SEALED BID

BUYER: KRISTA FERREL

RFQ. NO.:   FLT13997

BID OPENING DATE: 5/15/13

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Driven.

Executive Summary

The ARI team thanks the State of West Virginia for the opportunity to respond to RFQ FLT13997 Maintenance and Repair Management. ARI is proud of the 7 year current partnership we have in place with the State and looks forward to the opportunity to continue this partnership.

Evaluating RFQs can be a daunting task and we are detailing below what we believe are true differentiators for ARI. We hope that this will help you with your "apples to apples" price comparisons when evaluating your responses.

Pricing methodology

ARI believes in full disclosure pricing. When pricing our maintenance program, we offer two methods of pricing, taking into consideration the type of 3PL vendor used. There are two types of vendors: National Account Vendors and Independent Vendors. National Account vendors, such as the national chain stores, will remit a rebate to the fleet management company. An independent vendor, such as an individually owned garage, provides no revenue stream to the fleet management company. Therefore, to cover our administrative costs in issuing purchase orders and staffing a call center, we apply a small markup to the repair charge when an independent vendor is used. It has been brought to our attention that the agencies utilizing the fleet management program raised concerns about the markup. Therefore, you will see in our pricing sheet that we have offered an all-in monthly fee, but have eliminated the independent vendor fee.

Vendor Relations

Another thing to take into consideration when comparing the pricing in this RFQ is the way in which vendors are paid. The WV agencies are currently using independent vendors for 80% of their repairs. The relationship the agencies have with these vendors is extremely important. **We pay our vendor 100% of the purchase order, with no short payment, and we pay them within 48 hours**. Some fleet management companies will make up for the lack of revenue from independent vendors by short paying them by as much as 15% of the repair. We have found that this results in higher costs to the end user, because the vendor will mark up his purchase order to that fleet management company to cover the short payment.

We utilize an open vendor network, rather than a preferred vendor network used by most companies within the fleet management industry. An open vendor network allows the State of West Virginia to utilize the vendors of your choice, without restriction. Currently, our network consists of over 190 National Account shops, and more than 1,100 independent shops within the State. Additionally, we can add any facilities that your agencies might be utilizing. This will be especially important as the State looks to increase participation with other state agencies. We want your agencies to initially utilize the vendor that is most convenient to them. After we work with the vendor we will provide the agencies a vendor optimization analysis which will identify regional vendors that illustrate their current vendor has the lowest labor rates, etc. or advise other vendors that may be more cost effective in the area.

Intellifleet Enhancements

ARI invests twenty cents on every dollar earned into technology. As an example of this, we have made significant investment into our internal technician reporting tool, Intellifleet. The design behind our enhancements came down to two areas – cost savings for our clients and technician efficiency. Our new system will use business intelligence and forecasting, marketing intelligence, and real-time supplemental data to provide the ASE-certified technicians in our Technical Resource Centers with the knowledge and tools they need to bring even more value to the repair process. We are highlighting two of the biggest pieces of phase one of our system enhancements.

Parts Sourcing

Repair vendors source parts themselves and then charge their own retail prices, which can be as much as 10 to 40 percent higher than wholesale prices. Under our new maintenance program, ARI will source some parts directly from national accounts suppliers (wholesale), leveraging purchasing volume to get discounts. The parts would be sourced in the same manner as when the shop does it directly; except that the parts will now be purchased by ARI and the shop would not have the opportunity to mark up prices. This new parts sourcing strategy will benefit our clients by:

- Lowering the cost of parts

- Creating a possible opportunity for upgraded parts at discounted prices

- Reducing vehicle downtime by procuring parts faster

High Performance Vendors

ARI is constantly looking for ways to improve fleet management services. Ongoing efforts to identify opportunities resulted in a strategic shift in our approach to many facets of fleet management, with key focus items identified as follows:

- Leverage ARI's volume to maximize value to clients

- Provide quantifiable cost savings (process and system)

- Take advantage of new technologies (additional system functionality, better negotiation tools, quantifiable cost savings and reporting, real-time information available to ASE techs in all call centers,)

One key area of opportunity involves ARI's network of independent installers. ARI will continue to utilize a very flexible open network of over 60,000 independent installers but is also implementing a process to identify and establish a network of primary vendors with priorities to support many of the goals outlined above.

The ARI High Performance Vendor Network™ has been established with the following guidelines:

- Pre-negotiated labor rates within local markets.

- Consistent repair experience and agreement by the selected vendors to adhere to guidelines and business practices.

- Parts sourcing on selected parts where savings opportunities exist but can be delivered from a local parts source in less than an hour. If a part is not available within a reasonable time, the ARI tech will instruct the installer to procure the part locally, just as they do today. This process includes establishment of purchase agreements between ARI and national parts brand suppliers, assuring acquisition prices lower than local market price and ensures consistent part quality.

- Participation by the independent vendor is completely voluntary and ARI still maintains its open network and the flexibility within that model.

- The ARI High Performance Vendor Network is dramatically different from competitors' preferred networks, in that ARI does not negatively affect the vendor's revenue (no short pay), so the vendor has no potential motivation to inflate pricing as a compensation mechanism. All labor and parts billing amounts are passed directly through to clients as they are today.

The ARI High Performance Vendor Network ™ model provides client value and business growth opportunity for participating vendors. ARI has invested significant resources to completely redesign Intellifleet, to integrate and combine the latest technologies to maximize technician efficiencies and also to better support business processes defined above for better negotiation, maximize value within the repair process, and increased ability to direct business to both client preferred and High Performance vendors.

ASE Certified Technicians

ARI staffs our three Technical Resource Centers with 343 of the highest caliber technicians that can best meet our clients' maintenance needs. Our service technicians are certified by the Institute for Automotive Service Excellence (ASE), averaging eight certifications each.

ARI employs more World Class technicians than anyone else in the industry at 41 and several more are preparing to reach the same level. By mastering the ASE exams, our technicians exercise the skills required to assist drivers quickly and accurately.

Our technicians control your repair costs by scrutinizing estimates according to published price guidelines. ARI staffs ASE technicians at every level: specializing in car, light duty; medium and heavy duty to ensure the technician with the appropriate expertise is handling the repair. When one of your drivers calls our technical resource center, there is a prompt that directs them according to their type of vehicle. This prompt ensures light duty trucks calls are handled by a light duty truck technician.

One of ARI"s Partners in Excellence program goals for the technical resource center is to have our technicians maintain a 60/40 service level, meaning answer 60 percent of calls within 40 seconds or less.

4. Mandatory Requirements

4.1   **Mandatory Contract Services Requirements and Deliverables: Contract Services must meet or exceed the mandatory requirements listed below.**

4.1.1   **Maintenance and Repair Services Program General Requirements**

4.1.1.1   **Vendor must furnish maintenance and repair services program for each vehicle in the fleet.**

ARI complies with this requirement. Details on our maintenance and repair services are shown below in our responses to this RFQ.

4.1.1.2   **Vendor must deal directly with any maintenance and repair service provider concerning the cost and need for any repair. The pre-approval level for repairs will be provided to the successful vendor.**

ARI complies with this requirement and our interaction with our service providers are detailed throughout this RFQ response. ARI will work with you to develop detailed maintenance parameters which will highlight any preapproval limits for repairs.

4.1.1.3   **Vendor must furnish a maintenance packet for each vehicle that includes program explanations of emergency repairs, towing and services available. Vendor will be provided a list of current vehicles for which the vendor will supply a maintenance packet within ten working days. Vendor will supply a maintenance packet within 5 working days for new vehicles or for replacement packets.**

ARI complies with this requirement. As part of ARI's maintenance management program, each State of West Virginia driver will receive the following with his/her driver packet at the time of vehicle delivery or enrollment in the program:

- Driver introduction letter (customized letter available)
- Coupon book if applicable
- Service / ID card
- ARI/WEX fuel card if State elects to utilize ARI / WEX co-branded card
- Informational pull out regarding how to use the program, communicate with ARI, etc.

4.1.1.4 **Vendor must allow the purchase of tires in emergency situations only. As a general rule, tires will be obtained outside of this contract.**

ARI can assist with this process. We can set up detailed parameters which will instruct our technicians to not purchase tires unless in an emergency situation. If the State has separate contracts with any tire manufacturers, ARI can assist with purchasing these tires and billing the state at their contracted pricing. This can result in huge administrative savings for the State as all costs are captured in one system and separate purchases orders are not required. There is a small fee for this service which is not included in this bid but can be discussed at a further date if the State is interested in having ARI manage this process.

For tires that are purchased, ARI negotiates the best price possible for that tire prior to issuing authorization. ARI's ASE-Certified Service Technicians process each tire replacement and verify tread depth readings to determine the necessity of replacement.

4.1.1.5 **Vendor must capture vehicle odometer reading at the time service is provided for reporting purposes from the service provider as defined in Section 4.1.3 of this document.**

ARI complies with this requirement. This is discussed in more detail within our response.

4.1.2 Data Management

4.1.2.1 **All data and reports must be available to be exported into Microsoft Excel 2010.**

ARI complies with this requirement. As a current ARI client, The State of West Virginia has access to a multitude of comprehensive features on ARI *insights*, ARI's web-based fleet management system including the ability to manage driver, vehicle and compliance management. This real-time fleet management program allows users to manipulate and manage all fleet data, view the data in text or graphical formats, and download into Excel, text files, and other standard formats. All fleet data is available real-time.

4.1.2.2 **Vendor must implement data analytical service management using integrated, browser client-server applications for the following core fleet processes:**

ARI *insights* can deliver analytical data for the following core processes identified by the State:

4.1.2.2.1 Fleet utilization management

Through the use of ARI *insights*, each State of West Virginia user can customize their "dashboard," or home page, choosing from numerous displays, individualized menus, a versatile navigation bar, toolbars, and more. Each personalized dashboard can have any combination of menus, toolbars, tabs, zones, reports, key performance indicators (KPIs), alerts, and RSS news feeds. These tools give the ability to manage by exception and receive the information in a timely manner.

ARI's team of vehicle acquisition analysts will work together to create the best possible applications for The State of West Virginia's fleet needs. Our consulting begins with the development of vehicle specifications. ARI analyzes the specialized fleet requirements including operating conditions, annual mileage, maintenance programs and other variables to ensure we choose the best unit to do a particular job and perform at the lowest cost per mile.

4.1.2.2.2 Vehicle specifications

The State of West Virginia is currently not ordering vehicles through ARI nor is that a requested service in this bid. However, would closely with fleet personnel to develop precise vehicle specifications based on your requirements. These specifications will be built so that the State has a vehicle catalog of specification and be retrieved at any time for vehicle ordering or review.

ARI's own secure, web-based vehicle pricing and ordering system, PriceNet, offers a vast array of features that allow fleet personnel to price and build vehicles using up-to-the-minute equipment and invoice/MSRP pricing. You can compare models, breakdown options or option packages, reference government crash test and rollover data and retrieve vehicle recall data in order to assemble standardized specifications that meet your fleet's requirements at the best price.

4.1.2.2.3 Maintenance management

ARI's maintenance management program is designed to maximize your fleet availability, and minimize your maintenance expenses. It is ARI's goal that, through our managed maintenance program, we achieve more savings per vehicle, per month, through post-warranty recovery and negotiated savings than the program costs. Over the past two fiscal years, ARI has saved the State over $1.75 million in maintenance related savings. We accomplish this through proactive preventive maintenance, an open vendor network structure, pricing transparency, controlling authorizations for unscheduled maintenance, aggressive post warranty

recovery, utilizing predictive analytics on maintenance trends, and focusing on fleet efficiency.

The State of West Virginia is currently enrolled on ARI's Maintenance Management program and currently has the ability to access detailed, real-time maintenance repair information on-line via ARI *insights*, for every repair performed on each enrolled vehicle. This data includes an itemized breakdown of parts and labor for each purchase order including any technician notes and messages related to the repairs.

Capturing critical vehicle maintenance data enables ARI to identify fleet expense trends for proper cycling and specification of vehicles. Data is available for building custom reports for The State of West Virginia that can be retrieved on demand.

4.1.2.2.4   Fleet cycling (replacement management)

ARI's online Vehicle Replacement Analysis Model (VRAM) develops vehicle replacement guidelines based on lifecycle cost and downtime minimization. Customized for each client, the model takes into consideration many different factors, prioritizes the replacement needs of the entire fleet, and recommends what the expenditure should be to optimize the return on investment.

4.1.2.2.5   Total cost of ownership analytics

ARI *insights* has a Life Cycle Cost Analysis tool that provides ARI clients with all of the necessary information to compare vehicle costs and project operating costs of a vehicle. Results can be saved for future viewing, exported to Excel, and link directly into the vehicle configuration tool without exiting the system. Cost figures can be adjusted through parameters set by the user – geographic location, driving habits, months, miles, fuel price, incentives, and residual and highway versus city driving percentages – to accurately predict fuel costs. This customization provides an accurate prediction of vehicle costs.

The system is based on independent sources of industry data, and includes cost components such as: acquisition price, fleet incentives, depreciation, interest, fuel and maintenance.

4.1.2.2.6   Cost management and cost containment

ARI *insights* gives The State of West Virginia the ability to view and create custom reports using billing detail and summary pages and also display true life of vehicle costs (cost per month and/or cents per mile/km) by expense category. ARI *insights* provides great control for a fleet manager to identify trends, exceptions and expenses and to formulate cost

reductions and achieve efficiency increases. ARI also currently assists The State of West Virginia with cost management through annual performance reviews.

4.1.2.2.7   Industry best practice modeling

ARI is consistently reviewing opportunities to assist the state in achieving best in class efficiencies. Through our strategic consulting group, quarterly and annual reviews, ARI will continuously bring up opportunities for savings or efficiency enhancements.

One best practice we recently discussed with the state was loading the entire inventory, whether enrolled onto ARI's maintenance management program or not, to be loaded into ARI's system which will allow a consolidated database. If ARI is capturing fuel transactions through a data feed or a co-branded card, ARI can assist the state with a right-sizing of the fleet exercise as well as other agency benchmarking. This is one example of a recent opportunity discussed.

4.1.2.2.8   Mechanism to record and track internal garage maintenance activity

ARI's Garage Management System helps manage technicians, vehicle preventive maintenance schedules, and unscheduled repairs and parts inventories – while simultaneously consolidating all vendor-in/vendor-out data.

4.1.2.3   Vendor must implement narrative and graphical performance reviews for the FMO (consolidated) and state spending units (by spending unit billing code), no less than annually to demonstrate achieved cost savings based upon agreed metrics for the state and spending units as well as identifying other service areas with the potential to achieve increased cost savings or cost containment for the state and spending units

ARI provides quarterly, semi-annual or annual Strategic Performance Reviews at no additional cost. Performance reviews involve your account management team and a thorough review of all aspects of your fleet account. These reviews can segregate information at the billing code level. This includes benchmarking, industry averages, trending and other measurements that identify fixed and variable expense reduction opportunities for establishing best-in-class practices and procedures:

- Time savings associated with vehicle acquisition
- Best practices cycling history

- Vehicle remarketing benchmarks
- Maintenance savings resulting from post-warranty recovery and repair negotiations
- Savings achieved by unleaded vs. premium fuel purchases
- Recommendations for implementing best practices and why

ARI conducted The State of West Virginia's most recent Strategic Performance Review on January 29, 2013. During this review we identified a partnership savings of $1,751,967 over the past two years in controlled authorization, purchase order savings and national account vendor usage.

4.1.2.4 Vendor must capture, integrate, and provide National Highway Transportation Safety Administration safety data and vehicle recall information to driver and spending unit fleet coordinator using a browser client-server application.

Authorized fleet personnel can customize their ARI *insights* "dashboard" to view the following recall-related Key Performance Indicators or have it communicated directly to them:

- Open Recalls – Displays your fleet's open recall status and age of recall.
- Open Recalls By Make - Displays your fleet's open recalls by make of vehicles.

Recall alerts are viewable through ARI *insights*. However, ARI also offers an internal recall notification process that supplements the existing manufacturer recall process. This service is available for Ford, Chrysler and General Motors vehicles purchased through ARI. This service is comprised of three components:

The first is an email reminder pushed directly to the driver, (assuming we have a driver email on file) indicating that there is an open recall on the vehicle, and asking the driver to take the vehicle to the dealer for resolution. These reminders will continue on a monthly basis until the manufacturer closes the recall.

The second component is the tracking mechanism built into ARI's Intellifleet system, which will mark the vehicle with an "open recall" flag. Whenever a technician is speaking with a driver, the flag will remind the representative to verbally let the driver know that there is an open recall on their vehicle, and ask that the driver take the vehicle to a dealer for resolution. Additionally, when the ARI technician is speaking directly with an OEM dealer, he/she will confirm that the recall is being performed.

The third component is the reporting capability built into ARI's data warehouse. The State of West Virginia can be provided with reports for their entire fleet (or filtered by defined criteria) indicating which vehicles in their fleet have an open recall.

4.1.2.5   Vendor must implement a payment mechanism for preventive maintenance such as coupon, virtual coupon, limited value service card, or browser client-server application that does not require pre-authorization by a driver prior to use.

ARI issues customized preventive maintenance schedules and easy-to-use coupons to The State of West Virginia's drivers that meet both the requirements of The State and the vehicle manufacturer. Drivers can coordinate maintenance directly with a repair facility, and can only request the services printed on each coupon. ARI's network of National Account vendors and independent repair facilities accept these coupons as purchase orders, expediting the process by eliminating pre-authorization from your staff and not burdening drivers with out-of-pocket expenses. Exception reporting identifies outstanding PM work, and email notifications remind drivers when scheduled preventive maintenance is due.

ARI also offers a service card for use at all participating vendors for the purchase of ancillary maintenance items such as windshield wiper fluid, extra oil, etc. The limits on this card can be set by The State of West Virginia.

4.1.2.6   Vendor must implement a preventive maintenance management to establish parameters including time, calendar, odometer, power take off, or operating hours.

ARI's maintenance management parameters can be tailored to meet the requirements of this objective. These parameters are flexible by each agency's requirements. ARI will continue to work with The State of West Virginia in developing customized parameters that meet all of your needs.

Inside the enhancements to our Intellifleet system outlined in our Executive Summary above, ARI will soon be able to track PM schedules based on vehicle fuel burn. Fuel burn will be the most accurate way to gauge when a PM is due. This will allow the State and ARI the opportunity to manage PM compliance through mileage, hours and fuel burn. If not utilizing ARI's co-branded WEX card, we would need to integrate the data from WEX directly.

4.1.2.7   Vendor must implement a browser client-service preventive maintenance application that is driver-centric and can produce maintenance reminders using email or SMS and notify spending unit fleet coordinators when established thresholds are pending or have been exceeded.

ARI sends email notifications to remind drivers when scheduled preventive maintenance is due. These reminders are triggered automatically based on odometer readings or intervals. In addition, ARI's Exception reporting identifies outstanding PM work.

The State of West Virginia spending unit fleet coordinators can set their customized dashboard in ARI insights to receive alerts to display vehicles with overdue maintenance.

4.1.2.8   Vendor must implement a browser client-server maintenance management and repair application for light-duty vehicles that provides real-time, line item visibility of maintenance and repair outcomes (invoices, work orders, or work requests), including narrative comments (if applicable) which contain documented savings in reduced labor rate charges, reduced parts charges, reduced core charges, and any warranty recovery savings. Metrics will be agreed upon with the successful vendor.

The State of West Virginia can access detailed, real-time maintenance repair information on-line via ARI insights, for every repair performed on each enrolled vehicle.

This data includes an itemized breakdown of parts and labor for each purchase order including any technician notes and messages related to the repairs. Any negotiated savings as well as warranty recovery activity is highlighted as well.

4.1.2.9   Vendor must implement repair service management based on established thresholds including time, calendar, odometer, power take off, operating hours, estimated cost.

ARI will continue to work with The State of West Virginia to set up customized repair thresholds specific to The State of West Virginia's requirements and the requirements of the vehicle manufacturers.

4.1.2.10   Vendor must implement management of third-party logistics Vendors (3PL) includes:

ARI will work closely with The State of West Virginia to manage its third-party logistics vendors. ARI has the unique ability to deliver unsurpassed connectivity for The State of West Virginia's fleet maintenance system needs. Our exclusive approach provides you with a consolidated view of your divergent fleet data through ARI *insights*, fully integrating provider systems and data, interfacing with The State of West Virginia's enterprise resource planning (ERP) systems, and third party providers maintaining a central database for all fleet information. ARI is in the process of engaging with these vendors today.

4.1.2.10.1   3PL provides the lowest repair cost to the state based off The Mechanics Flat Labor Rate Guide or an agreed upon equivalent.

ARI's ultimate goal is to secure the lowest repair prices for The State of West Virginia. ARI's ASE certified technicians control authorization by scrutinizing all repairs requested by the servicing vendor, verifying time to complete the repairs, parts pricing, and labor rates as compared to published national guidelines. The technicians will also examine The State of West Virginia's specific program parameters and vehicle history to verify the appropriateness of the repair.

4.1.2.10.2   3PL executes real-time odometer entry and accounts receivable processing.

ARI receives real-time odometer entry readings when a vehicle is taken to a repair facility as part of the repair process. ARI *insights* provides algorithms to ensure accurate odometer readings. ARI pays the vendors electronically within two to three business days through its Intellipay payment process.

4.1.2.10.3   3PL is within reasonable proximity to vehicle location – five (5) miles.

With over 1,300 vendors in the State, ARI will work to find the closest possible repair vendor.

4.1.2.10.4   3PL uses Original Equipment Manufacturer (OEM) or equivalent, warrantied parts during vehicle warranty period. Post OEM warranty coverage period, the 3PL uses OEM or equivalent after-market parts whichever is most cost-effective.

ARI ensures all vendors use OEM or equivalent after-market parts.

4.1.2.10.5   3PL recovery of one hundred (100%) percent of warrantied part's value through part replacement by the 3PL or reimbursement by the part's manufacturer.

ARI ensures all vendors use OEM or equivalent after-market parts.

4.1.2.10.6 **3PL payment credit or reimbursement of one hundred (100%) percent of the manufacturer part's warranty value with "Warranty recovery" clearly identified on spending unit invoice or reimbursement check detail if payment is made by check.**

In the case where a vehicle is taken to the dealer for warranty ARI is typically not notified by the dealer since no payment is required. In the case where a vehicle goes into a vendor that is not able to perform warranty items, in the course of our normal purchase order review with the vendor, ARI will ensure the State is not paying out of pocket for items covered under manufacturer warranty. In the case where a vendor were to attempt to charge for an item that is covered under manufacturer or extended warranty, ARI will deny the repair and instruct the driver to take the vehicle to a dealer to have the service performed. Where there is a repair on a component that has recently fallen outside the manufacturer warranty, ARI will pay for the item and then attempt to recover the monies directly from the manufacturer. Any monies recovered, ARI will pass 100% back to the State.

4.1.2.11 **Vendor must implement and manage a maintenance management contact center available to drivers and fleet coordinators 24/7/365.**

ARI is the only fleet management company that staffs three Technical Resource Centers – in Maple Shade, New Jersey, Houston, Texas and Grapevine, Texas – operating 24/7/365 and staffed with ASE-certified technicians who interact with fleet personnel and drivers for maintenance, breakdown and claims issues and with vendors to negotiate pricing and provide approvals.

Our state-of-the-art call center system integrates the three centers seamlessly, fielding calls according to the next available service technician regardless of his/her location.

4.1.2.12 **Vendor must implement and manage a 24-hour roadside assistance program with the following core functions:**

4.1.2.12.1 **Toll-free assistance line.**

Through ARI's Roadside Assistance Program, your drivers can call ARI's toll free technical resource center 24/7 to get onsite assistance for concerns such as flat tires, dead batteries, lock-outs, mechanical break downs, and so on. ARI's ASE certified technicians will identify your driver's exact location, and then dispatch an appropriate vendor to provide assistance.

4.1.2.12.2   Emergency towing service.

Our technicians take care to confirm that the vendor has the capability to perform the needed service for the type of vehicle involved. A tow vendor that can handle a sedan or light duty pickup truck may not have the right equipment to tow a Class 8 tractor. The steps we take to match vendor capability to the specific type of vehicle in need of assistance helps to minimize vehicle downtime.

ARI also confirms that the vendor will be able to respond in an acceptable timeframe. This is especially important during weather-related events, when an entire area may be inundated with requests for roadside assistance. We use a closed-loop system to ensure that roadside assistance arrived as promised.

4.1.2.12.3   Tire-changing service.

Yes. ARI's Roadside Assistance program includes a tire changing service.

4.1.2.12.4   Battery jump service.

Yes. ARI's program also includes a service to jump your existing battery or tow the vehicle to the nearest repair shop for the installation.

4.1.2.12.5   Lockout service.

Yes. ARI's program includes a lockout service for drivers who are locked out of their vehicle.

4.1.2.13   Vendor must implement a browser client-server application for agency garage management, reporting and tracking.

ARI provides an all-inclusive management solution for fleets that utilize outside vendors and operate internal maintenance facilities. ARI's Garage Management System (GMS) helps manage technicians, vehicle preventive maintenance (PM) schedules, and unscheduled repairs and parts inventories – while simultaneously consolidating all vendor-in/vendor-out data. ARI has three different levels of offering: a standard purchase order entry system, a garage management software package that allows PO entry, parts inventory and other typical garage management software capabilities and then a completely robust garage management software system.

4.1.2.14   Vendor must implement email notification to user group (driver and supervisor) and garage supervisor on vehicle status.

ARI's Garage Management tool has this capability.

4.1.2.15   Vendor must implement garage management reporting of garage performance externally (3PL sublet) and internally (in-house) (if applicable).

ARI provides an all-inclusive management solution for fleets that utilize outside vendors and operate internal maintenance facilities. ARI's GMS helps manage technicians, vehicle PM schedules, and unscheduled repairs and parts inventories – while simultaneously consolidating all vendor-in/vendor-out data.

4.1.2.15.1   Fully-burdened labor rate

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.2   Parts turn rate

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.3   Parts inventory

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.4   Staffing levels

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.5   Labor hours

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.6   Work requests missing parts

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.7   Work request history

ARI's Garage Management System supports this reporting. ARI would incorporate The State of West Virginia's reporting requirements during contract inception.

4.1.2.15.8   Controlled authorization savings

This functionality is supported through ARI's vendor-out scenario utilizing ARI's maintenance management programs.

ARI's ASE certified technicians control authorization by scrutinizing all repairs requested by the servicing vendor, verifying time to complete the repairs, parts pricing, and labor rates as compared to published national guidelines. The technicians will also examine The State of West Virginia's specific program parameters and vehicle history to verify the appropriateness of each repair.

4.1.2.19   Vendor must provide, manage, and integrate a browser client-server asset management application with inventory and multi-criteria replacement methodologies, e.g., vehicle age, accrued mileage, life-to-date maintenance costs, predictive maintenance costs by automotive systems, manufacturer, VIN make, and VIN model.

Before a single vehicle is ordered, ARI reviews your current fleet, replacement criteria and schedule, budget, specifications, and usage. ARI analyzes operating conditions, annual mileage, maintenance programs and other variables to ensure that you choose the best unit at the lowest cost per mile. Using our Vehicle Replacement Analysis Model (VRAM), ARI develops replacement guidelines based on life cycle costs and downtime minimization. Additionally, we plan for your purchase/dispositions to coincide with optimum market conditions.

4.1.2.20   Vendor must provide ability to communicate and interface requested information via data feeds to the consolidated ERP Vendor (currently CGI and Agile Assets).

ARI has experience integrating with several commercial ERP systems, including Maximus, PeopleSoft, SAP, Infinium, ProMiles, Business Objects, IBM Enterprise Information Portal (EIP), and Autodata just to mention a few. The size and scope

of each of our integration projects vary. We've also developed custom fleet integration solutions such as real-time integration with Wright Express Portal, Alert Driving, (for driver risk assessment), Black Book, and vehicle remarketing auctions including AutoIMS, and On-Lane. We are also integrated with chassis manufacturers for ordering, status, and invoicing, as well as several upfitters.

We can also work with the State to map our internal account codes to your accounting code structure so that all charges are presented with The State of West Virginia's internal coding. We have dozens of client code fields available to accommodate The State of West Virginia's coding structure, and can also assign specific cost centers based on ATA coding for repairs.

ARI's IT support team is currently in discussion with West Virginia's fleet and IT personnel to identify and prioritize the different interface needs, agree on file layouts, write the interface, and test. The ARI team consists of experienced SAP integrators, and other developers experienced with systems integration.

4.1.3 Reporting

4.1.3.1 Vendor must distribute standardized reports (i.e.: maintenance by VIN, by 3PL, by vehicle make/model, by maintenance type, by department, etc.) to designated agencies as determined necessary without additional charges. Additionally, the vendor will develop specialized reports unique to each agency's needs.

ARI complies with this requirement.

ARI's technical reporting team will outline the required information and format, and then build the report through Business Objects Enterprise Server. We will then publish the reports to ARI *insights*, where agencies can view, save, or print them.

We can refresh these reports on demand and can reschedule them to run daily, weekly, or monthly in Excel, PDF, or CSV formats. ARI can also email the reports directly to multiple people, even if they do not have access to ARI insights.

Furthermore, your fleet personnel can customize their personal ARI *insights* dashboard to include a KPI for unread reports. Additionally, ARI offers a variety of training options to assist the agencies in learning the ARI system.

4.1.3.2 Vendor must provide a quarterly report to FMO detailing savings recovered by efforts of the Vendor.

ARI complies with this requirement.

4.1.3.3 Vendor must ensure that all reports are mathematically correct. Rounding of individual costs is not acceptable.

ARI complies with this requirement.

4.1.3.4 Vendor must provide on-line computer access (viewing only) to vehicle maintenance and/or repair expense information. Estimated number of view-only users is approximately 100.

ARI complies with this requirement.

ARI will provide the State of West Virginia users access to ARI *insights*. This tool allows fleet personnel to reach, retrieve and manipulate the State's entire range of fleet data in real time. The flexibility to view data online in text or graphical formats with the ability to export to Excel is unsurpassed in the industry.

The information available through ARI *insights* includes but is not limited to: maintenance and fuel history; fleet drivers and locations; vehicle information and odometer readings; billing and invoices; registration tracking and licensing; new vehicle ordering and status; accident reports and photos; fuel costs and transactions; replacement scheduling; motor vehicle records; and remarketing status and results.

The State of West Virginia personnel can authorize use of the system by others in the organization and tightly control what users can see and do within the system. Within defined parameters, each user can customize the "dashboard," or home page, choosing from numerous displays, individualized menus, a versatile navigation bar, toolbars, and more. Each personalized dashboard can have any combination of menus, toolbars, tabs, zones, reports, key performance indicators, alerts, and RSS news feeds.

4.1.3.5   Vendor must provide a reporting tool for in-house maintenance and repair facilities to report maintenance and repair issues for record keeping purposes.

ARI complies with this requirement. ARI's *insights* program merges a client's purchase order entries, outside repairs and in-house maintenance repairs to provide a single site to manage a complete vehicle maintenance history that has been performed.

4.1.3.6   Vendor must furnish recall notification and other warranty / service information received from any source.

Recall alerts are viewable through ARI *insights*. However, ARI also offers an internal recall notification process that supplements the existing manufacturer recall process. This service is available for Ford, Chrysler and General Motors vehicles purchased through ARI. This service is comprised of three components:

The first is an email reminder pushed directly to the driver, (assuming we have a driver email on file) indicating that there is an open recall on the vehicle, and asking the driver to take the vehicle to the dealer for resolution. These reminders will continue on a monthly basis until the manufacturer closes the recall.

The second component is the tracking mechanism built into ARI's Intellifleet system, which will mark the vehicle with an "open recall" flag. Whenever a technician is speaking with a driver, the flag will remind the representative to verbally let the driver know that there is an open recall on their vehicle, and ask that the driver take the vehicle to a dealer for resolution. Additionally, when the ARI technician is speaking directly with an OEM dealer, he/she will confirm that the recall is being performed.

The third component is the reporting capability built into ARI's data warehouse. The State of West Virginia can be provided with reports for their entire fleet (or

filtered by defined criteria) indicating which vehicles in their fleet have an open recall.

