



**REQUEST FOR PROPOSALS
For
Fleet Management and Maintenance Services
RFP # 2022-006**

ROWAN COUNTY

130 West Innes
Street Salisbury, NC
28144

704-216-8180

Date Issued: Thursday September 9, 2021

Preproposal Conference: Thursday September 23, 2021

Deadline for Questions: Friday September 24, 2022

Date Due: Thursday October 21, 2021

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I. INTRODUCTION

AGENCY: Rowan County, NC

PROJECT TITLE: RFP for Fleet Management and Maintenance Services

SERVICES SOLICITED: A vendor to provide comprehensive fleet management and maintenance services

DEADLINE FOR SUBMISSION: 12 P.M. Thursday, October 21, 2021

II. PURPOSE OF SOLICITATION

a) Objective of This Request For Proposals

The County is seeking proposals from commercial fleet service providers to provide fleet management and fleet maintenance services at the existing County facility. The County's ongoing objective is to improve the performance of its fleet – reduce cost and fleet downtime while improving fleet reliability and functionality – through enhanced fleet maintenance practices. The County desires to enter into an agreement that will provide the best value to the County, and that will form the basis of a partnership between the successful service provider, hereinafter “Contractor,” and the County for the achievement of the County's long-term objectives.

b) Overview Of Fleet Operations In The County

- i) The County operates a fleet of approximately 325 licensed units, with the bulk of the fleet being cars and light-trucks. However, the fleet also includes some paratransit buses, ambulances, and large trucks. Appendix A provides a listing of the vehicles in the fleet. The Contractor will complete a thorough physical inventory of all vehicles and motor driven equipment within the first 30 days of contract operations. A final list of vehicles subject to target services will be agreed upon by the County and the Contractor including any associated pricing changes as described in a later section of this RFP.
- ii) Note that only licensed on-road vehicles (cars, pickups, SUVs, law enforcement vehicles, vans, and trucks) will be covered under the target services portion of any contract that may result from this RFP. Services provided to construction, landscape and miscellaneous equipment will be provided on a non-target time and materials basis. However, County departments will not be required to have this equipment serviced by the Contractor and may select instead to have this equipment serviced by commercial providers in the area.
- iii) While the County owns a small vehicle maintenance shop, most vehicle services are currently being performed by vendors. The budget for vehicle maintenance and repair for 2022 is \$383,000.
- iv) The County will continue to provide general oversight for the fleet including decisions relating to policy, safety, replacement, usage, disposal, etc. The Contractor will provide technical advice in these areas when requested by the County.

c) Summary Of Fleet Services Contractor Responsibilities

The Contractor will be responsible for providing all the services described in the subsequent sections of this RFP, and in accordance with the standards of performance outlined therein. In summary, the successful Proposer will be responsible to:

Provide all fleet maintenance and repair services to the County's fleet. It is expected that the successful Proposer will use the County-owned facility, or the option of a facility provided by the Contractor, and its own personnel to provide these services in a manner that (1) reduces overall fleet costs, (2) lowers overall fleet downtime, and (3) does not adversely affect the County's ability to provide a high level and quality of services to residents.

- i) Provide fleet management services such as tracking assets and costs in a Contractor provided fleet management information system, writing technical specifications for new vehicles, vehicle documentation services including tags and titles, coordinating fuel card services, coordinating the asset disposal process, working with insurance and subrogation as part of the accident damage repair process, providing recommendations for improving fleet safety, etc.
- ii) Provide technical assistance and guidance to support the County's fleet management decisions regarding fleet size and composition, fleet policy formulation and capital investments in the fleet and fleet facilities; and
- iii) Provide these services during all County-declared emergencies, such as inclement weather emergencies.

III. **IMPORTANT TERMS**

a) Definitions

Each service in this RFP is either a "Target" or a "Non-Target" service. These designations have important procedural and financial implications, as described throughout the remainder of this RFP.

i) Target Services

The Contractor will provide all services designated Target services within a single annual fixed ("Target") amount as specified in its proposal. The Contractor will bear all risk associated with exceeding the annual cost Target but will share in any savings.

ii) Non-Target Services

The successful Proposer will provide all services designated as non-Target services on a time and materials basis at rates specified in its proposal. The County and the successful Proposer will cooperate in establishing and managing an annual budget for non-Target services.

The successful Proposer will provide each of the services outlined under the terms of this RFP, and such other allied services may be required to assure the continuity of effective and economical operation of the County's fleet, regardless of their definition as "Target" or "Non-Target" services. The successful Proposer will provide all management services,

supervision, labor, tools, parts, materials, supplies, office equipment, and sub-contractor services required, unless specifically exempted under the terms of this RFP, necessary to provide fleet services in accordance with generally accepted fleet practice, and in accordance with the performance standards specified in this RFP.

iii) Vehicle Equivalent Units

Each class of vehicle and equipment in the fleet will be assigned an appropriate number of Vehicle Equivalent Units (VEU) to define the relative level of maintenance and repair effort the Contractor expects to expend on vehicles and equipment of that class. Appendix A provides a list of County fleet assets with a column available for prospective Contractors to enter a VEU value. **This must be done and included as part of the response to the RFP by each respondent.** The County recognizes VEU, rather than actual count of units, for several purposes such as pricing changes to fleet size and fleet age as described in later sections of this RFP below. For any classification not identified by VEU, the County will negotiate pricing changes with the Contractor based on historical repair records.

IV. CONTRACT PERIOD

a) Commencement of Operations

The successful Proposer shall commence performance of services under the terms of this RFP within sixty days (60) of contract execution.

b) Term of the Initial Agreement

The term of the initial contract shall be a period of five (5) years from the start work date specified in the contract.

c) Options to Extend the Initial Agreement

- i) The County reserves the right to extend the term of the contract, at its sole discretion but with the concurrence of the successful Proposer, for one (1) one-year periods, or fractions thereof. The County will forward written notice to the successful Proposer at least thirty days (30) prior to the expiration of the initial contract or any extension then in force.
- ii) The total duration of the contract, including the exercise of any options under this provision, shall not exceed seven (7) years, unless agreed to in writing by both parties.

V. TOTAL CONTRACT COST

Any contract resulting from this RFP will have three cost components: Target Cost, Non-Target Cost, and Transition Cost. The Contractor's proposal will contain an itemized cost proposal in the tabular format provided in Appendix D. Described below are the major cost components.

a) Target Cost

Target costs are those costs incurred by the Contractor to provide Target Services, as defined throughout this RFP. The Contractor will develop an annual fixed price cost proposal for the provision of all Target services that is inclusive of all Target costs and

Contractor fees. The County will pay up to the agreed Target amount, but any cost incurred for the provision of Target services exceeding the agreed amount on an annual basis will be borne entirely by the successful Proposer.

The Target Budget for the first three years of the contract will be set by the successful Proposer's cost proposal. Adjustments to the annual Target Budget in following years will be made pursuant to the conduct of the annual meeting between the County and the successful Proposer.

b) Non-Target Costs

- i) Non-Target costs are those costs incurred by the Contractor to provide Non-Target services as defined throughout this RFP. The Contractor will invoice for these services on a time and materials basis.
- ii) Before commencement of services the County will work with the Contractor to develop a fully-burdened labor rate for the various employee classifications in its staffing plan as well as appropriate markups on parts, materials, and sublet services. These markups will be based on the Contractor's Target Services cost proposal (inclusive of an apportioned share of corporate overhead, general and administrative costs, management fees, labor costs, parts costs, anticipated sublet service costs, etc.). This rate will be used to charge Non-Target services to the County and to price all workorders in the Contractor provided fleet management information system so that the County can track lifecycle costs for its fleet.

c) Transition Costs

- i) The transition period is that time between the execution of a contract and completion of the first four months of contract services.
- ii) A successful transition to contract service is essential. This transition is one that provides for the provision of service throughout the transition period that is at least equal to the current level of service provided by the County's existing service providers, and that puts the Contractor in a position to meet all contract specifications after the transition period. The County appreciates the fact that resources in addition to the resources needed to provide Target services may be required to accomplish a successful transition. Consequently, the County requires Contractors to present in their proposals a Transition Plan, which includes the enumeration of resources needed to implement this plan.
- iii) The County will establish a Transition Budget that provides funding for implementation of the Contractor's Transition Plan to the extent that such implementation requires the Contractor to incur costs beyond those proposed for the provision of agreement services in the first year of the agreement. The Contractor's proposed Transition Plan cost proposal will reflect the transition budget, and the County will pay for transition costs up to this budgeted amount

VI. CONTRACT COST ADJUSTMENTS

a) Unusual Costs

The Contractor may petition the County for an adjustment to the Target Budget at reasonable times based on unusual changes in the Contractors' cost of doing business. For

purposes of this section, unusual changes are items not covered by the agreement that occur because of external events and through no fault of the successful Proposer. Examples of such are changes in local, state, or federal laws, regulations, natural catastrophes, civil disturbances, or similar extraordinary events. Unusual costs will not include price increases occurring in the ordinary course of doing business.

b) Cost Adjustment for Contract Renewal

The Contractor's cost proposal will set the Target Budget for the first three (3) years of the contract. Adjustments to the annual Target Budget in following years are pursuant to the conduct of the annual meeting between the County and the Contractor. The County will consider an adjustment of the Target Budget in each renewal year considering the following limitation:

The change in all costs (non-Target labor rates and Target services) will not exceed the Consumer Price Index – Urban (CPI-U) for urban consumers for all items in the Charlotte-Concord Metropolitan Combined Statistical Area for the prior year.

c) Cost Adjustment for Changes in Fleet Size

The Target Budget will be adjusted to correspond to increases or decreases in fleet size on a vehicle equivalent basis as specified by the Contractor in Appendix A. The County will calculate these adjustments quarterly and adjust the monthly Target Budget. Adjustments will take place only for the forthcoming and subsequent months. If the fleet increases in size, it is up to the contractor to apply for any increase in its Target Budget. It will be up to the County to notify the contractor of any decreases in the contractor's Target Budget due to decreases in fleet size.

For example, if the total of all vehicle equivalents defined by the contractor in Appendix A is 1,500 and its Target Bid is Appendix D \$1,500,000, then the cost of one vehicle equivalent would be \$1,000. If the size of the County's fleet were then to increase by five (5) vehicles that had a total vehicle equivalent numerical value of 15 during the third month of contract operations, then the contractor could apply for an increase to its Target Budget of \$1,500 per month beginning in month four (4) of contract operations.

VII. CONTINUITY OF SERVICE

a) Notice of Intent Not to Renew

The Contractor must recognize that providing the services are vital to the County and required without interruption and that, upon expiration or termination of the contract, a successor will continue these services. Therefore, if the Contractor chooses not to renew the contract upon contract expiration, the Contractor is required to provide the County a written notice of such intent at least six (6) months before the expiration of the contract.

b) Phase In – Phase Out

If upon expiration or termination of the contract, the Contractor is not chosen to continue or elects not to renew the agreement, the Contractor will, upon written notification from the County, provide phase-in phase out services for up to sixty (60) days after terminated contract have been finalized with a successor Contractor. After notification, the Contractor will cooperate in good faith with a successor in determining the nature and extent of the services, including the development of a mutually accepted transition plan, subject to approval by the County.

The Contractor will provide sufficient, experienced personnel during the transition period to ensure that the services, called for by the contract, continue at the specified level of contract performance. The Contractor will receive reimbursement for all reasonable transition costs pre-authorized by the County, which incurred within the agreed period after agreement expiration or termination. The Contractor will cooperate with the successor in allowing as many personnel as practical to remain on the job to enhance the continuity and consistency of the services called for by the agreement. Toward this end, the Contractor will disclose necessary personnel records and allow its successor to conduct on-site interviews with its employees.

TARGET SERVICES

VIII.VEHICLE MAINTENANCE AND REPAIR

a) Staffing Requirements

- i) The Contractor will be on-site providing vehicle maintenance and repair service at the County located at 425 Airport Road, Salisbury NC 28147 Monday through Friday between the hours of 7:00 AM and 5:00 PM.
- ii) The Contractor may not modify these hours with the written approval of the Contract Administrator. The Contractor must provide additional staffing as required to meet the performance standards of this contract (at no additional cost to the County), to meet service needs during natural or manmade emergencies (non-Target services if response is after normal business hours), and to meet the special service needs of County departments (non-Target services).
- iii) The shop is located within the County’s Facilities Maintenance building and provides 2 dedicated work bays with lifts. Potential contractors are encouraged to attend the pre-bid conference and tour to review the shop tools and equipment that they County will make available for this project. A list of equipment is included as Appendix E to this RFP.
- iv) The County observes 12 holidays as listed below:

| Rowan County 2022 Holiday Schedule | | |
|---|------------------------------|-------------------------|
| Holiday | Observance Date | Day of Week |
| New Year’s Day | December 31, 2021 | Friday |
| Martin Luther King, Jr.'s Birthday | January 17, 2022 | Monday |
| Good Friday | April 15, 2022 | Friday |
| Memorial Day | May 30, 2022 | Monday |
| Independence Day | July 4, 2022 | Monday |
| Labor Day | September 5, 2022 | Monday |
| Veterans Day | November 11, 2022 | Friday |
| Thanksgiving | November 24 & 25, 2022 | Thursday & Friday |
| Christmas | December 23, 26 and 27, 2022 | Friday, Monday, Tuesday |

- v) The contractor will provide the resources to assist customers when the County brings vehicles to a shop for service. The Contractor will greet customers at a designated area within each shop. Contractor personnel will assist the customer in describing the service issues that the customer is experiencing, will immediately open a work order in the fleet management information system (which must time stamp the transaction) including all pertinent information as directed by the Contract Administrator, and will provide the customer with a completion date/time estimate.
- vi) The County requires at least one mechanics be ASE certified. Proposers must address their level of commitment to the ASE program in their proposals.
- vii) The County requires that at least one mechanic hold an EVT certification for ambulances and law enforcement vehicles. Proposers must address their support for EVT certification and experience with emergency and law enforcement vehicles in their proposals.
- viii) The Contractor may not reduce the number of staff included in its proposal for the duration of its contract without the written permission of the County.

b) Preventive Maintenance

- i) The Contractor will perform timely service on all fleet vehicles in accordance with each unit's original equipment manufacturer (OEM) recommended preventive maintenance (PM) services; and where such services are not defined, in accordance with the Vehicle Preventive Maintenance Program outlined in Appendix B.
- ii) All customers will be given a completion time estimate for PM and statutory inspections. Work will begin on PM and statutory inspections within fifteen minutes for those vehicles less than 8,600 Gross Vehicle Weight Rating when a customer has made a time certain appointment and elects to wait at the shop for services to be completed. Work will begin within two hours on all PM and statutory inspections when a customer elects to drop off their vehicle at a shop. The Contractor will notify customers by phone and/or email if they must extend the initial completion time estimates due to the inspection uncovering additional repair work. The Contractor must document all appointment, start, and completion times for services in the management information system.
- iii) The Contractor will maintain a PM schedule for every vehicle in the fleet, and will describe, as an integral part of its proposal, how it will schedule preventive maintenance and monitor for preventive maintenance program compliance. The Contractor will provide customers with a monthly calendar that provides specific day and time appointment schedules for each vehicle in the fleet. The Contractor will cooperate with customers to set appointments that minimize disruptions to County work activities. Appointments will be set with a minimum of one week notice. The Contractor will also be responsible for monitoring reports from the fleet management information system to ensure vehicles that become due for service and may not appear on the monthly calendar are serviced on-time. The Contractor will schedule these units for service with customers at a mutually agreeable time that occurs before the unit is overdue for service. Any statutory inspections (any inspection mandated by the United States government or State of North Carolina) will be scheduled in a similar manner as described above.

- iv) The County expects that the Contractor will assume an active role to ensure a high level of PM Program compliance and will consider favorably a proposal that includes specific methods of achieving this goal. Examples of such methods may include user training and education: customer service as a "Quick Fix" service (see below); and others. The County will work with the Contractor to provide enforcement of the preventive maintenance program.

c) Vehicle Safety, Emissions, and Other Inspections

- i) The Contractor will be responsible for completing all Federal and State required vehicle inspections and certifications. These include the annual North Carolina State Safety and Emissions Inspection, and crane and aerial device inspections. The Contractor will coordinate the scheduling of inspections and certifications with each Department Liaison not less than one month prior to the expiration of the current inspection or certification. The contractor will affix the appropriate inspection stickers to the vehicles and maintain the proper vehicle inspection/certification records in the management information system.

d) Repairs to Vehicles and Equipment

- i) The Contractor will provide for all routine mechanical repairs to the fleet. By definition, all repairs are routine except for those specifically described in the Vehicle Maintenance and Repair — Non-Target Services section below.
- ii) Priorities can change daily depending on emergencies, work priorities, and the availability of backup units. The Contractor will be responsible for following repair priorities as set by the Contract Administrator to meet the County's expectations for vehicle availability.
- iii) The Contractor will provide all customers a completion time estimate for repair services and the estimate must be entered into the fleet management information system. The Contractor will notify the Contract Administrator of any repair completion estimates that exceed 24 hours. Work will begin on services within fifteen minutes when a customer has made a time certain appointment and elects to wait at the shop for services to be completed. Work should normally begin within four hours when a customer elects to drop off their vehicle at a shop. The contractor must report to the Contract Administrator all repair services not begun within 24 hours of vehicle delivery to a shop. The County reserves the right to direct the Contractor to send vehicles to an outside commercial vendor at contractor's expense when repair-waiting time has exceeded 24 hours. The Contractor will notify customers by phone and/or email if initial completion time estimates require more time if additional repair work becomes apparent during the inspection. The contractor must document all appointment, start, and completion times for services in the fleet management information system.
- iv) The contractor will provide completed work orders to all customers who request them. Completed work orders should be available at the time that the customer picks their vehicle up from a shop and must include complete details regarding the services performed including labor, parts, and sublet costs.
- v) The Contractor must analyze in advance the cost effectiveness of any Target repair exceeding \$1,500 for light duty (less than 8,500 lbs. GVWR) vehicles. The Contractor must analyze in advance the cost effectiveness of any Target repair exceeding

\$3,000 for heavy-duty vehicles (greater than 8,500 lbs. GVWR) and other motorized equipment, or any repair where the cost estimate is more than the fair market value of the unit. These repairs require approval in advance by the County. In such cases, if the Contractor believes that replacement appears to be more cost-effective than repair then such recommendation shall be presented to the County. The County, however, will make the final repair versus replace decision. The County will place in a suspended status any unit awaiting repair authorization relative to the performance standards and requirements of the RFP.

e) "Quick Fix" Repairs

- i) The Contractor will provide a "Quick Fix" service for repairs that take less than one hour when the vehicle operator delivers the vehicle to the garage and chooses to wait for service. Examples of quick fix services include, but are not limited to, replacing wiper blades, fuses, and light bulbs; topping-off fluids; and fixing flat tires. This service will be continuously available during normal hours of operation.
- ii) The County will consider favorably proposals that include specific methods of maximizing the usefulness of quick fix services for improving user productivity and fleet availability. Examples may include user training and education programs; advance scheduling of quick fix services; and others.

f) Tire Services

- i) The contractor will provide comprehensive tire services including tire replacement, repair, balancing, field tire services, installation of tire chains, and maintenance of an inventory of mounted spares. The contractor will replace tires when tires have reached 4/32 tread depths (as indicated by tread-wear indicators) or have failed, or are otherwise unacceptable due to weathering, irregular wear patterns, ply separations, bead separations or other unacceptable conditions that affect the safety and performance of vehicles and equipment.
- ii) The Contractor may not plug, or patch speed pursuit rated tires for use on Sheriff vehicles. The Contractor must remove and replace pursuit tires at 6/32" remaining tread depth.
- iii) Any tire patching must conform to tire manufacturer protocols and recommended best practices.
- iv) The Contract Administrator shall make all decisions regarding the makes and types of tires that the contractor will purchase and provide to the County. The Contract Administrator will also have the final decision regarding when contractor personnel or subcontractor must replace tires. Tire services will be available including field service during normal business hours and considered as a Target cost. Tire services provided after normal business hours on an emergency call out basis are a Non-Target service.

g) Warranty and Recall Work

The Contractor will administer all warranties and recalls offered by the vehicle manufacturers and on any subcontracted repairs. The Contractor shall seek and receive all applicable reimbursements for such work. The Contractor is responsible for the transport to and from the selected warranty repair facility. Payments or

adjustments received by the Contractor for warranty or recall work will be credited to the County. The Contractor is encouraged to obtain authorization from the various vehicle manufacturers to perform in-house warranty work on County vehicles.

h) Outside Repairs

The Contractor's proposal will define the types of repairs will be conducted by subcontractor outside of the County facility. The Contractor is responsible for the transport to and from the selected vendor. The Contractor will be responsible for arranging, managing, and paying for all outside repairs, and will assume full responsibility and liability for the quality of these repairs. The requirements of this section do not relieve the Contractor from the responsibility for meeting the requirements of the Standards of Performance section of this RFP.

i) Road Calls

- i) The Contractor will provide road service for all County vehicles. Response time is the time the call is received to arrival on the scene. During the Contractor's normal business hours, and within the County limits, response time will not exceed sixty minutes (60). Within a fifty-mile (50) radius of the County, response time will not exceed ninety minutes (90). During non-business hours, response times will not exceed thirty (30) and ninety minutes (90), respectively. The County will not be providing any service vehicles as part of this contract.
- ii) The Contractor will provide road service substantially similar to the type of service provided under the Quick Fix requirements of this RFP (e.g., tire repair, dead battery replacement, broken light replacement, etc.) plus certain non-repair types of service such as empty fuel tanks or retrieving keys locked in the vehicle. The Contractor may subcontract part, or all the services required under this section. The date, time, and cause of each road service provided under the terms of this section will be included on the next daily report submitted to the County (see Record Keeping and Reporting section below).
- iii) Note that the County does not own any vehicles or equipment required to provide road service or towing. Consequently, the Contractor must include the cost of any required vehicles or the cost of third-party contracts to meet the scope of services in this RFP.

j) Towing/Transporting Vehicles

- i) The Contractor will be responsible for providing appropriate towing and transporting services as needed to meet the terms of this contract, including meeting all service standards.
- ii) The County assumes that the Contractor will sub-contract towing services but will entertain proposals that include in-house towing if the business case can be made for this. The County will provide towing data to the selected contractor during contract negotiations. The costs of towing and transportation services are a Target or Non-Target service depending on the circumstances of the tow:
- iii) Target Towing/Transporting Events:
 - 1. Retrieving an out-of-service vehicle for a Target repair reason

2. Transporting vehicles to/from vendors for warranty service
3. Transporting vehicles to/from vendors for Target services outsourced by the Contractor.

iv) Non-Target Towing/Transporting Events:

1. Retrieving an out-of-service vehicle for a Non-Target repair reason.
2. Transporting vehicles to/from vendors for Non-Target services outsourced by the Contractor.

k) Road Testing

The Contractor must conduct a road or appropriate operations test on all vehicles and equipment that have had safety related repairs or adjustments (e.g., brakes, steering, aerial lift, etc.). The Contractor must ensure the safety of these vehicles and equipment prior to returning to service. The Contractor's employee must have the appropriate license for the type of vehicle under test.

l) Welding and Fabrication

Welding and fabrication related to vehicle repairs will be an integral part of the service provided by the Contractor. The Contractor must provide an American Welding Society (AWS) certified welder to complete work on steel and aluminum. Additionally, there may be requirements for the Contractor to provide welding services in the non-target category. The Contractor may elect to outsource these services.

m) Vehicle Safety and Emission Inspections

The state of North Carolina requires annual safety and emissions inspection on all County vehicles. The Contractor is responsible for ensuring that the vehicles are prepared for inspection prior to expiration and tested. The Contractor will provide a certified inspector at the County shop for inspection of all required vehicles in a timely manner. The County will provide an inspection machine for use by the Contractor. The vehicle operators will be responsible for bringing each fleet vehicle to the County facility testing location. The Contractor will repair any vehicle that fails as a Target service and return for re-test by the Contractor.

n) New Vehicle Acceptance

- i) The Contractor will prepare newly acquired vehicles and equipment for service. Routine services – including receiving vehicles from dealers, inspections for compliance with purchase specifications, cleaning, and installation of decals and license tags, will be a Target service. Contractor will also coordinate installation of radios, computer equipment and accessories with outside vendors as a Target service. For reference, the County typically acquires 20 new vehicles each year.
- ii) The County is also interested in entertaining proposals where the Contractor would provide full upfitting services for emergency vehicles including installation of special equipment. This would be treated as a Non-Target service. For reference, the County typically purchases 2 ambulances and 14 patrol cars each year. Costs for the Sheriff related to purchase and installation of law enforcement equipment in vehicles is budgeted at \$301,000 in 2022.

- iii) Contractor shall describe in the Proposal plans for assistance with vehicle and equipment preparation including experience preparing ambulances and law enforcement vehicles for service.

o) Vehicle Disposal

- i) The Contractor will be responsible for coordinating sales of used vehicles and equipment through GovDeals. Services will include taking pictures of each vehicle, listing them on GovDeals, answering questions from potential buyers, coordinating with Finance on sales process and paperwork, and issuing vehicles to buyers once payment has been received.
- ii) The Contractor will also prepare vehicles for sale including removal of usable equipment, loose equipment, removal of license tags, decals and special equipment, interior and exterior cleaning, minor repairs, and associated paperwork. The Contractor shall not remove any parts or components from vehicles waiting for auction without the written approval of the Contract Administrator.

p) Waste Management

The County will remain responsible for the cleaning of all clarifiers at its facilities. The Contractor will provide for the gathering and disposal of all hazardous and non-hazardous waste products produced through normal garage operations (including but not limited to waste oil, ante-freeze, hydraulic oil, used batteries, and used tires. Disposal of all waste materials must conform and comply with County policies, and local state and federal laws and regulations. The Contractor will provide training for its employees. The Contractor will obtain and maintain all required permits and records, including Material Safety Data Sheets (MSDS) and contingency plans for handling a spill or other mishaps on all hazardous materials and waste products. The Contractor will provide annually a copy of all MSDS sheets to the Contract Administrator for all materials in inventory or on shop floor. The Contractor will report all incidents to the Contract Administrator.

q) Inclement Weather Support

- i) The Contractor will be responsible for supporting the County during weather events such as snow, ice, heavy thunderstorms and floods, and other events. Clearing roads of snow and ice is generally the responsibility of the State of North Carolina and various cities. However, County staff are called on at times to clear access roads and parking lots at County facilities. The County also may be required to clear downed trees from parks and other County facilities resulting from storms.
- ii) The Contractor will be responsible for maintaining all current and future snow and ice equipment, tree equipment, and other equipment required for storm response by the County and assist County staff in pre-checking such equipment before forecasted storms have arrived.
- iii) When the County declares a snow or ice event, the Contractor will be responsible for installing and connecting all equipment in accordance with the County's plan for the event. During the event, the Contractor will routinely inspect and maintain all

equipment as needed. When the event is over, the Contractor will inspect each unit; repairing, cleaning, dismounting, and stowing the equipment as needed.

- iv) Additionally, the Contractor will be responsible for procuring, stocking, installing, maintaining, and removing snow chains for County designated emergency equipment during all snow events. The Contractor will also be responsible for replacing all wiper blades damaged or worn due to excessive icing or as part of normal operations as a Target expense.
- v) Response to storms during normally business will be a target service.

IX. PARTS AND INVENTORY MANAGEMENT

a) Procuring, Stocking and Disbursing Parts

- i) The Contractor will procure and furnish all parts, materials, and supplies, required for the maintenance of all County vehicles in accordance with generally accepted parts management practice, and that will ensure meeting all relevant standards of performance as outlined elsewhere in this RFP. The Contractor will own and maintain an inventory of parts, materials, supplies, and fluids (in quarts or sufficient quantities) of an appropriate size and composition for the County's fleet at the County vehicle maintenance shop.
- ii) The Contractor will provide parts procurement, stocking, and disbursement services during all hours for which the Contractor is providing vehicle maintenance and repair services (see the Staffing Requirements section of this RFP).
- iii) Start-Up Inventory
The County does not have any repair parts for its fleet in stock. The incoming Contractor is obligated to ensure that an adequate inventory is on-hand for the Contract start-up.

b) Quality of Parts

- i) Parts used to maintain and repair the fleet will, at a minimum, meet or exceed the quality of parts furnished originally for the equipment (OEM or equivalent). Rebuilt/remanufactured parts must conform to the manufacturer's reconditioning tolerances. Contractor will provide specifications for all lubricants, tires, and brake parts at the beginning of contract operations. If during the term of any agreement resulting from this RFP the County determines that the product supplied does not meet its needs, the County reserves the right to require the use of a specific substitute. The County will specifically approve all product lines or changes to product lines before introduced for use.

c) Warranty Parts

Notwithstanding inspection and acceptance by the County, the Contractor will warrant products supplied under any agreement resulting from this RFP for sixty days (60), or the length of time of any warranty given by the manufacturer or rebuilder/remanufacturer, whichever is greater, after acceptance by the County.

X. FUELING SERVICES

- i) The County does not own a bulk fuel site and instead uses Wright Express (WEX) to access commercial fuel sites.
- ii) The Contractor will coordinate the WEX program by monitoring exception reports, requesting and issuing new fuel cards as required, reviewing monthly invoices, and answering question from County drivers. The Contractor will also coordinate with the Contract Administrator to issue new PIN numbers as required.
- iii) For reference the County's budget for fuel in 2022 is \$1.7 million.

XI. FLEET MANAGEMENT SERVICES

a) Vehicle Acquisition

- i) The Contractor shall assist the County in preparing purchase specifications for additional or replacement vehicles and service equipment as needed. In addition, the Contractor shall assist the County with inspections and assessment of used vehicles and equipment under consideration for purchase or lease. The Contractor shall identify and nominate for the County's purchase any other equipment that will reduce the cost of maintenance and/or improve the quality of Fleet Services.
- ii) The Contractor, in addition, will, assist the County with the demonstration and evaluation of new vehicle and maintenance technologies, including the coordination of demonstrations, the establishment of test protocols, and the collection of test data.

b) Replacement Planning

- i) The County intends to have staff continue to have responsibility for replacement planning for new vehicles. However, the County may request the Contractor provide some assistance in this area from time to time. The Contractor may assist the County, upon request, by preparing a list of all vehicles that it recommends for replacement in the next fiscal year. The Contractor will rank each unit within its class based on its maintenance history and condition. The Contractor in addition, will conduct repair versus replacement analyses on any unit requested by the County.

c) Titles and Registration

- i) The Contractor will coordinate with the North Carolina Department of Motor Vehicles (DMV) to obtain titles and registrations for new vehicles. Contractor will prepare required paperwork and forms, request appointment with the DMV and go to the appropriate DMV office to complete the title and registration process. Contractor will arrange to install new registration decals and forms in County vehicles within one week of receipt.

d) Investigations and Audits

The Contractor will support the County, when requested, by providing technical advice to the County in investigations related to the fleet. Such investigations may involve accidents, fire, or other issues of a technical nature.

XII. QUALITY ASSURANCE PROGRAM

- a) The Contractor will implement a Quality Assurance Program for the management of the service delivery requirements of the RFP. The program will include provisions for meeting specified performance standards, for maintaining quality workmanship, for providing a high level of customer service, and for reducing fleet costs incurred by the County. The Contractor will include a detailed description of its proposed Quality Assurance Program in its proposal. This part of the Contractor's proposal will address, at a minimum, the following items:
 - i) Fleet Availability
 - ii) PM Program Compliance
 - iii) Maintenance and Repair Performance
 - iv) Parts Availability
 - v) Vehicle Safety and Reliability
 - vi) Recall Compliance
 - vii) Customer Service
 - viii) Cost Reduction Initiatives
- b) A mandatory component of the quality assurance program will be periodic user surveying. Two types will be required: (1) a survey of individual vehicle operator satisfaction after the Contractor has serviced a vehicle, and (2) an annual user satisfaction survey of designated representatives of each user department.
- c) The Contractor's proposal will define a recommended role for the County in the quality assurance program.

NON-TARGET SERVICES

XIII. NON-TARGET SERVICE DEFINITIONS

Respondents will provide a thorough discussion of their approach to providing Non-Target services including staffing allocations, use of vendors, and management procedures.

- a) The following defines what constitutes repairs considered as non-Target services and indicated as such on work orders. The Contractor must have the ability to assign a reason code to each work order that corresponds to one of the definitions listed below.
 - i) Accidents — refer to physical damage to vehicles caused by operator error or by another vehicle that results in a completed accident report.
 - ii) Capital Improvement — refers to any requested modification to a vehicle or piece of equipment already in service that result in a change in the capital cost of the vehicle, including upfitting new vehicles and major refurbishment of chassis and/or bodies and attached equipment.
 - iii) Damage — Operating — refers to any physical damage to a County vehicle during its operation resulting from operator error, misuse, or unreported accidents. Contractors should be aware that certain types of County equipment including trash trucks, backhoes, snow removal, and street sweepers operate in severe use conditions. The County will not accept normal damage in operation of this equipment as non-Target services.

- iv) **Damage — Physical** — refers to any physical damage to a County vehicle resulting from vandalism, theft, natural disaster, weather, or unreported accidents when a vehicle is parked or unattended.
 - v) **Excluded Equipment** — refers to repairs to equipment not specifically included in the fleet inventory covered by this agreement (i.e., non-licensed equipment, stationary generators, boats, and temporary units, etc.).
 - vi) **Modifications** — refers to changes to the equipment, configuration, and/or appearance of a vehicles requested specifically by the County, including changes required by statute, that are not capitalized into the cost of the vehicle.
 - vii) **Other Services** — refers to services provided by the Contractor at the request of the County not specifically defined in this agreement.
- b) All Non-Target repairs estimated to cost more than \$500 for vehicles less than 10,000 GVWR and \$1,000 for those over 10,000 GVWR, or any repair where the cost estimated is more than the fair market value of the unit, requires authorization by the County before proceeding. The County reserves the right to have all Non-Target repairs approved in advance by a designated County representative.
 - c) Non-Target services are generally not subject to performance standards under this contract, because of their unpredictable nature and not because these activities are not highly valued by the County. In fact, the County considers Non-Target services essential. The selected Contractor must give them appropriate priority and not relegate them to fill-in work.
 - d) **Non-Target Labor**

The County will negotiate Non-Target services rates with the Contractor based on standard cost allocation practices and the Contractor's Target Cost Proposal. All indirect and overhead costs will be allocated to the appropriate line of business which are expected to include Fleet Administration (monthly fee per vehicle), labor rate (rate per hour with overtime billed at time and a half), parts markup (% fee on top of actual costs), subcontract fee (% fee on top of actual costs), fuel management fee (% fee on top of actual costs charged through the WEX program). Non-target repairs will be subject to Mitchell Flat-Rate Labor Guide adjusted for variables such as after-market installed equipment, special built equipment, modifications to equipment, and rusted fasteners or fittings.
 - e) **Stand-By Labor**

The Contractor will provide standby fleet maintenance and repair support during hours not normally worked by the Contractor. The County will notify the Contractor when a requirement exists, and the nature and anticipated duration of the response needed from the Contractor. The Contractor will be on-site and providing service with an appropriate complement of personnel within one (1) hour of notification that such services are required.
 - f) **Non-Target Labor Hours**

- i) The County will only pay overtime for hourly administrative and parts personnel when they are required to work overtime hours as part of a County declared emergency or are requested by the County to work standby hours. The County will not pay overtime for any salaried management or supervisory staff. The County will not be responsible for any overtime required by the Contractor to meet the Target service requirements of this contract.

- g) Non-Target Parts

The Contractor will provide parts procurement, stocking, and disbursement services during all emergencies and for all Non-Target repairs as defined in this RFP. The cost of Non-Target parts will include appropriate markups for Contractor's overhead costs and handling expenses.

- h) Non-Target Subcontracted Services

The Contractor may use sub-contractors for all Non-Target repairs as defined in this RFP. The Contractor will be responsible for arranging, managing, and paying for all subcontracted outside repairs, and will assume full responsibility and liability for the quality of these repairs. The cost of subcontracted services will be at the Contractor's cost (including fee, taxes, and any discounts) and will include any appropriate markups for Contractor's overhead costs and handling expenses. Contractor will submit all sub-contractors to the County for approval before they are used.

- i) Accident Repairs
 - i) The Contractor will be responsible for administering the mitigation of each accident on County vehicles from first report through return of the vehicle to service. The Contractor will arrange for towing of the vehicle (if required) to the County facility and reporting of the incident to designated County personnel. The Contractor will work with Insurance and Risk Management on accident subrogation, obtain three quotes from body shop vendors and aid in the selection of the preferred vendor, provide transportation of the vehicle to/from the repair site, monitor of the repair quality and timeliness; payment of repair invoices; inspection of the final repair; and authorization to return the vehicle to service. The Contractor will attach the appraisal, quotes, vendor invoices and all pictures of the damage to the work order in the Contractors fleet management information system.

 - ii) The County will pay the actual cost of accident repairs plus the Contractor's proposed markup on contract services. The County will incur no additional charge for administration of the accident repair process. The County will consider favorably proposals that include specific methods of minimizing downtime due to accident repairs.

 - iii) For reference, the number of accidents and related incidents in each of the past three years is provided below:

7/1/18 – 6/30/19
 22 accidents/repairs due to accidents to our fleet
 16 windshields/auto glass repairs (separate from accident count)

7/1/19 – 6/30/20
 16 accidents/repairs

12 windshields/auto glass repairs

7/1/20 – 6/30/21

22 accidents/repairs

13 windshields/auto glass repairs

j) Vehicle Damage

- i) It is the responsibility of the Contractor to notify the County whenever a vehicle shows physical damage not associated with a reported accident. The County classifies damage in one of two ways: damage incurred while the vehicle was operating or damage that occurred when the vehicle was not in use. It will be the responsibility of the Contractor to identify the base cause for the damage and classify the repair appropriately.
- ii) The Contractor has the responsibility to identify any evidence of abuse, misuse, or obvious error by the operator resulting in physical damage to the vehicle. In such cases, the Contractor will proceed to repair the vehicle (subject to limitations specified elsewhere in this RFP) and will provide the County with documentation of the suspected abuse as part of the next day daily report to the County. The County will review the documentation, speak with the Contractor where necessary, and determine whether to charge the operator with the error.
- iii) Damage from normal operation to specific groups of vehicles defined as Severe Use under the Target Services section of this RFP will not be considered a non-Target repair, unless the Contractor can definitively prove that the damage was caused by obvious operator error, misuse, or abuse, or by a third party.

k) Vehicle Prep-For-Service and Disposal

Routine prep-for service and disposal such as coordination with vendors and departments, installation/removal of plates, tags and decals, cleaning, etc. will be a target service. Installation of special equipment such as trailer hitches, toolboxes, lights, electronics, emergency equipment, etc. will be Non-Target services.

l) Vehicle Refurbishment

The County may decide to refurbish an existing unit to extend its life or alter its intended use in the fleet. Refurbishment may include replacement of bodies, the rebuilding of major components such as the engine or transmission, or the addition of new equipment or accessories. The Contractor is required to assist the County with evaluating equipment under consideration, obtaining quotes to complete the services in accordance with the County's requirements and manage the completion of the project. The Contractor will classify refurbishment work orders as a Capital Improvement non-target service.

m) Extended Life Repairs

- i) Vehicles that have exceeded their useful life, as defined by the criteria for the vehicle's class as outlined in Appendix C, will be subject to shared liability for maintenance and repair services. During the contract year, all repairs and preventive maintenance services that would occur during the normal course of a vehicle's

operational life will continue to be performed by the Contractor under the definition of Target repairs as outlined in paragraph 5.1 of this section. However, the Contractor will only be ultimately responsible for the cost of labor, parts, and subcontracted services up to a per-unit deductible equal to the unit's assigned VEU's multiplied by the Contractor's Target cost for labor, parts, and vendor services per VEU.

- ii) Eligible units will be those units that have surpassed their expected replacement parameters prior to, or during, the contract year; including units disposed of in the contract year. The actual parts and services cost for each eligible unit will be compared to each unit's individual deductible amount and any amount more than the unit's deductible will be billed to the County as part of a non-Target invoice for all life extension costs at the end of each month. The Contractor will receive credit against the Target budget for the year and any Target savings resulting from the credit will be subject to the shared savings terms of this agreement. If after the deduction for the life extension expenses, the Contractor is still over their Target budget for the year, the excess amount will be the responsibility of the Contractor.

Sample Unit Life Extension Calculation

| | |
|---|--------------|
| Target Budget | \$1, 000,000 |
| / Total VEU's in Fleet | / 1,000 |
| = Budget per VEU | = \$1, 000 |
| | |
| Unit's Assigned VEU | 2 |
| Budget per VEU | \$1,000 |
| = Unit's Life Extension Deductible | = \$2,000 |
| | |
| Unit's Actual Contract Year Target Cost | \$3,000 |
| - Unit's Life Extension Deductible | - \$2,000 |
| = Non-Target Life Extension Expenses | = \$1,000 |

- n) Excluded Vehicles

The County may exclude certain vehicles from the target budget and have all services provided on a time and materials basis. Examples of the types of vehicles the County may choose to have charged on a time and material basis include confiscated vehicles, grant vehicles, and small engine equipment.

- o) Directed Work & Technical Advice

The County may direct the Contractor to perform additional tasks related to the proper management and upkeep of the fleet. If additional tasks are required, the Contractor will receive a written task order detailing the tasks to perform. The Contractor will submit a proposal to perform the specified tasks on a fixed price basis that itemizes the direct labor, parts, sub-contracted services, and materials. The County will accept or reject the proposal. If accepted, the Contractor will perform such assignments in accordance with an agreed schedule.

CONTRACTOR PERFORMANCE REQUIREMENTS

XIV. PERFORMANCE STANDARDS

- a) Proposers need to be fully aware that the County relies on vehicles and equipment to provide essential government services and availability and reliability of the fleet is of the essence. With this in mind, the Contractor will meet the performance standards outlined below during the term of the agreement. The County expects the Contractor to always maintain these performance standards. Labor disputes, strikes and other events except those beyond the Contractor's control will not relieve the Contractor of meeting these standards.
- b) Non-Target Repairs are excluded from calculation of Daily Fleet Availability and Monthly Turnaround and as described below:
- i) Vehicles Awaiting Repair Authorization from the County – In cases where the Contractor is awaiting repair authorization from the County to proceed with a given repair, the period from which turnaround time is measured will begin with the County authorization to proceed with the repair. Excluded also are vehicles awaiting authorization from the calculation of Daily Fleet Availability, as described below. The Contractor must make all requests for authorization to the designated County representative within twenty-four (24) hours of opening the work order.
 - ii) Vehicles Exempted by the County –The County may decide that it would be in its best interest to temporarily waive vehicle turnaround time and daily fleet availability performance standards for all or selected vehicles. The County will provide the Contractor written notification of this of this decision including specification of the time for which these standards will be relaxed.
- c) Monthly Vehicle Turnaround Time Standards
- The Contractor will complete 80% of maintenance and repair work orders within 24-hours and 90% in 48-hours from the time the vehicle becomes available for service until the user has been notified that the vehicle is ready. Weekends and holidays do not count in the calculation of turnaround time. For example, a vehicle made available for service at noon on Friday, and with notification of completion to the user at noon on the following Monday has a turnaround time of 24 hours. Regardless of these standards, the Contractor will notify user departments when any vehicle will be out of service for 48-hours more.
- d) Daily Fleet Availability Standards
- i) The Contractor will maintain minimum daily rates of fleet availability by vehicle class, as follows:
 - (1) Cars and Light-duty Trucks – 95%
 - (2) Law Enforcement Vehicles – 95%
 - (3) Special Transportation Vans – 88%
 - (4) Medium and Heavy Trucks – 88%

The County will calculate vehicle availability as follows:

 - (5) The total count of units in the class,
 - (6) Minus the count of units out of service as of 8:00 a.m. each day,
 - (7) Divided by the count of units in the class,

- (8) Multiplied by 100.
- ii) Time out of service begins when the vehicle is available to the Contractor. It ends when maintenance or repair work is completed, and the Contractor notifies the County that the vehicle is available for service. Excluded from the computation are vehicles that are awaiting repair authorizations from the County, those out of service for a Non-Target service, and those specifically exempted by the County.
- e) Preventive Maintenance Program Compliance Standards
 - The Contractor will ensure that the preventive maintenance program achieves a high rate of compliance. Current performance is 80% and this will be set as the initial performance standard for the contract. However, the County will favorably consider proposals that articulate methods to raise compliance to the industry standard level of 95%. Any service performed within ten (10) days before the date the service is first scheduled is in compliance.
- f) Rework
 - i) All Materials, parts, and workmanship furnished by the Contractor will be of high quality and free from defects and imperfection. They will also meet all OEM standards and specifications. Notwithstanding these requirements, the Contractor will track and identify multiple repairs for the same deficiency in the same vehicle (rework) and shall not bill the County for any rework that occurs within the following periods:
 - (1) Engine and Transmission Overhauls – 12 months or 12,000 miles
 - (2) All Other Work – 90 days or 4,500 miles
 - (3) The Contractor must not exceed one percent (1%) incidents of rework in any single month (measured by number of repair tasks and not number of repair work orders.)

CONTRACT MANAGEMENT AND OPERATIONS

xv. CONTRACT ADMINISTRATION

The Director of Purchasing, or their designee, has the authority to act on behalf of the County in all matters relating to or resulting from his RFP. The County may appoint a representative who will act as the Contract Administrator and has the authority to act on behalf of the County. The Contract Administrator will resolve all questions that may arise as to the quality, quantity, character, and classification of service performed by the Contractor.

a) Dispute Resolution

In the event of any dispute between the Contract Administrator and the Contractor as to the Contractor's performance, or the Contract Administrator's decisions relative to the agreement, either party may submit the dispute to the Assistant County Manager, who shall render a decision within twenty (20) days. The decision of the Assistant County Manager shall be final.

xvi. CONTRACTOR PERSONNEL

a) Contractor Project Manager

The County considers the Contractor's Project Manager to be one of the cornerstones on establishing a successful contract. It is expected that the successful Proposer's Project Manager will need to work closely and cooperatively with the County's Contract Administrator daily and will become the primary point of contact for all matters relating to the maintenance and upkeep of the County's fleet. As such, the Contractor's Project Manager will have proven technical and managerial experience in the field of fleet management, maintenance, and repair. The successful Proposer must present its nominee for Project Manager during interviews with the County. The County reserves the right to reject any nominee that the successful Proposer puts forward for the position of Project Manager.

b) Selection of Personnel

- i) The Contractor will have the responsibility for selecting personnel to perform the services outlined in this RFP and for determining and providing wages, salaries, and benefits for its employees.
- ii) The Proposer will include and will describe in detail in its proposal an employee training, improvement, and certification program.
- iii) The Contractor must include in its proposal a complete staffing plan. The plan must include an organization chart identifying specific job classifications and the number of employees in each job classification.

c) Changes in Personnel

- i) The Contractor will agree not to change the Project Manager without prior consultations with the County, except that the Contractor's Project Manager is subject to dismissal without prior County approval for criminal activity or documented violation of company policies. Otherwise, the County must approve the timing of the change, and the specific individual who will replace the incumbent Project Manager. The Contractor's proposal to change its Project Manager must include a transition plan.
- ii) The County reserves the right to require the dismissal of any Contractor employee whose performance or actions are detrimental to achieving the objectives set forth in this RFP.

d) Uniforms & Appearance

All Contractor employees will maintain a professional appearance and will wear uniforms that include the Contractor and employee's names in a visible location and a legible color and style.

XVII. RECORD KEEPING AND REPORTING

a) Information Systems Requirements

The Contractor will install and utilize a fleet management information system for the purpose of establishing an electronic record keeping and reporting system for all the

services to be provided under any agreement resulting from this RFP. The Contractor will provide all the required hardware and software for this system. The Contractor will provide a detailed description of its proposed information system including: a full list of functional capabilities; hardware requirements' version and upgrade management plans; and sample management reports. In addition, the system must be capable of downloading all data to Microsoft Excel. The Contractor will provide at least ten (10) read only access accounts to the entire system and training in report generation for County designated personnel.

Contractor will provide the County with access to the fleet system with the County's operational data for the duration of this and any successor contracts as well as for 3 years after contract termination.

b) Fleet Inventory and Maintenance Records

At a minimum, the Contractor will utilize its information system to record and maintain a Vehicle Master Record with all descriptive information for each unit in the fleet, and will record all work data including labor, subcontracted services, parts used, and repair codes for each service activity performed. In addition, the Contractor's system must provide an electronic interface with the County's contracted fuel software from Wright Express for the purpose of recording vehicle odometer readings and/or fuel usage information for each fleet vehicle in the Contractor's information system.

c) Internet Access

The County will provide the Contractor with access to the County's WAN at no cost. The Contractor will comply with all County policies and procedures relative to network, intranet, and computer security.

d) Email

The Contractor will be required to have separate email addresses for all staff. The Contractor will publish these email addresses and use email as primary means of communicating with County personnel. The County will provide the Contractor with an address book of County email addresses.

e) Daily and Monthly Reports

i) The Contractor will generate a report summarizing the previous day's contractual activities for delivery to the County before noon each working day. The content of the report will be determined during negotiations for any contract resulting from this RFP. It is expected that the report will, at a minimum, summarize completed work orders, work in process, and vehicles where work has not yet started. Updated completion time estimates will be provided for all vehicles still in the shop at the end of the workday.

ii) The Contractor will provide a monthly report delivered to the County on or before the fifth calendar day of the month following the reporting period. The report will summarize the month's work within the parameters defined by the daily report and will also include a summary of all vehicles more than thirty (30) days overdue for preventive maintenance at the end of the preceding month.

- iii) Monthly, the Contractor will provide the County with an electronic file detailing all work orders completed in the prior period, including detailed labor, parts, and commercial transactions that make up the work order. The County and Contractor will negotiate the layout of the file.
 - iv) Additionally, the Contractor will provide monthly a detailed electronic unit inventory, including all relevant fields describing the unit, its classifications, assignments, and costs maintained by the Contractor.
- f) Annual Meetings and Reports
- i) The County and Contractor will conduct a meeting no less than sixty-days (60) prior to the end of each contract year to determine the changes and adjustments necessary to the contract for the following year. A contract amendment will result if there are any changes to the contract resulting from the annual meeting.
 - ii) The Contractor and the County will hold a second meeting no more than sixty-days (60) following the end of each contract year at which the Contractor will present a written annual report that summarizes the prior year's activity in a format agreed. During this meeting, the Contractor will also present a summary of work accomplished relative to service performance standards, Target and Non-Target budget, etc. The presentation will also include recommendations for changes to improve performance during the upcoming year. A copy of the presentation materials and the written report must be available to the County two weeks before the meeting. The County will review the Contractor's performance during the second annual meeting. The County will present a "report card" that includes the assessment of the Contractor's performance.
 - iii) Irrespective of the above meeting timetables, the County will meet with the Contractor frequently and the Contractor will honor all reasonable requests for meetings.
- g) Reference Files and Procedures
- The Contractor will maintain a complete file of service manuals, service bulletins, lubrication charts and other information needed to properly service and repair the fleet. These files and manuals become property of the County.
- h) Access To and Ownership of Records
- Upon prior notice by the County, the Contractor will provide authorized County representatives access at all reasonable times to all electronic and hard data, books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and memoranda, and shall provide to the County cost verification for work performed in accordance with any agreement resulting from this RFP. All reference files and procedures, and all electronic data and hard copy records are the property of the County.
- i) Internal Billing Information
- The County intends to use transactional data from the Contractor's fleet system to develop charge-back rates as part of its billing methodology. Consequently, it is imperative that the Contractor maintain complete and accurate transaction data in the system such as vehicle number, customer organization, labor hours, labor rate,

parts used, parts costs, vendors used, vendor costs, etc. The Contractor and the County will also cooperate in developing fully burdened rates for contractor services for entry into the system. Such rates will include a fully burdened hourly labor rate, a markup on repair parts, and a markup on sublet repair services and include all Contractor fees and costs. These rates will also be used by the Contractor to bill Non-Target service costs to the County.

XVIII. INVOICING POLICIES AND PROCEDURES

a) Frequency

The County will accept one invoice per month in payment for Target Services. In addition, the County will accept one invoice a month for costs incurred for Non-Target Services provided during the preceding month or not previously invoiced. Each invoice will adjust, as appropriate, for performance incentives and/or penalties, and for any costs incurred directly by the County for Target services.

b) Format

- i) The Contractor will bill the County 1/12 of the Target contract amount at the beginning of each month. The Contractor will provide the County with monthly Target cost summary at the end of each month detailing the month's year-to-date Target costs (e.g., salaries, parts, sub-contracted services, overhead, etc.) and a unit-by-unit summary of maintenance and repair activity for the prior month. At the conclusion of the contract year, the Contractor will provide an annual summary of all Target costs. If the total annual Target cost is less than the amount billed, the Contractor will return to the County the amount of the differences less the Contractor's share of the cost savings. Payments are due to the Contractor within forty-five (45) days of the end on the contract year. The Contractor is responsible for all target costs above the Target contract amount for the contract year and cannot carry the excess amount forward from one contract year to another.
- ii) All invoices for transition costs require pre-approval by the County. Such costs will be actual net costs as paid by the Contractor and supported by detailed time and expense reports.
- iii) Invoices for Non-Target Services must include line-item documentation of cost incurred (e.g., wages, parts, sub-contracted services, etc.) as well as documentation of County authorization to incur Non-Target Costs. The Contractor within each Non-Target category will delineate, individual repair order numbers with associated labor charges, parts costs, and subcontracted services.

c) Certification and Payment

- i) The monthly invoices will each include a statement certifying that the charges billed to the County are true and accurate and incurred in the performance of the terms of the contract. The Contractor's authorized representative will sign each statement.
- ii) The County will pay the Contractor within thirty-days (30) of the County's receipt of an acceptable invoice. The County will pay the Contractor for all items invoiced over which there is no dispute so that payment for undisputed items is prompt. The County will promptly pay for approved disputed items once resolved.

d) County's Right to Review Billing Documentation

The County reserves the right to request additional documentation from the Contractor prior to paying any disputed portion of the invoice. Such documentation may include, but is not limited to, invoices to the Contractor for parts or subcontracted services and payroll registers. The County reserves the right to audit the Contractor's records and books pertaining to this contract.

XIX.VEHICLE MAINTENANCE FACILITY AND EQUIPMENT

a) Use of Garages and Installed Equipment

- i) The County will permit the Contractor to use the existing County vehicle maintenance facility to include maintenance and repair equipment, tools, service vehicles, and furniture that are County property for a lease charge of \$1.00 (one Dollar) per year. A list of available equipment is provided in the Appendix to this RFP.
- ii) The County does not warrant or guarantee against the possibility that safety or environmental hazards, or potential hazards may exist at this facility. The Contractor will be responsible for identifying any hazardous conditions and notifying the County of these conditions in writing within thirty-days (30) of agreement award and prior to occupation of the property. The Contractor will conduct an environmental assessment and an occupational, health, and safety inspection of the garage acceptable to the County. The Contractor will arrange for the conduct of the assessment and inspection and will pay for the cost of these services.
- iii) The Contractor will not use the facilities or other property furnished by the County for work on vehicles or equipment not owned or leased by the County unless otherwise authorized by the County. The Contractor will not utilize the property of the County in any manner for any personal advantage, business gain, or other personal endeavor by the Contractor's employees other than in the performance of the work described in this RFP unless otherwise authorized in writing by the County.
- iv) Within ten (10) days of agreement award, the Contractor will schedule with the County a joint garage inspection for identifying pre-existing deficiencies pertaining to the buildings, utility systems, equipment and other assets. The Contractor and the County will together make a complete and systematic inspection and inventory of all structural, mechanical, electrical, and utility systems and equipment, tools, service vehicles, and furniture to which the Contractor will have access during the agreement period. The Contractor will then prepare and submit to the County a pre-existing deficiency report describing all observed deficiencies pertaining to the building structure, systems, equipment, or other assets noted during the joint inspection. The County and the Contractor will negotiate tool purchases on an annual basis. The Contractor is to provide all tools valued less than \$1,000.
- v) The County and Contractor will conduct a joint inspection annually, and a report noting any new deficiencies delivered to the County each year. The County will determine the appropriate action to take in response to any deficiencies identified.
- vi) The Contractor will be required to acknowledge receipt by signature of assets provided by the County for the Contractor's use. The assets accepted by the Contractor for the term of the contract will then become the responsibility of the Contractor. The Contractor will return these assets upon completion of the contract

in the same condition as provided to the Contractor, less normal wear, and tear. The Contractor will be responsible for replacing any stolen, missing, or destroyed asset with a comparable asset at the Contractor's expense.

- vii) The County will be responsible for supplying all utilities to the vehicle maintenance facility during its occupancy by the Contractor. The Contractor may use County phone systems but must pay for local service and equipment charges and long-distance calls. In using the facility, the Contractor will develop and adhere to an energy conservation plan that is consistent with County policies, including minimum temperature settings in summer months and maximum temperature settings in winter months.
 - viii) The Contractor will comply with all applicable environmental and safety regulations including a spill prevention and remediation plan, waste management plan, employee safety plan, etc. All environmental and safety plans/policies will be submitted to the County for approval before contract operations begin.
- b) Garage and Equipment Maintenance and Repair
- i) The County will be responsible for preventive maintenance and repair of the facility structures utilized by the Contractor and that are the property of the County unless such repair is due to the negligence of the Contractor. The Contractor must inform the County immediately upon determining that any element of the facility or its contents needs repair. Failure to do so may constitute Contractor negligence. The County will give notice to the Contractor prior to performing repairs.
 - ii) The Contractor will be responsible for preventive maintenance and normal maintenance and repair of all the garage equipment owned by the County, such as compressors, lifts, oil dispensers, oil-water separator, etc. The Contractor must inform the County immediately upon determining that any element of the garage or its contents needs repair. Failure to do so may constitute Contractor negligence.
 - iii) Facility features, utility systems, equipment, furnishings, and other assets damaged by the Contractor or by a subcontractor under any agreement resulting from this RFP, will be restored to their pre-damage condition by the Contractor at his sole expense and at no additional cost to the County.
 - iv) The Contractor will be responsible for interior housekeeping and supplies, which includes janitorial services.
- c) Garage Equipment Changes and Replacement
- i) The County will entertain Contractor recommendations for adding shop equipment to the vehicle maintenance facility. Such recommendations require approval by the County as part of the agreement. The County will add these items to the inventory of items that are the Contractor's responsibility as placed into service. The Contractor will make every effort to work with the equipment available at the County facility and will not demand additions to the facility equipment to fulfill the requirements of this request for proposals.
 - ii) The County will periodically replace equipment; tools, or furniture as needed. The County will amend the inventory of items for which the Contractor is responsible to reflect these changes.

- iii) The Contractor will be responsible for security of all properties and assets designated for its use or management. A security plan/policy will be submitted to the County before contract operations begin.

xx. PROPOSAL SIZE, CONTENT, AND ORGANIZATION

A proposal will set forth full, accurate and complete information as required by this section and other sections of this RFP. Proposals will be arranged in two parts, Part I will be titled and consist of the "Technical Proposal" and Part II will be titled and consist of the "Cost Proposal."

a) Technical Proposal

Part I of the Contractor's proposal will present the technical elements of the proposal and must consist of the following sections:

b) Corporate Overview

This section of the proposal will present an overview of the Proposer's organization and will include the firm name; address; phone and fax numbers; firm history; appropriate company's state, and federal registration number; name title, address, and phone number of the firm's representative for the proposal; and annual reports or financial statements for the past three (3) years.

c) Approach

- i) The main objective of this Request for Proposals is to continue to improve the delivery of fleet management and fleet maintenance services to reduce overall fleet related costs. The Proposer should clearly outline its methodology and approach to achieve these goals as an integral part of this section.
- ii) This section of the proposal will consist of a statement of understanding concerning the objectives of the proposed relationship. It should further explain how best to accomplish the objectives. It also will present a detailed description of the Proposer's proposed approach to providing each of the services specified in this RFP. This section will describe the services to be provided, who will provide the services, how the services will be provided, and the management systems the Contractor will use to support provision of services and accomplishment of performance objectives and standards.
- iii) This section will include a description of things such as the process to use that will promote compliance with the PM program; scheduling services to minimize disruption to the conduct of the County's business; establishing priorities among competing demands, controlling the quality of services provided; and tracking the work that is achieved, and otherwise accomplishing the County's objectives. The Contractor must discuss each of the requirements of the RFP clearly and completely in this section of the proposal.

d) Transition Plan

This section of the proposal will describe the actions that the Proposer will take to accomplish a successful transition to agreement services and the resources the

Proposer will employ in addition to resources needed to provide Target Services. The Proposer will describe how they will maintain continuity of service during the transition period. The Contractor will provide a timeline of events and milestones for the transition period that highlights specific actions to take and specific resources, including personnel and equipment.

e) Service Alternatives and Exceptions

- i) This section of the proposal provides the Proposer the opportunity to suggest alternatives to the scope of services and conditions set forth in this RFP which, in the Proposer's judgment, will further advance accomplishment of the County's fleet management objectives. In addition, the Contractor must state in this section whether it takes exception to any provision set forth in this RFP.
- ii) The County prefers to receive technical proposals that are inclusive of all provisions set forth in this RFP without exception. The County prefers to have Contractors define alternatives in terms of changes in the technical and cost proposals that will enable the County to evaluate clearly and consistently the merits of these alternatives relative to the scope of services and conditions set forth in this RFP.
- iii) This section is mandatory. Failure of a Contractor to include this separate section in its proposal means to the County that the Contractor takes no exceptions to the terms and conditions specified in this RFP and offers no alternative terms and conditions.

f) Organization and Staffing

This section will present the Contractor's proposed organization structure and will present a staffing chart showing specific job classifications, number of employees and full-time equivalent employees (FTE) by position, and reporting relationships. Resumes for all key managerial/supervisory positions must provide in sufficient detail to determine the nature and depth of each individual's relevant experience and their relationship to the Contractor. Note that background checks will be required for all Contractor personnel and will be completed at Contractor's expense before contract operations begin.

g) Qualifications and Experience

- i) In this section of the proposal, the Contractor will describe its record of accomplishment in performing services comparable to those specified in this RFP, and other information relevant to making a determination as to the ability of the Contractor to perform these services. The Contractor will describe its experience with the full range of vehicles and equipment in the County's fleet. The minimum qualifications for this project are that proposers have been providing fleet management and maintenance services substantially similar to those in this RFP for a minimum of five (5) years and are currently providing these services to at least five (5) clients with fleets that are similar in size and composition to the County's.
- ii) This section will include a list of all work of this nature the Contractor has performed within the past five years. This list will include the name of each client, a client contact and telephone number, the size and composition of the client's fleet, the scope of services provided, effective dates of the contract(s) with this client, and the annual contract cost. The Contractor will distinguish fleet maintenance work from other work when both are part of a single agreement.

h) Compliance with the County's Insurance Requirements

The Contractor must acknowledge and agree to meet the following insurance requirements:

