



FLEET MANAGEMENT

PREPARED FOR:



LOWER MAKEFIELD TOWNSHIP

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FLEET SYNOPSIS | LOWER MAKEFIELD TOWNSHIP

THE SITUATION

Current fleet age is negatively impacting the overall budget and fleet operations

- 21% of the light and medium duty fleet is currently 10 years or older
- 62% of the light and medium duty fleet is currently 6 years or older
- 6.9 years is the current average age of the fleet
- 10 years – time it would take to cycle the entire fleet at current acquisition rates
- Older vehicles have higher fuel costs, maintenance costs and tend to be unreliable, causing increased downtime and loss of productivity.

THE OBJECTIVES

Identify an effective vehicle life cycle that maximizes potential equity at time of resale creating a conservative savings of over \$835,129 in 10 years

- Shorten the current vehicle life cycle from 10.25 years to 5 years
- Provide a lower sustainable fleet cost that is predictable year over year
- Free up more than \$90,750 in capital from the salvage of 13 vehicles in the first year
- Significantly reduce Maintenance to an average monthly cost of \$126 per vehicle vs. current \$275
- Reduce the overall fuel spend through more fuel-efficient vehicles
- Leverage an open-ended lease to maximize cash flow opportunities and recognize equity.

Increase employee safety with newer vehicles

- Currently:
 - 7 vehicles predate Electronic Stability Control standardization (2012)
 - *ESC is the most significant safety invention since the seatbelt*
 - 29 vehicles predate standardization of back up camera (2018)

Piggyback The Sourcewell awarded RFP #060618-EFM that addresses the following:

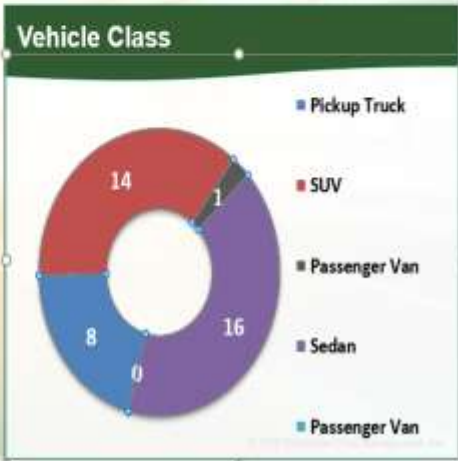
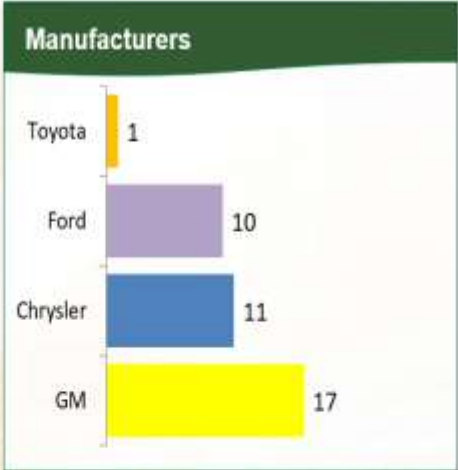
- Access to all fleet management services as applicable to the needs of the Township
- Supports the Township's need for fleet evaluation on a quarterly basis assessing costs and reviewing best practices

THE RESULTS

By partnering with Enterprise Fleet Management, Lower Makefield Township will be better able to leverage its buying power, implement a tighter controlled resale program to lower total cost of ownership and in turn minimize operational spend. Lower Makefield Township will reduce fuel costs by 23% and reduce maintenance costs from \$275 on average to \$126 per unit. Leveraging an open-end lease maximizes cash flow and recognizes equity from vehicles sold creating an internal replacement fund. Furthermore, Lower Makefield Township will leverage Enterprise Fleet Management's ability to sell vehicles at an average of 116% above Black Book value. By shifting from reactively replacing inoperable vehicles to proactively planning vehicle purchases, Lower Makefield Township will be able to replace all of its vehicles over the course of 5 years while creating an annual savings of \$83,512.

FLEET STATISTICS | LOWER MAKEFIELD TOWNSHIP

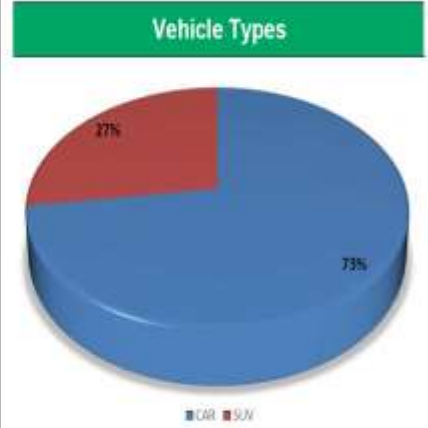
FLEET STATISTICS FOR LOWER MAKEFIELD TOWNSHIP



FLEET PLANNING ANALYSIS (POLICE) | LOWER MAKEFIELD TOWNSHIP

Lower Makefield Township - Fleet Profile

Fleet Profile				Fleet Replacement Schedule						Replacement Criteria
Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage	2022	2023	2024	2025	2026	Under-Utilized	
Full-size Sedan	8	8.5	8,300	3	2	2	0	1	0	* Fiscal Year 2022 = 10 years old and older, or odometer over 100,000
Mid Size SUV 4x4	2	9.1	5,600	0	2	0	0	0	0	* Fiscal Year 2023 = 8 years old and older, or odometer over 80,300
Full Size SUV 4x4	1	1.0	14,000	0	0	0	0	1	0	* Fiscal Year 2024 = 6 years old and older, or odometer over 86,600
Full-size Sedan ERV	8	6.8	14,800	2	2	3	1	0	0	* Fiscal Year 2025 = 4 years old and older, or odometer over 70,900
Mid Size SUV 4x4 ERV	4	6.0	17,400	2	0	0	2	0	0	* Fiscal Year 2026 = Remaining Vehicles
Full Size SUV 4x4 ERV	7	5.8	12,800	3	0	0	1	3	0	* Underutilized = Annual Mileage less than 2,500
Totals/Averages	30	6.9	12,300	10	6	5	4	5	0	

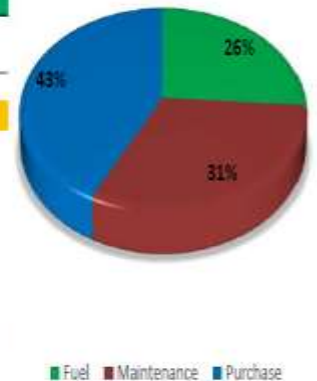


Lower Makefield Township - Fleet Planning Analysis

Current Fleet	30	Fleet Growth	0.00%	Proposed Fleet	30
Current Cycle	10.00	Annual Miles	12,300	Proposed Cycle	5.00
Current Maint.	\$307.50			Proposed Maint.	\$150.00
Maint. Cents Per Mile	\$0.30	Current MPG	12	Price/Gallon	\$3.00

Fleet Costs Analysis

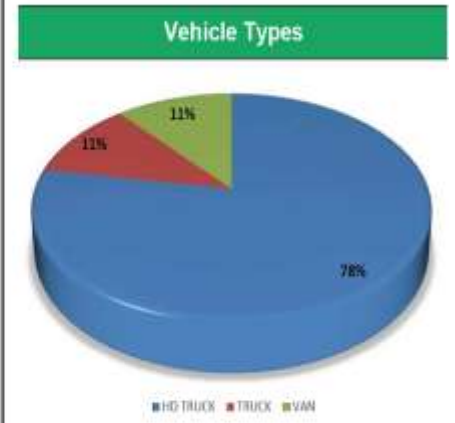
Fiscal Year	Fleet Mix				Fleet Cost				Annual			
	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash
Average	30	3.0	30	0	150,000	0			110,700	92,250	352,950	0
'22	30	10	20	10	110,250	36,080	-66,750		91,800	85,154	256,534	96,416
'23	30	6	14	16	0	151,289	-26,250		80,460	80,896	286,395	66,555
'24	30	5	9	21	0	192,376	-48,500		71,010	77,348	292,234	60,716
'25	30	4	5	25	0	241,184	-72,000		63,450	74,510	307,144	45,806
'26	30	5	0	30	0	301,481	-136,000	-145,586	54,000	70,962	144,856	208,093
'27	30	10	0	30	0	301,481		-85,792	54,000	70,962	340,650	12,299
'28	30	6	0	30	0	301,481		-63,062	54,000	70,962	363,380	-10,430
'29	30	5	0	30	0	301,481		-55,568	54,000	70,962	370,874	-17,924
'30	30	4	0	30	0	301,481		-91,473	54,000	70,962	334,969	17,981
'31	30	5	0	30	0	301,481		-145,586	54,000	70,962	280,856	72,093



