COUNTY OF SONOMA
AGENDA ITEM
SUMMARY REPORT

Clerk of the Board Use Only	
Meeting Date / /	**Held Until** / /
Agenda Item No: _____	**Agenda Item No:** _____

Department: General Services			( ) **4/5 Vote Required**
Contact: Dave Head	**Phone:** (707) 565-2809	**Board Date:** May 12, 2009	**Deadline for Board Action:**

AGENDA SHORT TITLE:

Agreement with NetworkFleet Inc., for vehicle Global Positioning System (GPS**)** Services

REQUESTED BOARD ACTION:

Authorize the Director of General Services to execute and agreement for Services with NetworkFleet Inc., for vehicle Global Positioning System (GPS), for a one-year period, not to exceed $73, 094 for initial purchase and monthly service fees.

CURRENT FISCAL YEAR FINANCIAL IMPACT

EXPENDITURES		**ADD'L FUNDS REQUIRING BOARD**	
Estimated Cost	**$** 43,154	**Contingencies** **(Fund Name:)**	**$**
Amount Budgeted	**$** 43,154	**Unanticipated Revenue** **(Source:)**	**$**
Other Avail Approp. **(Explain below)**	**$**	**Other Transfer(s)** **(Source:)**	**$**
Additional Requested:	**$**	**Add'l Funds Requested:**	**$**

Explanation (if required): It is projected that most of the cost will be covered through savings from reduced fuel usage and vehicle maintenance cost.

Prior Board Action(s):

None

Alternatives - Results of Non-Approval:

The County would not benefit from the cost savings associated with the implementation of a fleet global positioning unit and data system.

County Fleet Operations would not gain the operational, diagnostic and safety benefits provided by the fleet management tool.

Background: (Copy of services agreement is on file with the Clerk of the Board)

In recent years Global Positioning System (GPS) technology has become more useful in the management of fleet assets. These new GPS based fleet management systems can provide detailed information on vehicle performance as well as providing locations and driving directions. Fleet Operations Division has watched the development of this technology over the past several years to see if it could provide information and services that would help the County manage its fleet assets more efficiently. Systems technology has advanced to the point where it is less challenging and more accurate to document the potential cost savings for fuel consumption, vehicle maintenance, and staff time and determine the collateral benefit to driver safety and service delivery. In addition the deployment of these systems by other fleet operators (public and private) has provided a resource of information that provides real world performance data on the performance and benefits afforded by these systems.

In December 2008, Fleet Operations released a Request for Proposal (RFP) to evaluate which systems could best meet the needs of the County and to perform a fair market comparison and evaluation of available GPS based fleet management systems. The RFP was sent to eight prospective vendors. Three companies responded. After reviewing the RFP responses, NetworkFleet, Inc. was selected as the top rated responsive and responsible RFP submission. NetworkFleet, Inc. met all of the RFP requirements and had the lowest cost per unit as well as being able to provide ongoing subscriptions to network services.

Utilization of the GPS based fleet management system proposed to be provided by Network Fleet Inc. provides a wide range of benefits and efficiencies in many areas of fleet management. Key benefits include:

- Mileage reporting – The system will automatically download vehicle mileage reading from the vehicle into the fleet management database. Currently Fleet Operations formulates this critical information manually by requesting a vehicle mileage report from Departments each month. Department staff enters the correct odometer reading for each vehicle and submits the report to Fleet. Fleet staff then manually enters each mileage into the Fleet database. This function will be completely automated saving hours of staff time in all departments.

Attachments:

Agreement for Services between the County of Sonoma and NetworkFleet Inc.

On File With Clerk:

CLERK OF THE BOARD USE ONLY

Board Action **(If other than "Requested")**	**Vote:**

Background: (Continued)

- Smog inspections – The system will automatically download vehicle emissions data to the California Bureau of Automotive Repairs (BAR). Vehicles that are reported by the system will be exempt from the biennial vehicle smog inspection. Fleet Operations does 200 to 250 smog inspections per year at a cost of approximately $30,000.00 per year.
- On-board vehicle diagnosis and problem reporting – The system will notify Fleet Operations when a vehicle has a problem in any of the computer control system components on the vehicle and automatically open a Service Request in the fleet management work order system. This will provide an immediate notification of a problem in the vehicle and allow fleet maintenance to schedule a repair before the problem results in a serious failure.
- Notification that maintenance is due – The system will notify the department vehicle coordinator when the vehicle is due for service. By automatically notifying Departments of vehicles due for service reduces the need for staff to develop and transmit "PM due" reports.
- Calculation of fuel economy – The system will constantly calculate vehicle fuel economy data. Fleet Operations and user Departments will be able to see the fuel economy of vehicles and can collaboratively research, identify and analyze either mechanical or operational causes for poor vehicles mileage performance.
- Automated vehicle performance reports – The system will monitor overall vehicle performance and notify Fleet Operations whenever a vehicle is performing outside factory specification.
- Vehicle speed exception reporting – The system can provide information on vehicle speeds. Identifying and promoting optimum operational speeds can facilitate fuel economy and encourage driver safety.
- Notification of technical service bulletins (TSB) – The system will provide automatic notification of technical service bulletins published by the National Highway Transportation and Safety Administration (NHTSA). This will allow Fleet Operations to have access to immediate and updated manufacturer recalls facilitating expedient repairs and replacement. This is critical for safety related recalls.
- Tracking of vehicle and equipment idle times – This system will provide information on vehicle idling times. Idling time limits on some vehicles have been imposed by the California Air Resources Board and having this information available will allow Fleet Operations to monitor and promote awareness among user Departments.
- 24/7 Roadside assistance – Procurement of the system includes the provision of 24/7 roadside assistance up to four times per year, per vehicle. This will reduce current roadside assistance costs for the County, estimated at approximately $8,000 per year. More importantly it will provide an increased level of assurance for county drivers and could encourage a greater use of county pool vehicles for long distance vehicle trips.

