



FLEET MANAGEMENT

PREPARED FOR:



Katy Carver

FLEET CONSULTANT



PHONE



EMAIL



FLEET SYNOPSIS | City of Manor

THE SITUATION

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

- 18% of the light and medium duty fleet is currently 10 years or older
- 51% of the light and medium duty fleet is currently 6 years or older
- 6 years is the current average age of the fleet
- 12.22 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 \$527,311 in 10 years

- Shorten the current vehicle life cycle from 12.22 years to 3.06 years
- Provide a lower sustainable fleet cost that is predictable year over year
- Free up more than \$83,697 in capital from the salvage of 6 vehicles in the first year
- Significantly reduce Maintenance to an average monthly cost of \$26.97 vs. current \$96.00
- 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:
 - 3 vehicles predate Anti-Lock Brake standardization (2007)
 - 3 vehicles predate Electronic Stability Control standardization (2012)
 - ESC is the most significant safety invention since the seatbelt
 - 17 vehicles predate standardization of back up camera (2018)

Piggyback The Sourcewell awarded RFP #030122-EFM that addresses the following:

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

THE RESULTS

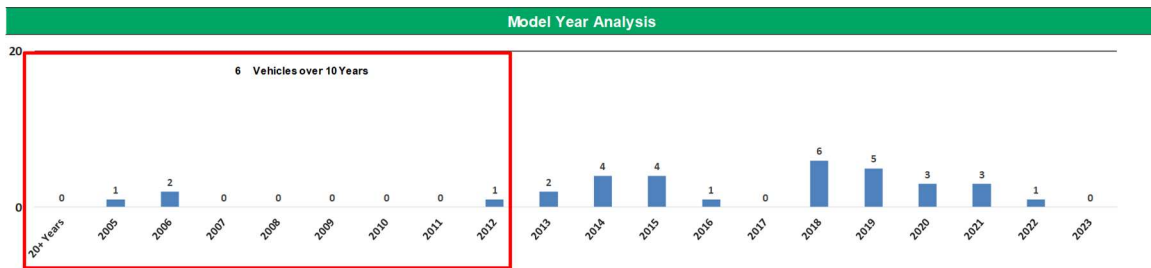
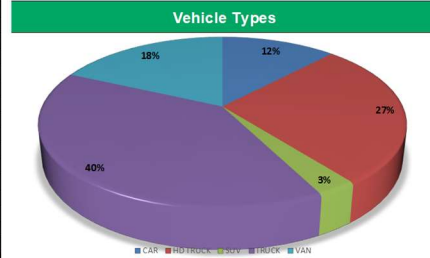
By partnering with Enterprise Fleet Management, City of Manor will be better able to leverage its buying power, implement a tighter controlled resale program to lower total cost of ownership and in turn minimize operational spend. City of Manor will reduce fuel costs and reduce maintenance costs from \$96 on average to \$26.97 per unit. Leveraging an open-end lease maximizes cash flow and recognizes equity from vehicles sold creating an internal replacement fund. Furthermore, City of Manor 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, City of Manor will be able to replace all of its vehicles over the course of 5 years while creating an annual savings of \$52,518

FLEET PLANNING ANALYSIS | City of Manor

City of Manor - Fleet Profile

Fleet Profile				Fleet Replacement Schedule						Replacement Criteria
Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage	2023	2024	2025	2026	2027	Under-Utilized	
Compact Sedan	4	6.5	6,100	0	2	0	2	0	0	
Minivan-Passenger	2	7.3	7,300	1	0	0	1	0	0	
3/4 Ton Van Cargo	4	4.0	6,900	0	0	0	3	1	0	
Compact SUV 4x2	1	3.8	6,800	0	0	0	1	0	0	
1/2 Ton Pickup Reg 4x2	7	12.7	6,800	5	2	0	0	0	0	
1/2 Ton Pickup Ext 4x2	2	8.3	5,900	0	2	0	0	0	0	
1/2 Ton Pickup Quad 4x2	2	4.7	6,400	0	1	0	0	1	0	
1/2 Ton Pickup Quad 4x4	2	2.7	4,900	0	0	0	0	2	0	
3/4 Ton Pickup Quad 4x2	7	4.4	6,000	0	1	1	3	2	0	
3/4 Ton Pickup Quad 4x4	2	2.4	6,900	0	0	0	1	1	0	
Totals/Averages	33	6.6	6,400	6	8	1	11	7	0	

* Fiscal Year 2023 = 10 years old and older, or odometer over 100,000
 * Fiscal Year 2024 = 8 years old and older, or odometer over 93,300
 * Fiscal Year 2025 = 6 years old and older, or odometer over 86,500
 * Fiscal Year 2026 = 4 years old and older, or odometer over 79,900
 * Fiscal Year 2027 = Remaining Vehicles
 * Underutilized = Annual Mileage less than 1,000



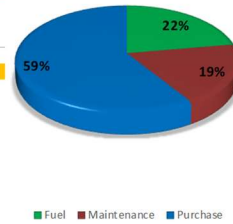
Confidential 3/5/2023 enterprise FLEET MANAGEMENT

City of Manor - Fleet Planning Analysis

Current Fleet	33	Fleet Growth	0.00%	Proposed Fleet	33
Current Cycle	12.22	Annual Miles	6,400	Proposed Cycle	3.06
Current Maint.	\$96.00			Proposed Maint.	\$26.87
Maint. Cents Per Mile	\$0.18	Current MPG	17	Price/Gallon	\$3.65

Fleet Costs Analysis

Fiscal Year	Fleet Mix				Fleet Cost							Annual	
	Fleet Size	Annual Needs	Owned	Leased	Annual Finance Payment	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash	
Average	33	2.7	33	0	120,000	0			38,016	45,346	203,362	0	
'23	33	6	27	6	0	48,430	-5,500		33,038	43,697	119,665	83,697	
'24	33	8	19	14	0	108,784	-16,000		26,401	41,498	160,684	42,678	
'25	33	1	18	15	0	118,493	-3,500	-64,870	25,572	41,224	116,918	86,444	
'26	33	17	7	26	0	210,890	-65,500	-93,405	16,446	38,200	106,631	96,731	
'27	33	15	0	33	0	280,739	-59,500	-19,964	10,639	36,277	248,191	-44,829	
'28	33	1	0	33	0	280,739		-209,412	10,639	36,277	118,243	85,119	
'29	33	16	0	33	0	280,739		-216,610	10,639	36,277	111,045	92,317	
'30	33	15	0	33	0	280,739		-32,010	10,639	36,277	295,644	-92,283	
'31	33	2	0	33	0	280,739		-209,412	10,639	36,277	118,243	85,119	
'32	33	16	0	33	0	280,739		-216,610	10,639	36,277	111,045	92,317	
10 Year Savings											\$527,311	Avg. Sustainable Savings	\$52,518



Current Fleet Equity Analysis

YEAR	2023	2024	2025	2026	2027	Under-Utilized
QTY	6	8	1	11	7	0
Est \$	\$917	\$2,000	\$3,500	\$5,955	\$8,500	\$0
TOTAL	\$5,500	\$16,000	\$3,500	\$65,500	\$59,500	\$0
Estimated Current Fleet Equity**						\$150,000

* Lease Rates are conservative estimates
 **Estimated Current Fleet Equity is based on the current fleet "sight unseen" and can be adjusted after physical inspection
 Lease Maintenance costs are exclusive of tires unless noted on the lease rate quote.

KEY OBJECTIVES

Lower average age of the fleet
 18% of the current light and medium duty fleet is over 10 years old
 Resale of the aging fleet is significantly reduced

Reduce operating costs
 Newer vehicles have a significantly lower maintenance expense
 Newer vehicles have increased fuel efficiency with new technology implementations

Maintain a manageable vehicle budget
 Challenged by inconsistent yearly budgets
 Currently vehicle budget is underfunded

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CASE STUDY

CASE STUDY | CITY OF FREDERICKSBURG, TX



City lowers fleet maintenance costs by \$127K with Fleet Program.

BACKGROUND

Location: Fredericksburg, TX
Industry: Government
Total vehicles: 75 vehicles

THE CHALLENGE

Each year, the City of Fredericksburg was faced with high vehicle repair and maintenance costs for an aging fleet. The City's 75 vehicles had an average age of 12 years resulting in unexpected maintenance issues each year. The City was spending \$153,300 per year on fleet maintenance, averaging over \$2,000 per truck. Searching for solutions within their budget, the city needed to make managing their vehicles easier, from purchasing to maintenance and driver fueling options.

THE SOLUTION

Enterprise Fleet Management presented a proactive fleet replacement plan to the City of Fredericksburg that would reduce the average age of their fleet by 60% helping reduce operational and maintenance expenses. With integrating newer vehicles into the City's fleet, employees would drive safer, more reliable vehicles with minimal maintenance needs. Long-term, this plan has helped save an average of \$29,284 per year in fleet related expenses.

“We have truly enjoyed the partnership with Enterprise Fleet Management. Things are much easier to manage now, and we are saving money on vehicle maintenance.”

– Brian Peters, Programs Manager

Enterprise Fleet Management also recommended replacing all vehicles owned by the city within a 5-year time frame. This approach will help The City lower maintenance expense from \$153,300 per year to \$26,016 per year.

THE RESULTS

Since their partnership began 4 years ago, Enterprise Fleet Management has helped The City of Fredericksburg transition their fleet vehicles from an average age of 12 years to 4. The City has experienced a significant reduction in costs associated with their fleet program and a decrease in employee downtime. This is due to The City putting their trust in the local Enterprise Fleet Management team's expertise and the fleet planning analytics backing each recommendation. The partnership has given the City visibility into all vehicle costs and budget accordingly.

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



Key Results

MAINTENANCE
LOWERED BY
83%



**SAVED
\$62,052**
OVER THE LAST 2
REPLACEMENT YEARS

5 YEAR
REPLACEMENT PLAN



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PROGRAM RESOURCES | City of Manor

SAFETY

- 10% 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

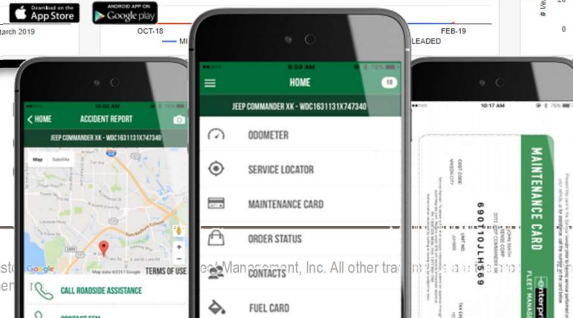
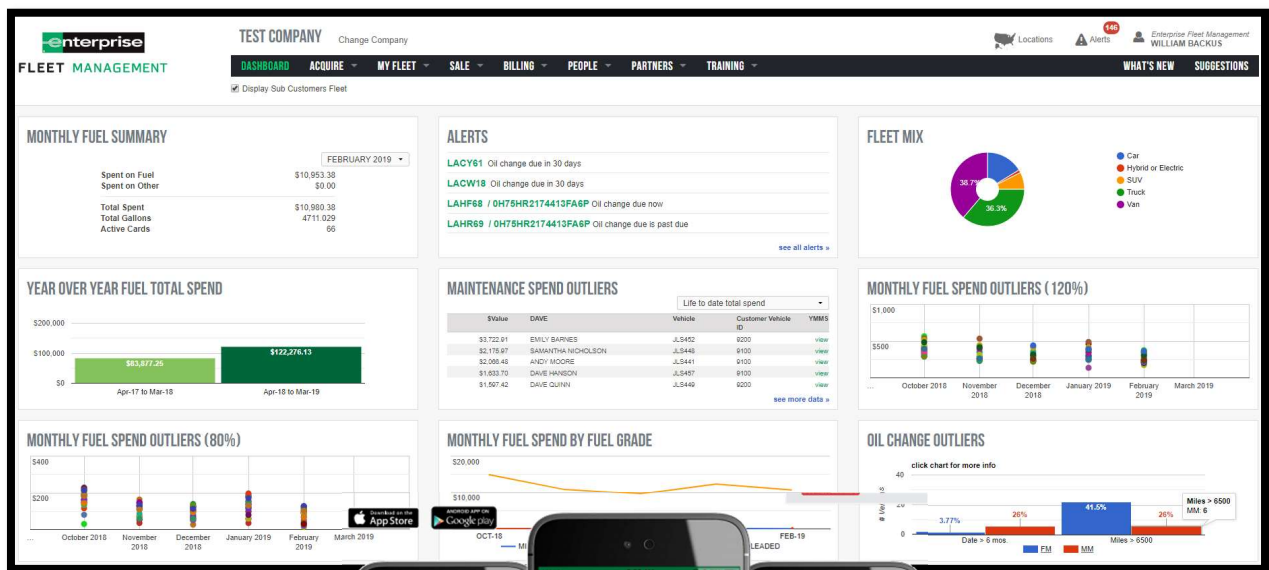
City of Manor will have a dedicated, local account team to proactively manage and develop your fleet while delivering the highest level of customer service to facilitate your day-to-day needs.

- Your dedicated Client Strategy Manager meets with you 3-4 times a year for both financial and strategic planning.
- Your Client Strategy 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 | City of Manor

CURRENT PARTNERS

- City of Fredericksburg
- City of Kyle
- Hays County
- City of Brownwood
- City of Pampa
- City of Navasota
- City of Anna
- City of San Marcos
- City of Pflugerville
- City of Pleasanton
- City of Brownsville
- Gillespie County
- Hidalgo County
- City of Pharr

REFERENCE:

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

1. City: **City of Kyle**
Business Phone #: (512) 262-3952
Contact Person: Perwez Moheet, Director of Finance
2. City: **City of Pflugerville**
Business Phone #: (512) 251-3076
Contact Person: Melissa Moore, Chief Financial Officer

COOPERATIVES:

- TIPS/TAPS USA
- SOURCEWELL