4.1.3.7 Vendor must create and maintain all maintenance and repair records for each vehicle and screen all maintenance and repair requests. The FMO requires that the vendor keep automated maintenance and repair records for as long as the vehicle is enrolled in the vendor's maintenance and repair program. The vendor must also keep records and supporting documentation that may be needed to satisfy any and all manufacturer's claims or other disputed maintenance and repair issues. Records shall be surrendered to the State upon the end of each vehicle's life and upon contract termination.

ARI complies with this requirement. ARI captures this information through our Intellifleet system.

Intellifleet is ARI's server-based maintenance management system that provides our service and claims technicians with the ability to manage costs, provides administrative relief to our clients, increases productivity, and offers extensive reporting capabilities.

ARI codes client-specific parameters, vehicle maintenance history, dollar approval limits, vendor and parts exceptions, and component warranty information into the system. When any of these pre-established thresholds are breached, Intellifleet interactively warns the ARI technician via a "pop-up" window.

Some value-added benefits include increased reporting capabilities through the utilization of eight-digit ATA coding, quicker vendor search engines and increased vendor rating capabilities. It is the ATA coding that allows ARI's service technicians to recognize repeat component failures, identify increased spending trends and prepare cost per vehicle analysis, all to help a fleet run at maximum efficiency.

4.1.3.8 Vendor must provide documentation showing a reduction in the percentage of non-exempted vehicles being driven less than 1,100 miles monthly.

As part of the annual review, we show the vehicles that are driven less than 500 miles, 500-1000, 1000-2000, and 2000-3000. By adding a fuel data feed through our fuel program or capturing data during routine maintenance helps to generate more accurate information.

4.1.4 Management / Administration

4.1.4.1   Vendor must send a minimum of one key person as identified by FMO at no additional cost to visit designed agency representatives upon request. No more than four (4) half day visits will be required during contract period.

ARI complies with this requirement. ARI currently has a dedicated State and Government Manager assigned to the State of West Virginia's account with additional resources to support the account.

4.1.4.2   The successful vendor must provide FMO with a list of principal service personnel. List shall include contact names, phone numbers, and email addresses.

ARI complies with this requirement.

The persons dedicated to the State of West Virginia's account will be:

- Craig Jones, Senior District Manager;
  - (513) 241-2573, cjones@arifleet.com
- Cheryl Graham, Business Development Manager, Government;
  - (856) 727-6962, cgraham@arifleet.com
- Suzanne Cravens, Senior Account Development Representative;
  - (704) 556-2630, scravens@arifleet.com
- Trish Bland, Client Support Services Representative
  - (856) 787-6576, pbland@arifleet.com

4.1.4.3   Vendor must participate, at FMO's request, at seminars to educate drivers/Fleet customers on program requirements in West Virginia at no additional cost to the state. FMO will notify vendor of request a minimum of two weeks prior to engagement. A maximum of two (2) seminars will be required yearly. Vendor must provide training as required for full understanding and utilization of reports and analysis of operating costs and cost trends at no additional cost to the agency.

ARI will comply with this requirement. ARI has supported the State of West Virginia with these in the past and will continue to do so if retained.

4.1.4.4   Vendor must provide capability for FMO and designee to interact online with vendor for ordering, inquiry, information, updating and reporting purposes. The estimated number of interactive users is approximately ten (10).

ARI complies with this requirement.

4.1.4.5   The vendor must provide information concerning changes in industry practices, policies, regulations, and/or other related information to FMO. For example: periodic publications for review by the FMO concerning 1) suggestions for prompt and effective maintenance; and 2): national fleet information from manufacturers, consultants, etc.

ARI complies with this requirement.

4.1.4.6   Vendor must allow FMO to periodically visit the vendor to verify / review the program in operation.

ARI complies with this requirement.

4.1.4.7   Vendor must provide a number, list of names and locations of maintenance and repair service providers in West Virginia, Virginia, Kentucky, Ohio, Maryland, and Pennsylvania. This list should be provided with the bid.

ARI utilizes an open vendor network, rather than a preferred network used by most fleet management companies.   An open vendor network allows the State of West Virginia to utilize the vendors of their choice, without restriction. Currently, our network consists of over 38,000 National Account shops, and more than 52,000 independent vendors. ARI considers our vendor list to be proprietary and with government RFQs being open to the public, we cannot provide the entire list. We would be happy to disclose this list at a later date with the State. Below is a summary of ARI's network in the following states:

State	National Accounts	Independent Vendors
West Virginia	198	1,176
Virginia	1,041	2,418
Kentucky	540	1,693
Ohio	1,605	3,115
Maryland	829	1,759
Pennsylvania	1,661	4,536
Total	**5,874**	**14,697**

The State of West Virginia can add their preferred facilities to our network at any time.

4.1.4.8   Vendor must have a toll-free line which includes ASE Certified Technicians, 365 days a year, 7 days a week, 24 hours a day to monitor all maintenance and repair requests. If applicable, nights and weekends may be reserved for limited emergency services and handled by the vendor's subcontractor. The primary vendor, however, retains all contractual responsibilities.

State of West Virginia drivers currently dial 1-800-CAR-CARE for required maintenance and repair assistance to speak with the first available ASE certified technician at one of ARI's three Technical Resource Centers located in Maple Shade, New Jersey; Grapevine, Texas, and Houston, Texas.

4.1.5 Invoicing

4.1.5.1   Vendor must have the ability to invoice individual agencies as designated by the FMO or accept P-card payment. Agency must designate payment on agency release order. The vendor will pay directly to maintenance and repair service providers all charges, except any assessed taxes, made by drivers and invoice the designated agency on a monthly basis.

ARI cannot accept P-card as payment.

4.1.5.2   Vendor must ensure that any assessed taxes are not passed along to the FMO or its designated agency for payment.

ARI complies with this requirement.

ARI currently maintains tax exemption certificates for the State of West Virginia and has edits in place to ensure that no taxes are billed.

4.1.5.3   Vendor must reimburse the State of West Virginia for all discounts, rebates, and warranty recovery.

ARI has indicated on pricing summary page the National Account rebates we will return to the State as well as 100% of discounts negotiated specifically for the State of West Virginia by either the Vendor or State and 100% of warranty recovery.

4.1.5.4   Vendor must monitor warranty repairs and seek automobile manufacturer reimbursement. These charges are not to be passed along to the FMO or its designee.

ARI complies with this requirement.

4.1.6 Qualifications and Experience

4.1.6.1 Vendor must provide three jobs of similar size and scope to demonstrate recent experience providing and implementing fleet management programs and services for governmental entities.

In the public sector, ARI customizes solutions for the specialized requirements of over 15 federal, state and municipal entities representing more than 75,000 vehicles. In addition to the State of West Virginia, in the table below, we have illustrated a sampling of the clients we have worked with in the past five years with requirements similar to those of The State of West Virginia:

Government Entity	Number of Vehicles	Programs
State of Wisconsin	5,400 vehicles	Maintenance Management, Roadside Assistance and Accident Management
State of Minnesota	2,350 vehicles	Maintenance Management and Roadside Assistance
City of New York	6,900 vehicles	Maintenance Management and Roadside Assistance
State of New York	16,200 vehicles	Maintenance Management, Accident Management, Roadside Assistance and Leasing
State of Utah	5,400 vehicles	Maintenance Management and Roadside Assistance
State of New Mexico	450 vehicles	Leasing
State of Georgia	22,800 vehicles	Maintenance Management, Roadside Assistance and Data Integration

4.1.7 Optional Services

4.1.7.1   Vendor should provide a means for identifying vehicles as "Official State Vehicles" offering a toll-free telephone number for concerned citizens to report situations. Such reports will be forwarded to the Fleet Management Office and/or designee.

Yes, ARI can offer a "How's My Driving Program." There is an alert in ARI *insights* for this. The program itself can be setup so a notice goes out automatically to the designated state personnel as well.

4.1.7.2   Vendor should provide a Driver's Safety Education Program by 1) supplying driver safety handbooks to all new and existing drivers or 2) conducting driver safety education classes and/or instructional media. Vendors may use electronic media to fulfill this requirement.

ARI complies with this requirement.