- Department and Operator Benefits:
  - Management of field operations – the system provides a vehicle locator function that can provide departments with a means to optimize vehicles and work assignments. The vehicle locator function will give departments the ability to find and re-route staff when the need arises.
  - Expedient routing and directions – The system will be able to provide driving directions to and from specific hard to find locations, point-to-point. Second generation units will provide this information directly to each vehicle operator.

- Expedient emergency routing – The system will provide the capability to locate and route vehicles assigned to emergency based departments on changing road conditions. This could assist with the County's ability to respond to emergencies.
- Work assignment flexibility – The system facilitates efforts to align field assignments with staff resources. Employees can use the location information aspect of the system to establish service routes, either from the office or their home optimizing the use of field time.

GPS Based Fleet Management – Cost Impacts

Experiences in other fleets have shown that the use of a GPS system to manage the fleet can yield significant savings in fuel consumption. One example is Kern County, California. Kern County equipped 169 vehicles with GPS units. Since installation of the GPS system, Kern County has seen an average increase in fuel economy of 22%. As part of a pilot installation conducted within our own fleet, fleet operations installed a GPS based fleet management system in four County vehicles with different usage patterns. The results of that evaluation showed improvements in fuel consumption of these vehicles ranging from 10% in a utility truck to nearly 30% in a hybrid sedan.

In 2007/08, the County's automotive fleet drove 8.7 million miles and used 585,000 gallons of fuel. Installing GPS based technology in the light vehicle fleet component (about 850 vehicles) and applying a conservative 15% improvement in fuel efficiency (on average this represent about a 3 to 4 mile per gallon increase in fuel economy) the County could potentially reduce fuel use by approximately 88,000 gallons per year. This would reduce fuel costs by approximately $312,400 (estimated fuel cost of $3.55/gallon in the 09/10 budget), and reduce GHG emissions by approximately 1,000 tons annually. Relative to this limited procurement of 100 units, the fuel cost reduction would be $36,650 and the GHG reduction would be 113 tons.

As previously stated the system will automatically download vehicle emissions data to the California Bureau of Automotive Repairs (BAR). This automated reporting will eliminate the need for about 200 to 250 smog inspections per year at a cost of approximately $30,000 per year based on 850 installations. For the first 100 units, we estimated an annual savings of as much as $3,500.

The procurement cost for the GPS based fleet management tool has two cost components, the hardware cost and the monthly on-going service fee associated with activating, operating, and maintaining the reporting system. The intent is to reflect the on-going cost in the Fleet billing system. It is anticipated that the County will realize savings through reduced fuel consumption and the fleet billing rates will not be adversely impacted. Fleet Operations is limiting this initial procurement to 100 units as a means of monitoring and evaluating the fuel use impacts and validating impact on billing rates.

Fleet Operations is also pursuing Grant funding through the Department of Energy's Energy Efficiency and Conservation Block Grant as a potential means of securing funding for further implementation of the GPS program for the County fleet. We will be requesting your Board's permission to apply for this grant in a separate Board item on today's agenda.

Project Outreach

The use of a GPS based fleet management tool and the level of success and benefit that can be achieved is very much dependent on the how the system is used by affected stakeholders. Fleet management staff must take advantage of the multiple diagnostic and operational tools the system provides, user departments need to maximize their use of the fuel use and vehicle location information afforded by the system and vehicle drivers need to take advantage and use the system to optimize their travel patterns and service routing.

Therefore, educating the work force on the capabilities of the system and the benefits it could afford is

critical to successful and beneficial utilization. To that end, Fleet Operations conducted outreach and demonstration sessions with management and staff in several departments through a series of five informational presentations. Managers, line staff, and employee labor representatives attended these presentations and where afforded the opportunity ask questions and voice any concerns. Overall, feedback from County staff and departments was positive and several departments have requested that they be included in the initial rollout.

Funding:
This procurement will provide for the installation of 100 units in the first year. The cost for the 100 units is $43,154 (including sales tax) plus $29,940 for the monthly service fee for activating, operating and supporting the 100 units. Total cost for procurement of the 100 units is $73,094. The purchase of these units will be funded by the Fleet Accumulated Capital Outlay fund (Index#210625).

Recommended Board Action
Authorize the Director of General Services to execute and agreement for Services with NetworkFleet Inc., for vehicle Global Positioning System (GPS), for a one-year period, not to exceed $73, 094 for initial purchase and monthly service fees.