10 Year Savings	\$551,605	Avg. Sustainable Savings	\$14,804
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FLEET PLANNING ANALYSIS (PUBLIC WORKS) | LOWER MAKEFIELD TOWNSHIP

Fleet Profile				Fleet Replacement Schedule						Replacement Criteria
Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage	2022	2023	2024	2025	2026	Under-Utilized	
Full-size Van-Passenger	1	11.1	6,100	1	0	0	0	0	0	* Fiscal Year 2022 = 10 years old and older, or odometer over 100,000
Compact Pickup Ext 4x4	1	3.0	4,500	0	0	0	0	1	0	* Fiscal Year 2023 = 8 years old and older, or odometer over 80,000
3/4 Ton Pickup Reg 4x4	1	3.0	10,600	0	0	0	0	1	0	* Fiscal Year 2024 = 6 years old and older, or odometer over 60,000
1 Ton Pickup Reg 4x4	6	7.9	9,900	2	1	1	2	0	0	* Fiscal Year 2025 = 4 years old and older, or odometer over 50,000
										* Fiscal Year 2026 = Remaining Vehicles
										* Underutilized = Annual Mileage less than
Totals/Averages	9	7.1	9,000	3	1	1	2	2	0	

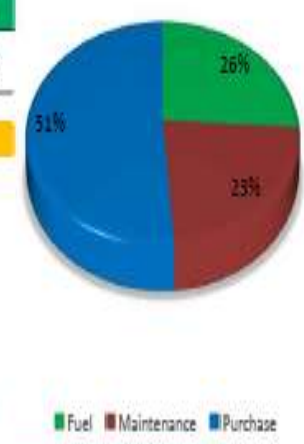


Lower Makefield Township - Fleet Planning Analysis

Current Fleet	9	Fleet Growth	0.00%	Proposed Fleet	9
Current Cycle	9.00	Annual Miles	9,000	Proposed Cycle	4.22
Current Maint.	\$165.00			Proposed Maint.	\$45.19
Maint. Cents Per Mile	\$0.22	Current MPG	12	Price/Gallon	\$3.00

Fleet Costs Analysis

Fiscal Year	Fleet Mix			Fleet Cost							Annual Net Cash	
	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel		Fleet Budget
Average	9	1.0	9	0	40,000	0			17,820	20,250	78,070	0
'22	9	3	6	3	0	9,535	-24,000		13,507	18,900	17,942	60,128
'23	9	1	5	4	0	34,971	-30,150		12,069	18,450	35,340	42,730
'24	9	1	4	5	0	44,819	-30,000		10,631	18,000	43,451	34,619
'25	9	2	2	7	0	64,516	-59,500		7,756	17,100	29,872	48,198
'26	9	2	0	9	0	76,117	-36,300	-37,172	4,881	16,200	23,725	54,344
'27	9	4	0	9	0	76,117		-27,664	4,881	16,200	69,534	8,536
'28	9	3	0	9	0	76,117		-18,979	4,881	16,200	78,218	-148
'29	9	2	0	9	0	76,117		-37,916	4,881	16,200	59,281	18,789
'30	9	4	0	9	0	76,117		-8,727	4,881	16,200	88,471	-10,401
'31	9	1	0	9	0	76,117		-45,856	4,881	16,200	51,341	26,729



10 Year Savings	\$283,524	Avg. Sustainable Savings	\$8,701
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CASE STUDY | LOWER MAKEFIELD TOWNSHIP

CASE STUDY | HOUSING AUTHORITY OF THE CITY OF YORK



Housing Authority uses Enterprise to improve fleet reliability and reduce cost.