Partnered with AlertDriving.com, a pioneering leader in global web-based risk management, ARI's Driver Risk Assessment Program helps to reduce collisions, injuries, costs and liability exposure. The State of West Virginia can use the program's web-based components as a complete system or individually on a standalone basis, depending on your specific needs.

The tools provided identify, target and track high-risk drivers:

- One universal scoring system combines various driver assessment inputs such as MVRs, collision incidents, driver monitoring events, etc., in order to arrive at an overall risk assessment for each fleet driver

- A sophisticated mapping system assigns training that matches the nature of a driver's violation(s) or incident(s)

- Administrative tracking and reporting corresponds automatically with trainees via email to ensure they complete their training requirements by the specified due date.

4.1.7.3   Vendor should implement a browser client-server application for agency garage management and parts inventory management.

ARI complies with this requirement.

For in-stock inventory, the State of West Virginia can set up your entire inventory by manufacturer part numbers, customer part numbers, bar codes, vendor

names, ATA codes, and more. As parts are allocated to work orders, GMS will automatically decrement them from your inventory levels.

The State of West Virginia can use bar coding and the order manager feature in GMS to replenish inventories though just a few clicks. The only manual portion of the process is putting the newly received parts on the shelves.

4.1.7.4 Vendor should provide a browser client-server VIN decoder application to the FMO. The information should at a minimum define: make, model, year.

ARI's VIN decoder catalogs cars, light-, medium- and heavy-duty trucks and trailers. Inventory reports detail the make and model information in a uniform and consistent manner, which was a tedious and time-consuming process prior to this technology. All vehicles loaded into ARI's database are VIN decoded to confirm that accurate year, make, model, and GVW are loaded into the system.

ARI *insights* system can display vehicles VIN decoded or not decoded.

4.1.7.5 The vendor should provide an initial report detailing the fleet's carbon footprint and track the fleet's carbon footprint yearly.

ARI can comply with this requirement providing the State of West Virginia is using our co-branded WEX card or we have a data feed established to receive the fuel information.

ARI's EnviroFleet consultants profile and benchmark a fleet's carbon footprint, determine the link between fuel use and fleet practices, and interpret the impact of CO_2 and other chemicals the fleet releases into the air. Then through Best Practice tools and the latest technology, we deliver strategies for vehicle right-sizing, spec'ing and selecting vehicles by work application, telematics-based route efficiency planning, and emission reductions and savings tracking. Through this process, ARI helps fleet managers put vehicles on the road that are both environmentally and fiscally responsible. ARI continuously engages with professional and governmental organizations such as the Clean Cities Coalition, EPA's SmartWay Transport Partnership, and CALSTART to help the EnviroFleet program stay current on trends, legislation and technology.

4.1.7.6 Vendor should integrate and manage the state's fuel-only credit card program; and provide a browser client-server application to ensure fuel expenditures are appropriate; vehicle performance trends are satisfactory; and Vendor-to-agency monthly billings are accurate.

ARI complies with this requirement.

Fuel card transaction detail and exception information is available 24/7/365 via ARI *insights*. Purchase alerts from ARI can help you keep a close watch on your purchases. ARI/WEX will deliver an email notification when a card has violated a parameter you set on your account, allowing you to identify potential problems or misuse quickly.

ARI's monthly standard fleet management reports examine individual transactions and overall fleet purchases: ARI's key performance indicators and alerts for fuel include:

KPI / Alert	Description	Category
Average MPG	Average miles per gallon for active vehicles grouped by asset type or fleet-view field	KPI
Yearly Fleet Carbon Footprint	Shows the volume of Greenhouse Gases (expressed in tons) emitted as CO_2 through the use of diesel and gasoline	KPI
Yearly Fuel Cost	Compare fuel costs in previous two years with year-to-date costs. Yearly and monthly summary data will be derived from all transactions. Only fuel transactions matching a current vehicle will be listed.	KPI
Yearly Fuel Usage	Compare fuel usage in previous two years with YTD usage. Yearly and monthly summary data will be derived from all transactions. Only fuel transactions matching a current vehicle will be listed.	KPI
Fuel Use Projection	Yearly and YTD fuel usage with current year projection	KPI
Fuel Cost and Transaction Exceptions	Show vehicles by vehicle type whose daily fuel cost or transactions is equal to or exceeds the specified amount received within the selected timeframe	Alert
Tank Capacity Violations	Show vehicles with fuel transactions processed within the last specified number of days that purchased more fuel than tank capacity.	Alert
Inactive Fuel Cards	List vehicles with active fuel cards that have not been used in the specified number of days	Alert
Inactive Fuel Cards	List vehicles with active fuel cards that	Alert

	have not been used in specified number of days	
Non Fuel Transactions	Shows vehicles' non-fuel transactions process within the last specified number of days	Alert
Miles Per Gallon	Miles Per Gallon based on the Asset Type	Alert
Suspect Fuel Transactions	List consecutive fuel card transactions exceeding specified distance/time criteria (e.g. two transactions occurring in zip codes over 80 miles apart within the same hour) or where the same PIN and card # is used in multiple vehicles.	Alert
Unused PINs	List active (non-cancelled) WEX fuel card PINs that haven't been used in specified number of months. Note: alert count is limited to 1,000 PINs, but all will be shown in the details listing	Alert
Tank Refill Exceptions	Show vehicles (car, truck, or both) that had 3 or more recent fuel transactions where the units purchased was at or below a specified percent of the tank's capacity	Alert

Fuel Purchase Summary

All fuel purchases for each of the past twelve months grouped by fuel type: unleaded, super-unleaded, etc. Premium fuel expenditures by percentage are highlighted in red.

- Fuel Exception – Distributed via email.

- X or more gallons purchased in any single day within the past thirty days.

- X or more transactions in any single day within the past thirty days.

- All premium fuel purchased within the past thirty days.

4.1.7.7   Vendor should provide, manage, and integrate alternative fuels strategic consulting services for alternative fuel vehicle selector list development; and alternative fueling infrastructure planning.

Through best-practices tools and the latest technology, we can deliver strategies for vehicle right-sizing, spec'ing/selecting vehicles by work application,

telematics-based route efficiency planning, and tracking emission reductions and savings. All of which helps fleet managers put vehicles on the road that are both environmentally- and fiscally-responsible.

ARI leads the industry in offering the broadest emissions reduction solution for car, truck and equipment fleets of all sizes and levels of complexity. We are uniquely qualified to help fleets with trucks and diesel vehicles lessen the environmental impact of nitrogen oxides (NOx) and particulate as well as carbon emissions.

ARI's sustainable transportation consulting services are labeled with our own EnviroFleet designation. Our EnviroFleet consulting team works with our clients to help them implement practices to improve efficiency, introduce sustainable alternative fuels, reduce their fuel consumption, and ultimately reduce their fleet's carbon footprint.

4.1.7.8   Vendor shall implement a fringe program that meets Internal Revenue Service substantiation requirements as required by the Internal Revenue Service (IRS) Publication 15-B, Employer's Tax Guide to Fringe Benefits, published under U.S. Code Title 26.

ARI's Fringe Program meets all Internal Revenue Service requirements mentioned above.

Our program offers flexible report calculations including the Annual Lease Value (ALV) method (IRS approved), fuel charges, employee payments (client-provided or ARI-calculated) and optional penalties for non-compliant drivers. ARI has a department fully dedicated to ensuring clients are up-to-date and compliant with IRS guidelines.

Standard reports include the Imputed income and Non-Compliant Driver Reports, which are provided quarterly. Custom reports are available upon request. At year-end, ARI provides an electronic file for payroll processing.

4.1.7.9   Vendor shall provide trip logging and calculation functionality for official use, personal use, employee-owned vehicle mileage reimbursement, and rental car use.

As an enhancement to ARI's mileage reporting program, our Daily Trip Log System enables drivers to list all trips in an electronic log throughout the month. At month's end, The State of West Virginia drivers submit the log and it writes the fringe record. These logs are available on ARI *insights*, by driver for auditing purposes. This log service is available at an additional cost to the base mileage reporting program fee.

4.1.7.10 **Vendor shall implement a browser client-server toll, citation, and violation reporting application which is integrated with maintenance, repair service, and garage management applications.**

ARI offers multi-tiered programs to address both parking and toll violations. Under our toll management program we offer a toll avoidance program as well as a full toll management program where ARI will provide the electronic transponders and set up a billing account with the tolling authority.

