



FLEET MANAGEMENT

PREPARED FOR:



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FLEET SYNOPSIS | HERNANDO COUNTY

THE SITUATION

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

- 17% of the light and medium duty fleet is currently 10 years or older
- 54% of the light and medium duty fleet is currently 5 years or older
- 6 years is the current average age of the fleet
- 7 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 predictable and sustainable replacement plan

- Shorten the current vehicle life cycle from 7 years to 5 years
- Provide a lower sustainable fleet cost that is predictable year over year
- Free up more than \$1.9M in capital from the salvage of 184 vehicles in the first year
- Reduce Maintenance expense to an average monthly cost of \$30 vs. current \$35
- Reduce the overall fuel spend through more fuel-efficient vehicles

Increase employee safety with newer vehicles

- Currently:
 - 24 vehicles predate Anti-Lock Brake standardization (2007)
 - 33 vehicles predate Electronic Stability Control standardization (2012)
 - *ESC is the most significant safety invention since the seatbelt*
 - 121 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 county
- Supports the county's need for fleet evaluation on a quarterly basis assessing costs and reviewing best practices.

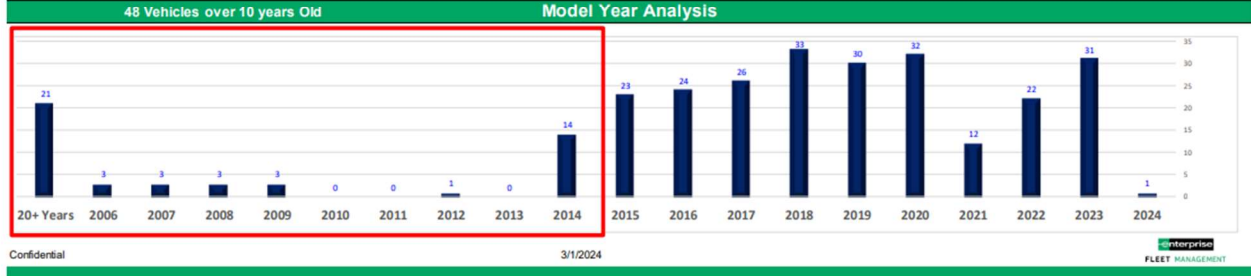
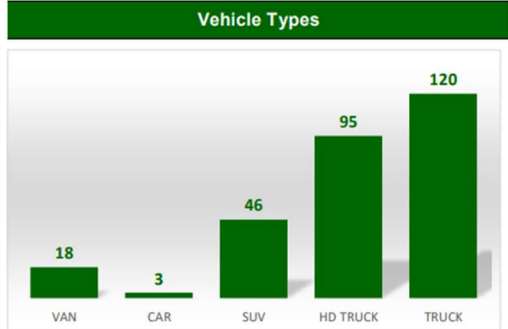
THE RESULTS

By partnering with Enterprise Fleet Management, Hernando County 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. Hernando County will reduce fuel costs by 20% and reduce maintenance costs from \$35 on average to \$30 per unit. Leveraging an open-end lease maximizes cash flow and recognizes equity from vehicles sold, creating an internal replacement fund. Furthermore, Hernando County will leverage Enterprise Fleet Management's ability to sell vehicles at an average of 109% above Black Book value. By shifting from reactively replacing inoperable vehicles to proactively planning vehicle purchases, Hernando County will be able to replace all its vehicles over the course of 5 years.

