

Supplement B
Department Of Budget And Management
ACTION AGENDA
September 7, 2016

Contact: Larry Williams 410-260-7195
larry.williams@maryland.gov

REVISED

4-S. DEPARTMENT OF BUDGET AND MANAGEMENT
Fleet Management Office
Services Contract

Contract ID: Maintenance, Repair and Accident Management Program for State-Owned Vehicles; ADPICS # 050B6400003

Contract Description: Provide Statewide vehicle maintenance and repair services via a network of local vendors for State-owned cars, light trucks, vans and medium and heavy-duty trucks not covered by in-house maintenance and repair facilities. The contract also provides an accident management program to manage reporting and repair of all vehicle accidents and vandalism claims by participating State agencies.

Award: Element Vehicle Management Services, LLC
Sparks, MD

Term: ~~11/1/2016—10/31/2021~~ 10/1/2016 – 9/30/2021

Amount: \$77,500,000 Est. (5 Years)

Procurement Method: Competitive Sealed Proposals

Proposals: One Acceptable Proposal Received

MBE Participation: 0% (See Requesting Agency Remarks)

Performance Security: None

Incumbent: Same

Requesting Agency Remarks: A notice of the availability of the Request for Proposals (RFP) was advertised on *eMaryland Marketplace*. Copies of the solicitation notice were sent directly to six prospective vendors, one of which are Maryland firms, and included no MBEs. A copy was also sent to the Governor's Office of Minority Affairs.

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Three proposals were received in response to the RFP. One proposal was received late and was rejected per COMAR 21.05.03.02(F). Two proposals were evaluated; however, one was determined not to be reasonably susceptible of being selected for award and was eliminated from further consideration. The remaining proposal from the incumbent was determined to be reasonably susceptible of being selected for award. In addition, the offeror was determined to be responsible; the financial offer was considered fair and reasonable, and it was determined that other potential offerors had a reasonable opportunity to respond to the solicitation. The prices proposed were deemed to be fair and reasonable based upon market research and the fact that the incumbent proposed the same prices as the previous contract from five years ago. Therefore, the State is maintaining the same rates for ten years.

This contract will provide access to a repair and maintenance service network of national and local Maryland vendors for servicing State-owned cars, light trucks, vans and medium and heavy-duty trucks. It also provides for an accident management program to manage reporting and repair of all vehicle accidents and vandalism claims by participating State agencies. Since Element is the incumbent for the Fleet Services Contract, no transition period will be necessary.

Whereas vehicle maintenance and repair services are common, the vehicle maintenance and accident repair management services required through this contract are unique and highly specialized to provide the State with a management contractor to oversee all conventional maintenance, repairs, glass replacement through a standardized pricing agreement with a national glass replacement vendor, preventative maintenance through a monitoring system for all original equipment manufacturer recalls, provide maintenance experts through a centralized technical support center to review and approve maintenance and repair services 24/7/365 (including a toll-free number), and provide emergency road services 24/7/365 for vehicle towing and transportation for State personnel from the accident or breakdown to a safe and appropriate location. These centralized services ensure the State's Fleet is safe and operational and costs for maintenance and repair services are reasonable and appropriate.

The State owns approximately 8,700 vehicles; of this number, approximately 6,200 currently participate in the maintenance program. The approximately 2,500 remaining vehicles are maintained using State-owned repair facilities.

The Award Amount is estimated based upon approximately \$75M covering the reimbursements for the actual cost of maintenance and repairs to State vehicles by participating facilities and the estimated administrative fees of \$2.7M. The financial offer was based upon a model in the RFP for evaluation purposes for a five-year period for administrative fees. The contractor will be paid a fixed per-vehicle, per-month fee for vehicle maintenance and fixed-incident fees for towing and accident occurrences.

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No MBE or VSBE participation goals were established for this contract based upon the limited subcontracting opportunities and the determination that there were no available MBEs or VSBEs to provide these services that are part of a unique, highly specialized industry that consists of only a few national firms.

Fund Source: 100% General

Appropriation Codes: Various

Resident Business: Yes

MD Tax Clearance: 16-2627-0001

This Item was withdrawn as Item 1-S from the 8/17/2016 Agenda.

BOARD OF PUBLIC WORKS ACTION – THIS ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION