

AFS

Alternative Fuel Supply, LLC

Village of Orland Park
ATTN: Napoleon Haney

Propane Conversion and Supply Proposal

Four-Year Agreement
August 10, 2016

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Objectives

- To supply the necessary material, components and labor to convert (42) police vehicles per attached schedule from gasoline to a bi-fuel propane/gasoline system to reduce fuel, operating costs and reduce emissions.
- To supply, install and make available a central fueling station to facilitate propane fueling of the vehicles
- To provide propane on a contractual basis to facilitate operations.

Proposed Scope of Work

- Install propane bi-fuel systems in (42) vehicles listed on attached Exhibit A
- Provide the necessary materials, components, and labor to install a central fueling station to facilitate propane fueling of the vehicles, attached as Exhibit B
- Supply propane autogas priced at a floating rate based on the cost of regular unleaded gasoline at the location specified in Exhibit C

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Fuel Savings

Existing Vehicle	Quantity	Avg. Gallons Used Per Year	Existing Gas Cost Per Gallon ¹	Average Total Cost of Gasoline Per Year
Per attached Exhibit A	42	2,600	\$2.2195	\$242,369.40
¹ Price per attached Exhibit C				

Converted Vehicle	Quantity	Est. Gallons Used Per Year ²	Propane Cost Per Gallon	Estimated Total Cost of Propane Per Year
Per attached Exhibit A	42	2,889	\$1.7195	\$208,632.09
² Calculated @ 90% Efficiency				

Total Annual Fuel Savings (\$)	\$33,737.31
% Annual Fuel Savings	16%

Environmental Impact

Converting vehicles from gasoline to propane benefits all of us by reducing emissions.

Emissions Reductions	Gasoline	Propane	Difference
Total Vehicle Life (miles)	200,000	200,000	
Average Miles per Gallon	12.00	10.20	
Gallons of Fuel Used Over Life of Vehicle	16,666.67	19,607.84	(2,941.17)
Carbon Mass per Gallon Fuel (lb. / gal.)	5.10	3.47	
Mass of CO ₂ per Gallon Fuel (lb. / gal.)	18.70	12.72	
Total lbs. of CO₂ Produced During Vehicle Life	311,666.73	249,411.72	62,255.01

Fewer lbs. of CO₂ Produced Using Propane Autogas 62,255 x 42 Vehicles 2,614,710

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Executive Summary

Owning and maintaining a fleet of vehicles is a task fraught with uncertainty, especially when it comes to fueling those vehicles. The cost of gasoline and diesel fuel is continually fluctuating, making it impossible to forecast fuel costs.

Alternative Fuel Supply offers a no-upfront-cost opportunity to stabilize your fuel costs for a period of up to four years, insulating your business or municipality from unforeseen cost fluctuations while burning a more environmentally friendly fuel.

The AFS system is simple. We convert your fleet vehicles to run on clean-burning liquid propane in exchange for the exclusive right to provide your fleet's fuel for an agreed-upon period of time. AFS will supply the capital and expertise to convert your vehicles and provide a suitable fueling station for the alternate fuel.

The per-gallon price of propane autogas for the entirety of the contract term shall be determined on a floating basis and is guaranteed to be at least fifty (\$0.50) cents lower than the current price of gasoline at location stated in Exhibit C. Pricing will be updated weekly and will remain valid for seven days. Please see further pricing schedule information in Exhibit C.

All AFS Conversion systems are EPA-Certified and warrantied by our conversion companies. AFS fueling stations are compact and easy to use.

AFS Proposal:

AFS will supply 121,333 gallons of liquid propane on a floating-cost basis @ \$0.50/gallon below the per-gallon cost of gasoline paid by the Village in the previous week (see Exhibit C). AFS will supply, install, and warranty all vehicle conversion kits, the cost of which is included in the price of fuel.

As of the writing of this proposal, the cost per gallon of AFS liquid propane will be set at **\$1.7195** and will be updated weekly throughout the term of the agreement to follow the cost of gasoline.