ARI sends an email notification to the driver upon ARI's receipt of a violation. For those drivers without an email address in our system, we send the original violation to the driver. The State of West Virginia fleet personnel will be able to view digital copies of all violations, as well as alerts and key performance indicators, through ARI *insights*, including:

- Drivers that have paid violations through the collections website
- Drivers that are disputing violations through the collections website
- Violations that are pending reimbursement from the driver
- Violations where there is no available or valid e-mail address in our system
- Drivers that are disputing violations through the collections website
- Violations distribution by type of infraction (i.e. Red Light, Speeding, Parking, Toll, etc.)
- Violations distribution by specific state
- Violations distribution by Status (Paid, Processed, Credited, Voided)
- Violations billed on invoice (thresholds can be set by dollar amount, violation type, date range, etc.)

We can also supply an optional monthly report showing monthly and year-to-date activity by driver and division.

5. Contract Award

5.1 **Contract Award: The Contract is intended to provide Agency with a purchase price for the Contract Services. The Contract shall be awarded to the Vendor that provides the Contract Services meeting the required specifications for the lowest overall total cost as shown on the Pricing Pages.**

ARI complies with this requirement.

5.2   Pricing Page: Vendor should complete the Pricing Page by listing a Unit price for the Mandatory Services and prices for the Optional Services they are capable of providing. Optional Services may be selected at the Agency's discretion during the life of the contract and shall be billed at the prices provided in the attached pricing page. Award shall be based on the total of the Mandatory Services.

Vendor should multiply the Unit Price by the Estimated Quantity to arrive at the Extended Price for each line item requested. Additionally, the vendor should provide a summation of the extended prices for each section as indicated on the Pricing Page. Vendor should complete the Pricing Page in full as failure to complete the Pricing Page in its entirety may result in Vendor's bid being disqualified. An electronic version of the Pricing Page is available to registered vendors by accessing the WV Purchasing Bulletin at http://www.state.wv.us/admin/purchase/newbul.htm or by contacting Krista S. Ferrell at krista.sferrell@wv.gov.

Notwithstanding the foregoing, the Purchasing Division may correct errors as it deems appropriate. Vendor should type or electronically enter the information into the Pricing page to prevent errors in the evaluation.

ARI complies with this requirement.

6. Performance

Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by Agency. In the event that this Contract is designated as an open-end contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.

ARI complies with this requirement.

7. Payment

Agency shall pay all pass-through monthly maintenance expenses as outlined by FMO using State Agency Bill Codes. FMO will pay for all fixed management expenses associated with the cost of providing mandatory services listed in this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.

ARI complies with this requirement.

8. Travel

Vendor shall be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. Any anticipated mileage or travel costs may be included in the flat or hourly rate listed on Vendor's bid, but such costs will not be paid by the Agency separately.

ARI complies with this requirement.

9. Vendor Default

9.1   The following shall be considered a vendor default under this Contract.

9.1.1 Failure to perform Contract Services in accordance with the requirements contained herein.

ARI complies with this requirement.

9.1.2 Failure to comply with other specifications and requirements contained herein.

ARI complies with this requirement.

9.1.3 Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.

ARI complies with this requirement.

9.1.4 Failure to remedy deficient performance upon request.

ARI complies with this requirement.

9.2   The following remedies shall be available to Agency upon default.

9.2.1   Cancellation of the Contract

ARI complies with this requirement.

9.2.2   Cancellation of one or more release orders issued under this Contract.

ARI complies with this requirement.

9.2.3   Any other remedies available in law or equity.

ARI complies with this requirement.

10. Miscellaneous

10.1   Contract Manager: during its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

> **Contract Manager:** Craig Jones, Senior District Sales Manager
>
> **Telephone Number:** (513) 241-2573
>
> **Fax Number:** (856) 533-9122
>
> **Email Address:** cjones@arifleet.com

RFQ Exceptions

RFQ FLT13997 Specification Deviations & Clarifications

We would like to clarify the following items:

Section 17
*"**Payment**: Payment in advance is prohibited under this Contract. Payment may only be made after the delivery and acceptance of goods or service. The Vendor shall submit invoices, in arrears, to the Agency at the address on the face of the purchase order labeled 'Invoice To.'"*

Payment terms will remain Net 30 as our current agreement is today.

Section 44
"The State of West Virginia currently utilizes a Purchasing Card program, administered under contract by a banking institution, to process payment for goods and services. The Vendor must accept the State of West Virginia's Purchasing Card for payment of all orders under this Contract unless the box below is checked.

[X] Vendor is not required to accept the State of West Virginia's Purchasing Card as payment for all goods and services.

ARI cannot accept a P-card for payment.

Section 46
__Indemnification__: The Vendor agrees to indemnify, defend and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the Contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the Contact in a manner not authorized by the Contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.

Subcontractors are not meant to include repair/maintenance vendors or other third parties providing services under this Agreement. Need to remove reference to "person or firm" in the third line.

CERTIFICATION AND SIGNATURE PAGE

By signing below, I certify that I have reviewed this Solicitation in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this bid or proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

ARI
_____
(Company)

_____
(Authorized Signature)

Anthony Foursha, Vice President, Sales
_____
(Representative Name, Title)

(856) 439-7463   (856) 533-9122
_____
(Phone Number)   (Fax Number)

May 13, 2013
_____
(Date)

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: FLT13997

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.
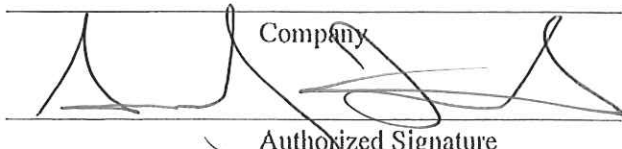
Addendum Numbers Received:
(Check the box next to each addendum received)

[X]	Addendum No. 1	[ ]	Addendum No. 6
[ ]	Addendum No. 2	[ ]	Addendum No. 7
[ ]	Addendum No. 3	[ ]	Addendum No. 8
[ ]	Addendum No. 4	[ ]	Addendum No. 9
[ ]	Addendum No. 5	[ ]	Addendum No. 10

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

ARI
_____
Company

_____
Authorized Signature

May 13, 2013
_____
Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.
Revised 6/8/2012

FLT13997 Pricing Page

Description

Mandatory Services	Unit Price	Unit Of Measure	Estimated Quantity	Extended Price
Vehicle Maintenance Services All inclusive lump sum cost for all Services as defined in the specficiations (*EXCEPT OPTIONAL SERVICES IN 4.1.7*)	$3.50 per vehicle per month with a 5% Independent Vendor (IV) fee or $6.50 per vehicle per month with no IV fee/Roadside Assistance is $35 per occurrence**/ARI is also proposing National Account Usage rebates as follows: 2% rebate for up to 75% NA rebate, 3% rebate for 76%-85% usage and 4% rebate over 85% usage.	Per Vehicle	7,811	$27,338.50 plus 5% IV fee **or** $50,771.50 with no IV fee
				$50,771.50

Optional Services	Unit Cost	Unit of Measure	Estimated Quantity	Extended Cost
Vehicle Identification Hotline (Section 4.1.7.1)	$1.50 per vehicle per month	Per Vehicle	7,811	$11,716.50
Driver's Safety Education Program (Section 4.1.7.2)	$7.00 per module ***	Module	7,811	Varies
Agency Garage Management and Parts Inventory (Section 4.1.7.3)	$350 per month	Per garage *	5,000	$7,000.00
VIN Decoder Application (Section 4.1.7.4)	No Charge	Per Vehicle	7,811	$0.00
Carbon Footprint Tracking (Section 4.1.7.5)	No Charge if fuel data provided	Per Vehicle	7,811	$0.00
Integration of Fuel Only Credit Card (Section 4.1.7.6)	$.25 per vehicle per month	Per Vehicle	7,811	$1,952.75
Integration of Alt. Fuel Strategic Consulting (Section 4.1.7.7)	No Charge	Per Vehicle	7,811	$0.00
Fringe Program (Section 4.1.7.8)	$1.50 per vehicle per month	Per Vehicle	7,811	$11,716.50
Trip Logging (Section 4.1.7.9)	$1.00 per vehicle per month for daily log reporting	Per Vehicle	7,811	$7,811.00
Citation / Violation Reporting (Section 4.1.7.10)	$20.00 Per Occurrence	Per Occurrence	7,811	Varies
			TOTAL OPTIONAL SERVICES:	$40,196.75

* Garage system is priced per garage, not at the vehicle level. Assumption from prior correspondence is that there are 20 garages.

