



LIVINGSTON COUNTY, MICHIGAN
CAR POOL DEPARTMENT

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Memorandum

To: Livingston County Board of Commissioners
From: Greg Kellogg, Transportation Director
Date: 9/1/2020
Re: Resolution Authorizing FY 2021 Vehicle Replacements Leased through the County's Partnership with Enterprise Fleet Management – Car Pool

The Livingston County Car Pool Department is requesting authorization to replace twenty-seven (27) vehicles with new vehicles leased through Enterprise Fleet Management, per the agreement authorized under Resolution 2019-09-128. These vehicles were recommended for replacement based on age, mileage, and other factors as determined by Enterprise.

All vehicles will be on monthly leases with no mileage caps, with Sheriff's Patrol units on 48-month terms and all other vehicles on 60-month terms. The leased vehicles will be titled by Enterprise and returned to Enterprise for resale upon lease termination, with the County entitled to the remaining equity, less a \$375 per vehicle remarketing fee, which will be applied to the subsequent lease to reduce the monthly payment.

The annual lease costs have been included in the departments' FY 2021 Auto Leasing budgets at a total cost not to exceed \$175,126 per the attached list. The lease costs will be paid monthly by Car Pool, which will charge the departments back through the Munis General Billing module for the lease costs and other vehicle expenses.

The Enterprise program allows the County to leverage additional manufacturer's incentives in combination with government fleet pricing. One such incentive is the Large Bid incentive which provides significant savings if the County leases at least 25 vehicles from one manufacturer. We will meet that threshold with 25 FCA (Chrysler) vehicles which provided the best value even before the Large Bid incentive is applied. Enterprise did not have final incentive numbers at the time of this resolution but they are estimated to be \$500-\$700 per vehicle, which will further reduce lease costs from the pricing in the attached list.

The Enterprise program also includes a Full Maintenance Program for leased vehicles that covers routine preventive maintenance items and unexpected mechanical repairs for a fixed monthly fee over the lease term (Sheriff's pursuit vehicles are not eligible). This program facilitates more

consistent budgeting for maintenance and repairs which are difficult to predict, particularly after the manufacturer's warranty expires. Full Maintenance Program costs are based on vehicle type and are included on the attached price list.

The County-owned vehicles being replaced will be disposed of via public auction by the Car Pool department.

If you have any questions please contact me directly at x7843.