Exhibit A: Vehicle Schedule

Information for Automotive Conversion Kits Village of Orland Park

Vehicle	Year	Make	Model	Engine	VIN
V0418	2016	Ford	Police Interceptor	3.5V6TIVCT	NEEDED
V0419	2013	Ford	Police Interceptor	3.5V6TIVCT	1FAHP2M82DG130469
V0420	2013	Ford	Police Interceptor	3.5V6TIVCT	1FAHP2M80DG130468
V0421	2013	Ford	Police Interceptor	3.5V6TIVCT	1FAHP2M80DG130471
V0442	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK6EG111744
V0443	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK1EG111747
V0444	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK8EG111745
V0445	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MKXEG111746
V0446	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK4EG111743
V0447	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK3EG111748
V0448	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MKXEG114100
V0449	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK7EG114099
V0451	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK5EG111749
V0452	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK3EG111751
V0453	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK1EG111750
V0464	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK0EG185502
V0465	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK2EG185503
V0466	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MKXEG185507
V0467	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK4EG185504
V0468	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK6EG185505
V0469	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK8EG185506
V0470	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK1EG185508
V0471	2014	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK3EG185509
V0474	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK5FG130531
V0475	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK8FG133696
V0476	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK7FG130532
V0477	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MKXFG133697
V0478	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK5FG129010
V0479	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MKXFG135658
V0480	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK9FG130533
V0483	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK5FG148981
V0484	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK7FG148982
V0485	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK9FG148983
V0486	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK0FG148984
V0487	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK2FG148985
V0488	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK4FG148986
V0489	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK6FG148987
V0490	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK8FG148988
V0492	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK6FG162064
V0493	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK8FG162065
V0494	2015	Ford	Police Interceptor	3.7LV6TIVCT	1FAHP2MK0FG167857

Exhibit B: Equipment Schedule Village of Orland Park

Propane Dispensing System

Get the Right Dispenser for Autogas Fueling



All Models:

- Powder coated cabinet
- Single or dual sided dispensers with 3/4" x 8' hose
- Operating temperature -25° to 130°F.
- Working pressure 350 psig
- Meter has built-in differential valve and vapor eliminator
- Gasguard GG20 vehicle connection nozzle installed
- Nozzle will only dispense propane when connected to vehicle
- Low emissions transfer
- Electrical service 120/240 VAC, 60Hz
- Can be skid-mounted to 1,000 gallon tank or piped from any propane storage tank
- Safety breakaway protection stops flow in both directions
- Hose retractor option available for all models

Optional

- Wireless data collection to office option

All Models

- Display & keyboard allow access to menu options, displays & gallons
- Electronic calibration and totalizer
- Automatic temperature compensation
- Integrated communication & control for 3rd party fuel management system
- Fuel management system included for up to 50 vehicles (PAFD-1 & PAFD-2 Models only) – Optional 100 vehicle
- UL Listed dispenser

Optional

- 2 Hoses – Dual sided

Meets applicable requirements of, NFPA 58, NFPA 70, NFPA 30A and UL 495

Exhibit C: Current Baseline Gasoline Pricing Village of Orland Park

Municipal per-gallon gasoline price is based on the cost of one gallon regular unleaded gasoline, provided weekly by Orland Park to AFS.

Current Gasoline Cost for Orland Park: \$2.2195

AFS Floating-Rate Propane Cost is set at \$0.50 less than the Current Gasoline Cost at the location listed below. Pricing is automatically updated weekly and includes all applicable federal, state, and local taxes.

AFS Floating Propane Cost for Week of May 19, 2016: \$1.7195

Mail To;		Order Number 16000138				
VILLAGE OF ORLAND PARK 14700 S. RAVINIA AVE ATTN: BARB O'BRIAN ORLAND PARK IL 60462-3167		Deliver To: VILLAGE OF ORLAND PARK 15655 S. RAVINIA PUBLIC WORKS-P.O. 059193 ORLAND PARK IL 60462			PAGE 1	
Account Number 001811	Date of Invoice 05/19/2016					
Ticket No.	Description	Price	Quantity	Amount	Taxes	Total
459483	89 OCT RFG 10% ETHANOL	1.95850	6800.00	13,317.80		13,317.80
	STATE MOTOR FUEL TAX	.19000	6800.00		1,292.00	1,292.00
	STATE U.S.T.	.00300	6800.00		20.40	20.40
	ENVIRONMENTAL IMPACT FEE	.00800	6800.00		54.40	54.40
	COOK COUNTY TAX	.06000	6800.00		408.00	408.00

Description	Price
89 Oct Rfg 10% Ethanol	\$1.9585
State Motor Fuel Tax	\$0.1900
State UST	\$0.0030
Environmental Impact Fee	\$0.0080
Cook County Tax	\$0.0600
Total:	\$2.2195