BACKGROUND

Location: York, PA
Industry: Government
Total vehicles: 23 vehicles

THE PROBLEM

The Housing Authority of York's vehicles were suffering from years of wear and tear. The organization, which manages over 1,000 properties, ran their vehicles until they became inoperable. This approach was costly and unpredictable. The fleet program was strained financially, and operationally they were managing unreliable vehicles.

THE SOLUTION

Enterprise Fleet Management proposed that the Housing Authority acquire new vehicles and sell their old vehicles with the help of Enterprise. This allowed the Housing Authority to capitalize on the remaining equity they had in their fleet. To help prevent issues with vehicle downtime, Enterprise recommended Full Maintenance and Risk Management programs. Overtime these programs will significantly reduce costs.

“Outsourcing our fleet to Enterprise has been budget friendly to The Housing Authority and has worked smoothly within our framework of procurement policies.”

– Regina Mitchell, Executive Director

By using an open-end lease agreement to acquire newer vehicles, costs are manageable allowing for better cash flow within the organization. The Housing Authority was also able to capitalize on the resale value of their old vehicles, using the equity to reduce costs.

THE RESULTS

By improving the Housing Authority's fleet to newer models, there has been a significant reduction in fuel and maintenance expenses. The open-end lease allows them to maximize cash flow and recognize equity, directly resulting in \$46,000 in savings over the next 10 years. Reducing vehicle downtime with the maintenance program, employee morale is on the rise because they are operating newer, safer, more reliable vehicles.

To learn more, visit efleets.com or call 877-23-FLEET.

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Key Results



REDUCED
MAINTENANCE
EXPENSES BY
70%

50%
REDUCTION
IN FUEL
EXPENSE



10 YEAR
REDUCTION IN
AVERAGE FLEET AGE



PROGRAM RESOURCES | LOWER MAKEFIELD TOWNSHIP

SAFETY

- 21% of all vehicles are older than 10 years of age and do not contain the most up to date safety features, such as electronic stability control, airbag standardization and anti-lock brake control.