FLEET SYNOPSIS | HERNANDO COUNTY

Hernando County, Florida - Fleet Profile

Fleet Profile				Fleet Replacement Schedule						Replacement Criteria
Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage	2024	2025	2026	2027	2028	Under-Utilized	
Full-size Sedan	1	17.3	2,700	1	0	0	0	0	0	* Fiscal Year 2024 = 5 years old and older, or odometer over 100,000
Full-size Sedan-ERV	2	5.2	9,100	2	0	0	0	0	0	* Fiscal Year 2025 = 4 years old and older, or odometer over 80,000
Minivan-Passenger	4	7.0	5,800	3	1	0	0	0	0	* Fiscal Year 2026 = 3 years old and older, or odometer over 60,000
Full-size Van-Passenger	3	13.6	2,900	3	0	0	0	0	0	* Fiscal Year 2027 = 2 years old and older, or odometer over 40,000
1/2 Ton Van Cargo	1	0.0	0	1	0	0	0	0	0	* Fiscal Year 2028 = Remaining Vehicles
1 Ton Van Cargo	10	6.2	7,700	6	2	1	1	0	0	* Underutilized = Annual Mileage less than 1,000
Compact SUV 4x4	15	7.4	9,300	15	0	0	0	0	0	
Mid Size SUV 4x4	19	6.2	6,000	12	4	1	2	0	0	
Full Size SUV 4x2	12	5.6	8,000	10	1	0	0	1	0	
Compact Pickup Quad 4x2	13	3.6	9,700	4	1	1	4	3	0	
1/2 Ton Pickup Reg 4x2	62	6.6	9,200	45	4	1	4	7	1	
1/2 Ton Pickup Ext 4x2	5	0.0	0	5	0	0	0	0	0	
1/2 Ton Pickup Ext 4x4	29	4.1	8,400	10	8	3	0	8	0	
1/2 Ton Pickup Quad 4x4	11	3.4	9,500	2	1	1	6	1	0	
3/4 Ton Pickup Reg 4x2	35	6.7	8,800	21	6	3	1	3	1	
3/4 Ton Pickup Ext 4x4	11	7.0	6,600	9	0	1	0	1	0	
3/4 Ton Pickup Quad 4x4	12	9.6	10,300	11	0	0	1	0	0	
1 Ton Pickup Reg 4x2	37	5.2	9,400	24	4	0	3	6	0	
Totals/Averages	282	6.0	8,400	184	32	12	22	30	2	

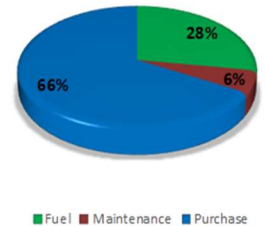


Hernando County, Florida - Fleet Planning Analysis

Fleet Assumptions & Proposals					
Fleet Analyzed	266	Fleet Growth	1.20%	Proposed Fleet	280
Current Cycle	7.05	Annual Miles	7,800	Proposed Cycle	2.49
Current Maint.	\$35.00	Total Annual Miles	2,181,200	Proposed Maint.	\$30.00
Maint. Cents Per Mile	\$0.05	Current MPG	13	Price/Gallon	\$3.25

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	266	37.7	266	0	1,311,232	0	-113,100		111,720	545,300	1,855,152	0
'24	264	184	80	184	0	2,140,858	-2,002,468	-534,155	99,840	469,288	173,363	1,704,050
'25	264	141	48	216	0	2,429,933	-657,068	-677,275	97,920	456,069	1,649,579	250,363
'26	264	144	36	228	0	2,565,004	-261,330	-746,111	97,200	451,112	2,105,874	-183,133
'27	264	166	14	250	0	2,779,241	-421,199	-798,503	95,880	442,023	2,097,443	-151,629
'28	264	188	-16	280	0	3,065,564	-606,698	-1,443,687	94,080	429,630	1,538,890	430,274
'29	280	249	0	280	0	3,065,564	-961,086	-961,086	100,800	436,240	2,641,518	-648,724
'30	280	185	0	280	0	3,065,564	-902,372	-902,372	100,800	436,240	2,700,232	-683,525
'31	280	176	0	280	0	3,065,564	-942,412	-942,412	100,800	436,240	2,660,192	-619,285
'32	280	182	0	280	0	3,065,564	-991,904	-991,904	100,800	436,240	2,610,700	-545,302
'33	280	189	0	280	0	3,065,564	-1,443,687	-1,443,687	100,800	436,240	2,158,917	-68,734



10 Year Savings* \$420,951

*Includes total unrealized gains of \$94,694

CASE STUDIES | HERNANDO COUNTY

KERN COUNTY

BACKGROUND

Location: Bakersfield, California

Industry: Local Government, County Government

Total vehicles: 350 vehicles

URL: <https://www.kerncounty.com/>



**OVER 24%
IN SAVINGS**

THE PROBLEM

The General services division of Kern County uses vehicles for General and Behavior Health and Recovery Services which includes a variety of passenger cars, SUVs, pickup trucks and cargo vans. The fleet began incurring high maintenance and repair costs for aged vehicles, and the county had reduced capital due to budget cuts for 8 years that had a hard time keeping their fleet operational.

