs

The following table provides a breakdown of the total operating cost by vehicle type for Fiscal Year 2008. Total cost includes fuel, maintenance and repair costs.

| Vehicle Type | Total Cost (FY08) | Cost per Mile (FY08) |
|---------------------------|-------------------|----------------------|
| Passenger Car | \$ 8,221,355 | \$ 0.12 |
| Truck - Heavy Duty | \$22,831,211 | \$ 0.88 |
| Bus - Small (15-pass) | \$ 485,787 | \$ 1.10 |
| Motorcycle | \$ 1,097 | \$ 0.34 |
| SUV | \$ 2,710,888 | \$ 0.21 |
| Van - Cargo & Passenger | \$ 8,190,423 | \$ 0.26 |
| Truck - Light Duty | \$ 27,673,698 | \$ 0.31 |
| Mounted Equipment | \$ 775,191 | \$ 0.69 |
| Truck - Light/Medium Duty | \$ 11,701,312 | \$ 0.38 |
| Truck - Medium Duty | \$ 4,740,999 | \$ 0.61 |
| Minivan | \$ 1,345,546 | \$ 0.27 |
| Bus - Medium (16-28 pass) | \$ 367,974 | \$ 0.76 |
| Bus - Large (29+ pass) | \$ 2,488,991 | \$ 0.48 |
| Other | \$ 5,417 | \$ 0.12 |
| TOTAL | \$91,539,888 | \$ 0.33 |

1.3 Current Initiatives

The following represents a sampling of the state's initiatives in the area of fleet and fuel services and programs:

State Energy Conservation Office

The Alternative Fuels Program supports public and private partnerships that deploy clean-burning alternative fuel vehicles (AFVs) and build their associated fueling infrastructure. SECO's Alternative Fuels Program helps state agencies, schools, local governments and private fleets operate more of their fleets on alternative fuels. Initiatives include support for the Clean Cities program, financial assistance for an energy education school curriculum in energy basics and alternative fuels, and the Adopt-a-School-Bus and Clean School Bus USA programs.

To view a list of other SECO supported alternative fuel projects, visit:

http://www.seco.cpa.state.tx.us/alt_projects.html .

Texas General Land Office

To encourage fleets to increase their use of heavy-duty Natural Gas Vehicles (NGVs), the Texas General Land Office (GLO) has an NGV Initiative Grant Program available for public-sector partners in certain Texas counties. The program is funded with a Texas Emissions Reduction Plan grant through the Texas Commission on Environmental Quality. A variety of vehicles, including street sweepers, forklifts, buses, and garbage trucks, are eligible for grants to help cover the cost of replacing diesel vehicles with NGVs. For more information about the program and eligible counties, see the [NGV Initiative Grant Program](#) Web site.

Texas Railroad Commission

The Railroad Commission of Texas Alternative Fuels Research and Education Division (AFRED) Low Emissions Propane Equipment Initiative Program offers incentives to buyers who wish to replace aging medium-duty diesel school bus or delivery vehicles with qualified Liquefied Petroleum Gas (LPG) vehicles that meet or exceed current U.S. Environmental Protection Agency (EPA) emissions standards. The incentive amount is dependent upon the calculated emissions reductions. AFRED also offers incentives to buyers who wish to replace aging internal combustion forklifts with new propane forklifts that meet or exceed 2008 EPA emission standards.

For more information go to http://www.propane.tx.gov/rebate_program.

Texas Commission on Environmental Quality

TCEQ's Texas Clean School Bus Program offers resources to Texas schools for upgrades that reduce the emissions of diesel exhaust from their school-bus fleets. Grants awarded through this program cover the purchase and retrofitting of emission-reduction devices. The program also educates school district personnel about various clean school-bus options and about the potential health impacts associated with diesel bus idling, with a goal of eliminating unnecessary idling. For more information go to <http://www.tceq.state.tx.us/assistance/clean-vehicles/school-buses.html>.

2. Areas of Interest

2.1 Fleet & Fuel Management

CCG is interested in receiving responses from Vendors and qualified stakeholders who can provide specific fleet and fuel related services that could be established and managed via contract with specified deliverables and service level agreements. The following list is not intended to be exhaustive but illustrative of the areas of interest. If you are aware of other initiatives that should be considered please identify those opportunities and provide as much information as is available in your response.

2.1.1 Fleet Management

- Fleet Optimization
- Fleet Needs Assessments
- Distributed Reservable Fleet (i.e., CarShare Programs)
- Fleet Tracking and Monitoring
- Automated Vehicle Diagnostics
- Vehicle Maintenance
- Vehicle Roadside Assistance
- Vehicle Use Profiling
- Use of Global Positioning/Navigation Systems/Telematics

2.1.2 Fuel Management

- Retail Fuel Acquisition/Retail Fuel Cards
- Bulk Fuel Acquisition
- Fuel Terminal Design and Maintenance
- Automated Fleet/Fuel Data Capture
- Route Optimization/Efficiency
- Bulk Fuel Monitoring
- Bulk Fuel Control
- Use of Alternative Fuels such as:
 - Methanol, ethanol, and other alcohols;
 - Blends of 85% or more of alcohol with gasoline (Ethanol, E85);
 - Natural gas and liquid fuels domestically produced from natural gas (CNG);
 - Liquefied petroleum gas (LPG, propane);
 - Coal-derived liquid fuels;
 - Hydrogen;
 - Electric/Hybrid Electric; and,
 - Biodiesel

2.1.3 Other Related Services

- Idle Reduction technologies

- Vehicle Retrofits
 - Closed Crankcase Filtration System
 - Diesel Particulate Filter
 - Diesel Oxidation Catalyst
 - Partial Flow Through Filter
 - Battery Retrofits
- Carbon footprint profiling and benchmarking
- Mileage Reporting/Tracking

3. Responses

3.1 Required Responses

Responses providing information on any or all of the services outlined in Sections 2.1.1, 2.1.2 and 2.1.3 of this RFI should address the following items:

1. The specific scope of the services you provide (or for stakeholders the services you utilize) and the specific value achieved by deploying these services. If cost savings or efficiencies have been documented, please provide specific details.
2. Brief description of past experience providing these services. Vendors should provide specific reference to experience they have had with other states or governmental entities.
3. From your past experience, has CCG identified all the major components in these service areas? If not, please provide information on other components you feel should be considered as it relates to fleet and fuel services.
4. What innovations or new technologies are emerging that CCG should be aware of in these service areas?
5. If implementation of the service or solution requires infrastructure and/or technology capital investment on behalf of the state, please provide an overview of the opportunities that may exist for public-private partnerships, pay-as-you-go or cost sharing agreements.
6. What potential problems/risks might the State encounter in pursuing a project in these service areas? Please provide any ideas or suggestions on how to address the identified problems/risks.
7. Please identify any State or Federal stimulus or grant related funds, especially those in the American Recover and Reinvestment Act of 2009 (ARRA), that are applicable to fleet and fuel services in your response. Please briefly identify the requirements to apply and qualify for these funds.

3.2 Submittal Address

RFI responses must be received prior to **2:00pm (CST) on Thursday, May 28, 2009**, at the following address:

Contact: Elizabeth Lopez

Address: Council on Competitive Government
111 E 17th Street
Room 304
Austin, TX 78711

Please be sure to reference RFI# CCG-FFMS-2009-001 on the external packaging of your response. Email or facsimile responses will **NOT** be accepted.

Information submitted in response to this RFI will become the property of the State of Texas. The State of Texas will not pay for any information herein requested nor is it liable for any cost incurred by the vendor.