ACCOUNT MANAGEMENT

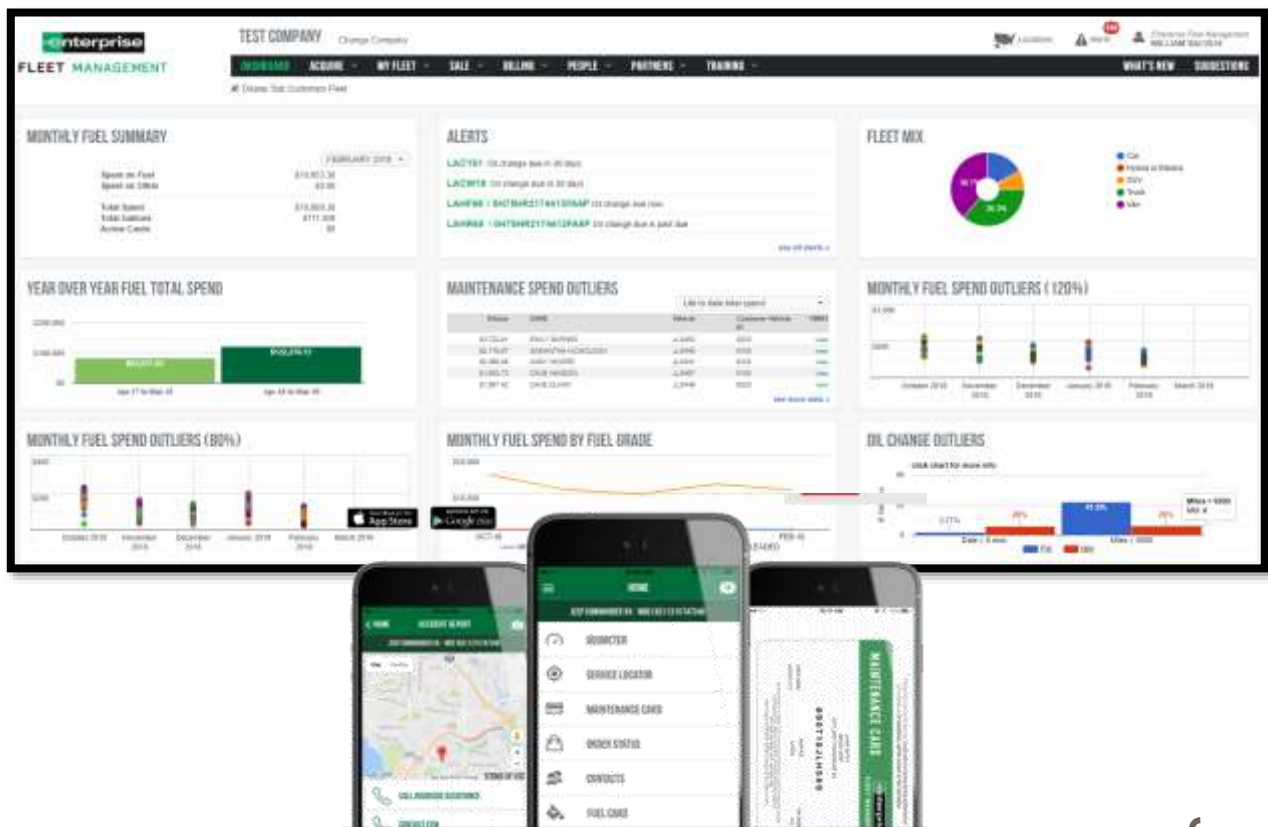
The Lower Makefield Township will have a dedicated, local account team to proactively manage and develop your fleet while delivering the highest level of customer service to facilitate your day-to-day needs.

- Your dedicated Account Manager meets with you 3-4 times a year for both financial and strategic planning.
- Your Account Manager will provide on-going analysis – this will include most cost-effective vehicle makes/models, cents per mile, total cost of ownership, and replacement analysis.

TECHNOLOGY

Enterprise Fleet Management's website provides vehicle tracking, reporting, and metrics. Our website can be customized to view a wide range of data so that you may have a comprehensive and detailed look at all aspects of your fleet and the services provided. Our Mobile App gives drivers all of the convenience and functionality they need.

- **Consolidated Invoices** - Includes lease, maintenance, and any additional ancillaries
- **Maintenance Utilization** - Review the life-to-date maintenance per vehicle
- **Recall Information** - See which units have open recalls
- **License & Registration** - See which plate renewals are being processed by Enterprise and view status
- **Alerts** - Set customizable alerts for oil changes, lease renewals, license renewals, and billing data
- **Lifecycle Analysis** - See data regarding all transactions for the lifecycle of the entire fleet, with drill-down capability to any specific lease or transaction



REFERENCES | LOWER MAKEFIELD TOWNSHIP

CURRENT PARTNERS

- Borough of Lindenwold
- Borough of West Chester
- Township of Riverside
- Township of Logan
- Township of Deptford
- Township of Middletown
- Cape May MUA
- County of Camden
- County of Cape May
- County of Burlington
- County of Chester
- City of Ventnor
- City of Atlantic City

REFERENCE:

Below is a list of at least two (2) client references including company name, contact person, and telephone number.

1. County: **County of Chester**

Business Phone #: (610) 344-6000

Contact Person: Julie Bookheimer Director of Financial Services

2. City: **City of Ventnor**

Business Phone #: (609) 823-7915

Contact Person: Al Stanley, Chief Financial Officer

COOPERATIVES:

- TIPS/TAPS USA
- SOURCEWELL