**INCREASED
EMPLOYEE SATISFACTION** 

THE SOLUTION

Kern County officials recognized that they did not have the on-hand capital to purchase new vehicles, so they began looking at leasing options. The equity lease offered by Enterprise Fleet Management shined a light on the concept of Total Cost of Ownership for Kern County. The County saw the value in purchasing vehicles with the resale value in mind. Kern County identified 111 vehicles out of their fleet that should be cycled. Kern County was able to take advantage of volume purchasing discounts and a low lease rate. Enterprise also offers a vast network of repair shops ensuring maintenance is done promptly.



**17%
REDUCTION
IN FUEL EXPENSES**

THE RESULTS

Today, Kern County has been able to cycle 111 new vehicles into its fleet. The program is expected to save \$2 million through their program with Enterprise Fleet Management, compared to the County-run model, used previously. Now that vehicles are purchased centrally through the County's Fleet Service, departments no longer need to contribute to a vehicle and maintenance fund. Through the leasing plan, the county saves 85% per month utilizing Enterprise's maintenance plan. The savings brought to the County by Enterprise Fleet Management's program earned them recognition from the California State Association of Counties resulting in a Challenge Award.

“ENTERPRISE HAS TAKEN THE HASSLE OUT OF FLEET MANAGEMENT. WE WENT FROM AN AGING FLEET OF HIGH MAINTENANCE VEHICLES, TO A BRAND NEW FLEET WHERE ALL OF THE MAINTENANCE IS TAKEN CARE OF. ENTERPRISE TAKES CARE OF EVERYTHING, ALLOWING US TO CONCENTRATE ON WHAT IS IMPORTANT TO US, OUR CLIENT'S NEEDS.”

CASE STUDIES | HERNANDO COUNTY

CITY OF WAUSAU IMPROVES LIGHT-DUTY FLEET AND SAVES MORE THAN \$487K OVER 4-YEARS

BACKGROUND

Location: Wausau, WI
Industry: Municipal Government
Total vehicles: 64 vehicles
URL: <https://www.ci.wausau.wi.us/>



"THE DECISION TO WORK WITH ENTERPRISE FLEET MANAGEMENT TO IMPROVE OUR LIGHT-DUTY FLEET HAS BEEN ONE OF THE BEST WE'VE MADE. NOT ONLY ARE WE SEEING THE FINANCIAL SAVINGS, BUT OUR MECHANICS HAVE BEEN ABLE TO FOCUS MORE OF THEIR TIME ON MORE EXPENSIVE, SPECIALIZED EQUIPMENT AND MACHINERY. OUR EMPLOYEES ALSO APPRECIATE DRIVING NEW, SAFER VEHICLES WITH BETTER FEATURES TO MAKE DOING THEIR JOB EASIER."

MARK HANSEN, FLEET & FACILITIES MANAGER, CITY OF WAUSAU, WI

THE CHALLENGE

The City of Wausau's light-duty fleet had an average age of 9 years. City mechanics were spending time reactively handling maintenance and repairs to keep the aging vehicles on the road. Maintenance and fuel expenses continually increased for the city as aged vehicles lost efficiency over time. The city's budget for the fleet dictated when vehicles could be replaced. Once vehicles qualified for replacement by the city's standards, they had very little resale value and were only being sold through public auction.

THE SOLUTION

Enterprise Fleet Management proposed a 4-year replacement strategy to help refresh the City's Light-Duty Fleet. By leveraging a Government Equity Lease funding platform, they were able to replace vehicles each year to fit within their purchase budget. With a replacement strategy that had them cycling vehicles faster, the City has seen an increase in resale returns.

Additional benefits to the replacement strategy include a 35% improvement in fuel economy and an average of \$30,000 in annual maintenance costs.

THE RESULTS

The City of Wausau has experienced a \$482,697 net budget savings over the past 4 years compared to the average budget prior to partnering with Enterprise Fleet Management. These savings were realized even as the total miles traveled by the City increased from 118,000 in 2015 to roughly 328,000 total annual miles in 2019 (177% increase). The partnership has also allowed the City of Wausau to reduce the average age of their vehicles down to 4 years, and presents creative opportunities, as in 2019, when the City was able to turn in 4 leases early for net cash return of \$33,961.

CITY OF RUSTON REDUCES FLEET BUDGET AND MAINTENANCE EXPENSES WITH ENTERPRISE FLEET MANAGEMENT PROGRAM

BACKGROUND

Location: Ruston, Louisiana
Industry: City Government
Total vehicles: 123 vehicles
URL: <https://www.ruston.org/>



THE CHALLENGE

The City of Ruston, Louisiana was operating an aging fleet with an average vehicle age of 11 years. They had limited cash flow to support their fleet causing unpredictable budgeting and increased operating expenses.