- i) The Contractor shall maintain worker's compensation insurance as required by North Carolina law to cover all of the Contractor's employees engaged in any work under the Agreement.
- ii) General commercial liability in the amount of \$500,000 per occurrence / \$1,000,000 aggregate.
- iii) Workers' Compensation in the amount of \$500,000 employer's liability
- iv) Automobile liability covering all owned, hired, and non-owned vehicles used in connection with this Agreement. The minimum combined single limit shall be \$1,000,000 for bodily injury and property damage; and, \$1,000,000 uninsured/underinsured motorist coverage
- v) Cyber liability in the minimum amount of \$1,000,000 per occurrence

i) Compliance with Federal Contracting Standards

The Contractor must acknowledge and agree to meet the federal contracting standards as outlined in Appendix F.

j) Cost Proposal

Part II of the Contractor's proposal will present, separately bound, and sealed, the business elements of the cost proposal and must be consist of the following sections:

k) Target Cost Proposal

- i) The Contractor must use the Target Cost Schedule (Appendix D) for the presentation of its Target cost proposal. The Proponents are to submit Target cost amounts for each cost item identified in the Target Cost Schedule and for a three (3) year contract term. The cost set forth in the schedule is for establishing a contract Target Budget that will be the Contractors' operating budget for each year of the base period of this agreement. The following instructions and definitions apply to the completion of the Target Cost Schedule:
- ii) Personnel – The number of full-time personnel equivalents (FTEs) (one FTE = 2,080 hours per year) proposed for each personnel category listed on the Target Cost Schedule will be noted along with the corresponding total personnel cost for this category. Personnel costs must be broken down into wages and salaries and fringe benefits costs by job classification. Any bonuses awarded by the Contractor to personnel because of cost savings realized under this agreement relative to the Target cost the County will not reimburse and should not be included in the cost to the County. Note that Personnel costs should not be burdened with any overheads or administrative costs.

- iii) Parts, Supplies, and Outside Services Costs – All repair parts, supplies, materials, and vendor services required to provide Target services.
 - iv) Overhead Costs – General, administrative, and overhead costs included in the Target cost will include indirect expenses incurred for such items as, office supplies, uniforms, bonding costs, insurance, copying services, non-capitalized equipment shop tools and insurance. Costs for maintenance and/or rental equipment used in delivering goods and services under the terms of this RFP are also overhead costs. The County will not reimburse any indirect costs in connection with the following: bad debts, donations, entertainment, fines and penalties, lobbying, defense of criminal charges, and alcoholic beverages.
 - v) Corporate and Management Fee – Costs for central corporate services, management fees, and profit will be included in this cost line.
 - vi) Cost proposals should be well documented with a separate narrative discussion and explained to aid in evaluating the rationale and reasonableness of proposed costs. The County reserves the right to reject poorly documented cost proposals and/or follow-up with proposers to obtain required documentation.
- l) Non-Target Cost Proposal

Respondents should assume Non-Target service costs will be equal to 15-percent of Target service costs. However, no amount of Non-Target services are guaranteed to the Contractor and will be entirely at the discretion of County departments who will base their decisions on a combination of cost, convenience, and quality of such services provided by the Contractor.

Approximately 75% of non-target work are expected to result from accident damage repairs. All such repairs are currently sent to outside body and paint shops. The Contractor may be asked to manage all Non-Target work sent to outside contractors. The County will work with the selected Contractor to develop a schedule of fully burdened rates to bill all services to work orders and to invoice the County for Non-Target services. Rates will be based on the Target Services budget and estimates for Non-Target volumes of services (such as labor hours, parts, third-party services).

Proponents should use the example rate calculation in the Non-Target cost form to complete estimated rates for this contract. Proponents should address their plans for providing these important services in their Technical Proposals including methods to control costs and to meet customer service expectations.

- m) Transition Cost Proposal

The County recognizes that resources in addition to those needed to provide on-going Target services might be required during the transition period. The Contractor will document these costs in its proposal. A detailed breakdown of the proposed transition costs is required.

- n) Proposal Submission Address

Proposers must submit their Proposals to the County at the following location by 1:00 P.M., Thursday October 21, 2021.

Anna Bumgarner | Director of Purchasing/Contract Administration
Rowan County Purchasing Department
130 W. Innes St., Salisbury, NC 28144

o) Number of Copies

Each Proposer will submit One (1) original and one (1) copy of each proposal in a sealed container marked with the Proposer's name and the reference number for this RFP. Additionally, each Proposer will submit one copy each of the Technical and Cost proposals electronically on a thumb drive. Each Proposer's will submit the Technical and Cost Proposal in separate envelopes, with the proposal marked as "original" clearly labeled on the outside of the container.

p) Late Proposals

Any Proposal received after the date, time specified above will not receive consideration for contract award, and the proposal returned unopened.

q) Basis of Award

The County will evaluate all proposals submitted as well as its own in-house capabilities to perform fleet services. This RFP is not a guarantee that a contract will be awarded. The County expressly reserves the right to reject all proposals received for any reason, and to waive any of the terms, conditions, and provisions contained in the RFP. Such waiver will be at the discretion of the County, to the advantage of the County, and in the County's interests.

r) Contractor Selection Process

i) A County team will review and evaluate all proposals submitted in response to this RFP. The Committee will conduct a preliminary evaluation of all proposals based on the information provided in the technical proposal. The County reserves the right to make on-site visitations to assess the capabilities of individual Contractors and to contact references provided with the proposal. In addition, the County may arrange for discussions with firms submitting proposals, if required, for obtaining additional information or clarifications. Following the review of technical proposals, the team will conduct a similar review of cost proposals.

ii) Based upon the results of the evaluation by the team, the County may elect to interview the top-ranking Proposer(s). The County will consider the following attributes of each Proposer's proposal in making this determination. Proposers should not construe the order of these attributes as a measure of their relative importance in the evaluation.

- (1) Cost and vendor financial stability
- (2) Qualifications and experience
- (3) Understanding, approach, and responsiveness
- (4) Organization and staffing including project manager
- (5) Exceptions, innovations, and service improvements
- (6) Quality assurance plan
- (7) Transition plan

- iii) The County will enter negotiations with the highest rated qualified Proposer if the team considers it advantageous to the County. The Proposer and the County may negotiate any changes desired in the RFP if deemed in the best interest of the County. If the County cannot negotiate a satisfactory proposed agreement with the highest rated qualified Proposer, negotiations will terminate. Negotiations will then be undertaken with the second most qualified Proposer, and so on until the County reaches an agreement or the County formally rejects the remaining proposal(s) or cancels the solicitation process.

APPENDIX A – FLEET INVENTORY AND VEUs

(Please refer to separately provided Excel spreadsheet)

APPENDIX B – LIFE EXTENSION CRITERIA

| Vehicle Type | Age Criteria | Use Criteria |
|--|---------------------|---------------------|
| Cars and Light-Duty Trucks | 10 years | 125,000 mi |
| Law Enforcement Cars and Light-Duty Trucks | 7 years | 125,000 mi |
| Special Transportation Vans | 10 years | 150,000 mi |
| Medium and Heavy Trucks | 12 years | 150,000 mi |
| Trailers | 20 years | NA |

Note that extended life will apply if either the age or use criteria have been met.

APPENDIX C – PREVENTIVE MAINTENANCE PROGRAM

Objective: To reduce overall fleet downtime and maintenance costs by periodically inspecting each unit and performing regularly scheduled preventive services, based on sound fleet management principals and manufacturer recommended service schedules.

Service schedules are provided in the table below:

| PM | PM Focus | Cycle |
|-----|--|----------------------|
| PMB | Bumper-to-Bumper (includes oil analysis on diesels and emergency vehicles) | 6,000 mi or 12 mos. |
| PMN | NC Emissions, OBD II and Safety | 12 mos. |
| PMT | Transmission Service, Fluid Filter and Inspections | 60,000 mi or 60 mos. |

Contractor will provide the County with a PM Forecast report each month through electronic mail. Contractor will provide a weekly schedule based on the PM forecast which will permit both Contractor and the County to manage their weekly workload to accommodate forecasted PMs.

Contractor will replace all brake shoes and brake pads during PM's when, upon inspection, they are found to be worn 50% or more from their new condition. Brake rotors and drums will be resurfaced and replaced when OEM-specified tolerances have been exceeded.

APPENDIX D – COST PROPOSAL FORMS

(Please refer to separately provided Excel spreadsheet)

APPENDIX E – AVAILABLE SHOP EQUIPMENT

- WHIP 12,000 Drive on Lift
- WHIP 11,000 Lift
- Brake Drum Turn Lave
- Work Bench
- Transmission Lift
- Large Compressor
- Large Toolbox
- Used Oil Drain Caddy
- Used Oil Storage Tank x2
- Various Tools – Pneumatic and Hand
- Office/Storage Room
- Male/Female Restroom with Shower
- Eyewash Station
- Locker Storage
- Inspection Station
- AC Recovery Freon Unit
- 2- Bay Area with Garage Doors Lift
- Storage Area for Vehicles
- Assorted Tools
- 5-Gallon Air Tools
- 2- Portable Tools Boxes
- Tool Cabinet
- Head Lamp Alignment
- Fluid Extractor– 22 Gallon
- Spring Compressor Unit
- 12-Volt Booster Pack

APPENDIX F – FEDERAL CONTRACTING STANDARDS

Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are

applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.323.

(K) See §200.216.

(L) See §200.322.