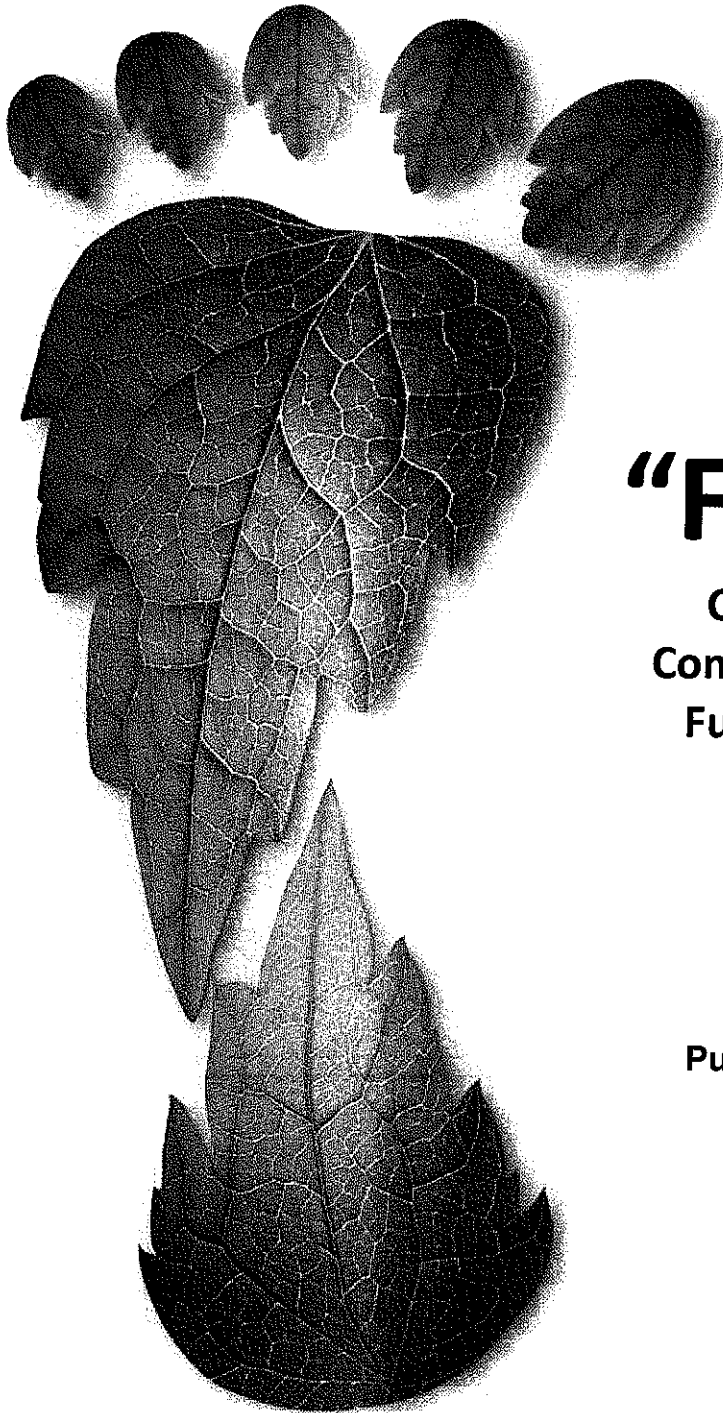


MEASURE: HB 3632
EXHIBIT: H
HOUSE REVENUE COMMITTEE
DATE: 4/25/2011 PAGES: 3
SUBMITTED BY: DON VAN BOESART



“First Step”

Concept Proposal of a Comprehensive Alternative Fuel & Technology Fleet Initiative

Submitted by:

Public Solutions Group, Ltd.

3816 Hillside Trail
Grapevine, Texas 76051

All pages of this document contain information proprietary to Public Solutions Group, Ltd. All data furnished in connection with this proposal shall not be duplicated, transmitted, used, or otherwise disclosed to anyone other than City of Waco employees, and then only for the purpose of evaluating the proposal. This restriction is applicable to all sheets of this proposal.

Used by permission of Steve Richardson, President, Public Solutions Management, LLC.

The Problem

Fleet budgets across the United States are strapped. Fuel costs are one of the most unpredictable burdens on any fleet's operating budget. Consequently, public and private fleets across the United States are being forced to lay off valuable employees, reduce client services, delay infrastructure improvements and raising taxes/fees to address this problem. None of these are easy decisions to make because each one carries its own negative consequence.

The Solution

There is a way to operate under smaller budgets, uncertain fuel costs, government clean air mandates, and still continue to provide the services clients and citizens need and expect. The essence of the "First Step" program is the empowerment of fleets to lower their fuel consumption through the use of valid, fleet-specific alternative fuels and/or technologies and to do so in a cost-effective, fiscally responsible way.

The Opportunity

In the past, there was no way that incorporating alternative fuels and technologies into an existing fleet made sense, fiscally. That is no longer true. Today, fleets across the country are beginning to integrate alternative fuels into their fleets because they want to: 1) improve the air quality of their region, 2) do their part to reduce our nation's dependence on foreign oil and, 3) they want to save money. That's right, they want to *save* money and they realize that the most expedient way to do this is to displace as much gasoline and diesel fuels as possible. Add to this the plethora of federal incentives and grant monies that are now available and it, quite simply, has never made more sense to "green" a fleet than it does today.

The Experts

For any clean-fleet program to be successful it cannot be based solely on one fuel or technology. It must be dynamic and flexible yet still grounded in a thorough understanding of all commercially viable technologies and fuels. Faced with numerous and increasingly onerous new air quality regulations and a world of rapidly changing technology and strategies to comply with these regulations is a massive undertaking for any fleet to take on. It is difficult, time-consuming and expensive to implement an alternative fuel program without assistance. The field of emissions technology and the corresponding regulatory and legislative issues are ever-changing. Plus it is difficult to design a program when you're not sure of just who can be trusted. Therefore, in order to effectively implement a truly successful and lasting clean fleet program, fleets will need help from someone on the "inside" who is ethical and will provide honest, straightforward direction...direction that is specific to their fleet and not a "cookie-cutter" solution.

For more than ten years *Public Solutions Group (PSG)* has worked with private, municipal, state and transit fleets and assisted them with incorporating alternative fuels and technologies into their existing fleet profile. By following our recommendations, these entities have all improved the quality of life of their employees, clients and citizens. They have all also saved a considerable amount of money through reduced fuel costs. Finally, over the past ten years, grant applications that PSG has written for its clients have been awarded more than \$45,000,000!

The Program

The “*First Step*” initiative is based on the incorporation and long-term evolution of alternative fuels and technologies that will have a significant impact on a fleet, its operations and its citizens/clients. No single fuel or alternative technology is perfect. Each has its benefits and its detractions but, if applied to the appropriate sub-fleet and function, a specific alternative fuel can play a powerful role in assisting a fleet’s efforts to improve the quality of life of its employees/citizens, save money and set an example for other fleets in the area and across the nation to follow. “*First Step*” is a 4-month program and consists of the following components:

- Comprehensive analysis of all on-road vehicles – PSG will make a thorough analysis of the existing on-road fleet. This analysis is critical to our fully understanding the fleet makeup, normal operation procedures, vehicle replacement cycle, budget and fuel consumption. The analysis will also play a critical role in the development of the Clean-Fleet Strategy and outside funding assistance policy.
- Detailed emission profile of all on-road vehicles – In order to have a complete understanding of a fleet’s annual emission footprint, PSG will provide a detailed report on the amount of Particulate Matter (PM), Nitrogen Oxides (NOx) and Greenhouse gases (GHG) each vehicle, sub-fleet and total on-road fleet emits annually. This Fleet Emission Baseline Report (FEBR) empowers fleets with the ability to actually *quantify* emission reductions as new vehicles, fuels and technologies are introduced into the fleet. This, in turn, will serve as a powerful communication and grant application assistance tool.
- Structured clean-fleet strategy – PSG will create a customized strategic roadmap which describes the direction the fleet is taking with regards to improving its air quality and reducing its fuel costs via increased use of alternative fuels and clean air technologies. The roadmap will be comprised of the following:
 - Specific recommendations for incorporating alternative fuels and technologies into each sub-fleet,
 - Provide vehicle, infrastructure and technology cost-estimates along with estimated annual fuel cost savings for each sub-fleet program;
 - Sub-fleet programs prioritized to ensure fiscally responsible, phased-in approach;
- An on-going “*First Step*” program assistance strategy (e.g. fleet/program-applicable grants, tax incentives and rebates)