THE SOLUTION

Partnering with Enterprise Fleet Management allowed the city to refresh their fleet quickly to reduce operating expenses, improve the budget with fixed cost maintenance, and flexibility.

"THE CUSTOMER SERVICE AND KNOWLEDGE ENTERPRISE FLEET MANAGEMENT PROVIDES IS TOP NOTCH. WORKING CLOSELY WITH OUR LOCAL ACCOUNT MANAGEMENT TEAM OVER THE PAST 5 YEARS HAS BEEN A PLEASURE; I LOOK FORWARD TO WORKING WITH THEM FOR MANY MORE."

C. MICHELLE COLVIN, CPPB PURCHASING DIRECTORY/CONTRACT ADMINISTRATION

THE RESULTS

Enterprise Fleet Management has provided a solution that has allowed the City of Ruston to acquire and operate a younger fleet, reducing operating expenses. Another benefit of the out-sourced fleet program is that by privatizing the resale of vehicles through Enterprise's network of experts, the City has seen a substantial return on their fleet investment above the projected values.

CAMROSE COUNTY MODERNIZES FLEET, SAVES \$24,000 IN ONE YEAR

BACKGROUND

Location: Camrose, Alberta
Fleet Size: 28 Vehicles
Industry: County Government

THE CHALLENGE

Faced with an aging fleet and a tight budget, Camrose County struggled to update their vehicles, contributing to high fuel and maintenance costs.

THE SOLUTION

Enterprise Fleet Management enabled Camrose County to maximize their budget, leasing more vehicles and modernizing their fleet efficiently.

KEY RESULTS

SAVED \$24,000 IN A SINGLE YEAR

REDUCED AVERAGE VEHICLE AGE FROM 8 YEARS TO 4.5 YEARS

REALIZED \$478,000 IN TOTAL VEHICLE RESALE GAINS

"Because of the cost savings we have seen through our partnership with Enterprise Fleet Management, both in the overall cost of the vehicles as well as fuel and maintenance costs, I would without hesitation recommend Enterprise Fleet Management to any company operating a fleet of vehicles."

Teresa Grabru, Chief Administrative Officer, Camrose County

THE RESULTS

The impact was immediate and remarkable. In just one year, Camrose County achieved \$24,000 in savings by acquiring 12 new vehicles. This strategic move not only reduced expenses, but also rejuvenated their fleet, reducing the average vehicle age from 8 years to 4.5 years. Impressively, their monthly depreciation rate turned into a monthly credit of \$100. Additionally, Enterprise Fleet Management's robust remarketing team played a crucial role in helping Camrose County realize \$478,000 in gains from selling 19 vehicles, an average resale price of \$46,770 each.

COLUMBIA COUNTY EXPECTS TO SAVE OVER \$320,000 WITH ENTERPRISE'S PROGRAM.

BACKGROUND

Location: Hudson, NY
Industry: Government
Total vehicles: 124 vehicles
URL: <http://www.columbiacountyny.com/>

THE PROBLEM

Columbia County's budget was being negatively impacted by an aging fleet. Almost half of the county's fleet was 10 years or older. The county would only purchase new vehicles when broken-down vehicles were inoperable, creating unpredictable capital expenses.

THE SOLUTION

Columbia County partnered with Enterprise Fleet Management to reduce the average age of the fleet. Enterprise proposed a plan that would allow the county to replace vehicles every five years. In addition, the county would be able to gain over \$200,000 in capital from the resale of the existing vehicles over a five-year span.

THE RESULTS

The county's new vehicles have driven down fuel expenses with increased fuel efficiency – reducing overall maintenance expenses and decreasing vehicle downtime. All of this, coupled with an annual fleet evaluation to continually assess the county's costs has simplified operations and improved the county image.

ESTIMATED \$320,000 SAVINGS OVER THE NEXT 10 YEARS



SAFER VEHICLES WITH IMPROVED IMAGE



INCREASED FUEL EFFICIENCY BY 20-25%



"THE BIGGEST BENEFIT FOR COLUMBIA COUNTY IS THAT OUR RELATIONSHIP WITH ENTERPRISE HAS GIVEN US THE ABILITY TO PROVIDE MORE EFFICIENT, SAFER VEHICLES TO OUR DEPARTMENTS AND THE CITIZENS THAT THEY SERVE, WHILE KEEPING CAPITAL SPENDING TO A MINIMUM."

