



TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee Feldman, ICMA-CM, City Manager

DATE: September 3, 2013

TITLE: Motion to approve one-year contract extension for fleet management and
maintenance services – Contract 505-10495 - \$5,415,258

Recommendation

It is recommended that the City Commission approve a one-year contract extension for fleet management and maintenance services with First Vehicle Services, Inc., (FVS) in the not to exceed amount of \$5,415,258.

Background

The fleet management and maintenance services contract provides for fleet management and maintenance services of City vehicles.

At its July 7, 2010 Regular Meeting (CAR 10-0931, Pur-8), the City Commission approved a three year contract for fleet management and maintenance services to top ranked proposer, First Vehicle Services, Inc. The contract took effect on October 1, 2010 and will expire on September 30, 2013. The contract allows for two additional two-year extensions.

In an effort to improve existing services, and to evaluate compliance with the terms and conditions of the existing contract, City staff conducted a series of meetings with representatives from FVS over the past six months. The meetings resulted in the identification of the following improvements:

- **Software:** It was noted that the fleet maintenance software did not provide the required reporting capabilities. FVS has since upgraded the software to include management dashboards and key performance indicators to allow for the analysis of performance data periodically and the implementation of corrective measures as needed.

- Fuel Data Integration: Fuel data was not being imported to the fleet maintenance software. Fuel data is now being imported to the fleet maintenance software on a daily basis. This data will allow for the tracking of fuel consumption as well as to compare fuel efficiencies within the same vehicle class and types.
- Staffing Levels: Staffing levels per contractual requirements are now being closely monitored to ensure that the full staffing level of 46 employees is maintained consistently. The contractually stipulated staffing levels allows for meeting the established level of service for maintenance of vehicles.
- Parts Availability: The existing contract does not have set performance standards for inventory fill rates. Parts availability is crucial to provide prompt vehicle turn-around times especially for first responder vehicles. Upon further discussion with FVS, it was agreed that FVS will maintain specific inventory which is frequently used based on historical consumption levels with a special emphasis on emergency and first responder vehicles with the Fire-Rescue and Police Departments.
- Parts Inventory Barcode: FVS was not using a barcode to track and dispense parts inventory. FVS will be implementing this feature by September 30, 2013. The use of inventory barcode is a contract requirement. This feature increases the accuracy and efficiency related to the issuance and tracking of parts.
- Monthly Invoice Format: It was noted that the monthly invoice format generated by FVS did not correlate to the pricing structure submitted by FVS in their Request for Proposal response which made it difficult for City staff to review, audit and track expenditure by line item. Upon further discussion with FVS, it was agreed that FVS will produce an additional Excel report which will match operating statements to monthly billing.

While FVS and City staff is collaborating to improve the identified items for enhancement, staff is recommending the Commission extend the contract for one year. The City may extend the term of the agreement for two, two year periods or a fraction thereof as stated in the agreement. The one year extension will provide for the needed management and maintenance services of City vehicles, while also affording staff the opportunity to further evaluate the vendor's performance.

Resource Impact

There will be a fiscal impact to the City in the amount of \$5,415,258. Expenditures are contingent upon approval and appropriation of the annual budget.

FUNDS AVAILABILITY LOCATION:

FY	FUND	SUB FUND	FUND NAME	INDEX #	INDEX NAME	SUB OBJ #	SUBJECT NAME	AMOUNT
2014	583	01	Vehicle Rental	PBS580101	Fleet Services	3240	Mgmt/Oper Svcs	\$5,415,258
TOTAL								\$5,415,258

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