** Roadside assistance is in current contract and is only billed if used

*** Driver safety is priced per module, not per vehicle

ARI

Automotive Resources International

ARI Additional Cost Proposal Information

Prepared for:

STATE OF WEST VIRGINIA

MONTAIN SEMPER LIBERI

Driven.

Cost Proposal Cover Page – Additional Pricing Information

RFQ Subject: Comprehensive Fleet Management Services

RFQ #:   FLT13997

Vendor Name: Automotive Resources International (ARI)

Business Address: 4001 Leadenhall Road
(Global Headquarters)   Mount Laurel, NJ 08054

Primary Contact: Craig Jones

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Signature:

Date: May 13, 2013

Services Pricing

No Charge

ARI *insights®– Real Data, Real Flexible, in Real Time*

Designed with our partnership approach in mind, our web-based flexible fleet management and reporting system allows you to reach, retrieve and manipulate your company's entire range of fleet data in real time. The system can be set up to maximize your productivity, viewing the right data at the right time and in the best format. Authorized users can make real time changes, view vehicle documents and history including details on applicable programs. Users may also create custom reports at any level of detail. Key performance indicators, proactive alerts, RSS news feeds, bulk updates and bulk email further enhance our clients' convenience.

Driven by Driver Convenience

The web-based ARI Driver *insights* system enhances drivers' capabilities to send and receive information pertaining to themselves and/or their vehicles. The fleet manager can choose from the full spectrum of ARI *insights* alerts to notify drivers of overdue maintenance, missing vital information, late odometer entries, pending vehicle registrations, open recalls and more. Telematics data identifies costly driver behaviors such as excessive idling, inappropriate acceleration and others. Drivers can input information required for their employers to acquire Motor Vehicle Reports. Features for inputting vehicle mileage, ordering new vehicles and completing assigned safety and policy training modules are also available. Drivers can input weekly or monthly hour meter or odometers readings if required.

Reporting the Right Way

Flexibility in reporting is the mark of an effective data warehouse. ARI offers standard monthly reports, customized exception reports, and custom web reporting. All reports are offered in convenient formats based on your needs.

Perfect Pricing System

ARI's PriceNet® is a secure, web-based vehicle pricing and ordering system that allows clients to build vehicle quotes using up-to-the-minute equipment and pricing, and adjust for negotiated fleet credits from manufacturers. Quotes can be exported to MS Word or emailed directly to fleet managers or drivers. The system also offers easy quote retrieval and detailed lifecycle cost analyses.

Personalized Website Hosting

ARI customizes and maintains a central, on-line fleet resource for drivers. Standard features can include a fleet policy, contact directory, program descriptions, and/or separate pages for administrator-only information. Fleet selectors, departmental forms and additional programming can be developed. Any client fleet resource website can be made available through the internet or reside behind the client's firewall for intranet-only access. This area is considered a blank canvas based on each client's needs.

ACCOUNT MANAGEMENT

ARI delivers seamless customer service, uniquely integrating the efforts of our local sales offices, back office support at our headquarters, strategic consultants, a dedicated implementation team and client relations management. Each performs a role in delivery of service with the Regional or District Manager maintaining ultimate accountability for client satisfaction. Together, our account management monitors all fleet activities to help clients achieve their corporate objectives, adding quantifiable value to fleet operations.

Standard Client Support   No Charge

ARI received the highest customer satisfaction score of any major competitor in the most recent survey of fleet managers posed by the leading fleet management industry association. We think that our demonstrated service quality is a result of partnering with our clients and together discovering the most productive way to align our people, systems, and processes with each client's specific fleet needs. Furthermore, our high standards of timeliness, accuracy, responsiveness, process improvement, compliance, teamwork and innovative problem-solving sustain our industry-leading position for exceptional customer service.

Implementation   No Charge

ARI's implementation team ensures a smooth transition for car and/or truck fleets regardless of fleet size or complexity. The experienced team gathers your inventory and maintenance history from your prior vendor, verifies data integrity through use of a VIN decoder, formats all data fields for consistency and builds a fleet profile that becomes the foundation of all agreed upon operational guidelines. Lastly, the implementation team rolls out your new program to all drivers including communication, resources and training.

Strategic Consulting Services   Fees may apply per project

Our strategic consulting group develops and delivers valuable consulting solutions. In concert with our implementation team, performance benchmarks are established so that future savings and efficiency improvements can be identified and documented. This innovative group then pursues those opportunities and analyzes other elements within the fleet domain.

OPERATING COST MANAGEMENT

National Account Rebate:

ARI is pleased to offer The State of West Virginia the following National Account Rebate:

- Up to 75% National Account usage = 2% rebate
- 76% to 85% National Account usage = 3% rebate
- 86% or higher National Account usage = 4% rebate

Maintenance Management – Option 1

Cars and light-duty truck under 10,000 lbs. GVW
without exterior up-fitting and trailers   **$3.50 per vehicle per month**

5% Independent Vendor Fee (max of $250)

Maintenance Management – Option 2

Cars and light-duty truck under 10,000 lbs. GVW
without exterior up-fitting and trailers   **$6.50 per vehicle per month**

0% Independent Vendor Fee

ARI's maintenance management programs focus on reducing clients' operating costs while also minimizing the associated daily administration. Our programs ensure that drivers adhere to customized preventive maintenance schedules to keep vehicles in optimal operating condition. ARI's Technical Resource Centers are staffed around the clock with ASE-certified technicians who work with repair vendors to negotiate best pricing, authorize purchase orders, and proactively analyze maintenance trends- resulting in an average savings from 10 – 25%.

Roadside Assistance   **$35.00 per occurrence**

ARI's Roadside Assistance accommodates breakdowns, lock-outs, flat tires, etc. and works in conjunction with the manufacturer's warranty roadside assistance program which may already be in place on your vehicles.

Fuel Data Integration   **$0.25 per vehicle per month**

Should The State of West Virginia choose to utilize a fuel card directly with Wright Express, ARI will take data files for purposes of capturing all fuel spend in our ARI *insights* system.   The fee for this is $.25 per vehicle per month.

Fringe Benefit Program   **$1.50 per vehicle per month**

ARI's Fringe Benefit Reporting program provides web-based solutions that automate manual processes and virtually eliminate your administrative burden of collecting and tracking personal and business mileage and reporting. Recognizing that the IRS can fine companies for each year found to be non-compliant after an audit, ARI helps our clients comply with IRS regulations for reporting personal vs. business mileage to avoid significant fines. ARI's program also offers the flexibility to design a personalized, innovative solution with the most sophisticated tracking and reporting tools that the industry can offer.

Daily Trip Logs $1.00 per vehicle per month

Daily Trip Log System enables drivers to list all trips in an electronic log throughout the month. At month's end, The State of West Virginia drivers submit the log and it writes the fringe record. These logs are available on ARI *insights*, by driver for auditing purposes. This log service is available at an additional cost to the base mileage reporting program fee.

Vehicle Identification Hotline $1.50 per vehicle per month

ARI can offer a "How's My Driving Program." Integrated with ARI *insights* allows alerts and notifications to be sent to state personnel. There is also a tracking mechanism.

Citation / Violation Reporting $20.00 per occurrence

ARI sends an email notification to the driver upon ARI's receipt of a violation. For those drivers without an email address in our system, we mail the original violation to the driver. The State of West Virginia fleet personnel will be able to view digital copies of all violations, as well as alerts and key performance indicators, through ARI *insights*.

Garage Management System $350.00 per garage per month*

*all units associated with garage must be enrolled in Maintenance Program (PVPM)

ARI's Garage Management Solution brings maximum efficiencies to a client's on-site maintenance facilities by managing mechanics, vehicle preventive maintenance schedules, unscheduled repairs and parts inventories while also consolidating all in-house/vendor-out maintenance data for comprehensive reporting and analysis of the customer's entire vocational fleet.