PROGRAM RESOURCES | HERNANDO COUNTY

SAFETY

- 17% 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

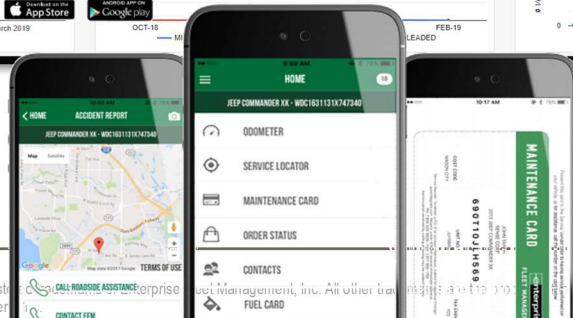
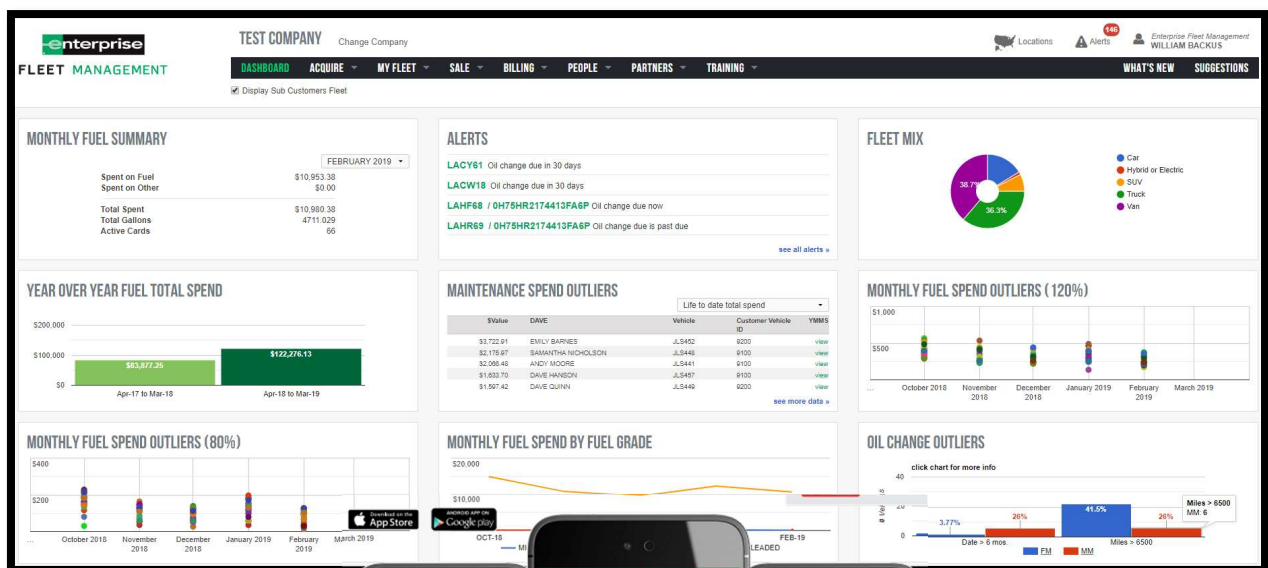
Hernando County will have a dedicated, local account team to proactively manage and develop your fleet while delivering the highest level of customer service to facilitate your day-to-day needs.

- 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 | HERNANDO COUNTY

CURRENT PARTNERS

- City of New Port Richey
- City of Lake City
- City of Brooksville
- City of Lakeland
- City of Haines City
- City of Fort Pierce
- City of Savannah, Ga
- City of Stuart
- Lake County
- Hendry County SO
- Pasco County SO
- Polk County SO
- Winter Haven PD
- Citrus County SO
- Citrus County Schools
- Polk County Schools
- Hillsborough County Schools

REFERENCE:

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

- 1. School Board of Citrus County**
Business Phone #: (352) 601-6387
Contact Person: Marilyn Farmer (Transportation Director)
- 2. Hendry County Sheriff's Office**
Business Phone #: 863-674-5600
Contact Person: Kevin Nelson, Chief Deputy
- 3. The School Board of Polk County**
Business Phone #: (863) 412-0862
Contact Person: Don Stephenson, Vehicle Services Director
- 3. City of New Port Richey**
Business Phone #: (727) 224-8682
Contact Person: Robert Rivera, Public Works Director

COOPERATIVES:

- TIPS/TAPS USA
- SOURCEWELL