

CLEVELAND PUBLIC LIBRARY

Finance Committee

December 16, 2014

**RESOLUTION AUTHORIZING AGREEMENT WITH ENTERPRISE FM TRUST FOR
LEASE OF VEHICLES**

WHEREAS, The Cleveland Public Library needs to replace a number of its older vehicles that have high mileage, and also needs to add several vehicles to the vehicle pool used by the Department of Safety and Protective Services to support the Department's plan to expand mobile services and one to TechCentral; and

WHEREAS, The Library has received a proposal from Enterprise Fleet Management to lease, maintain and manage twelve (12) vehicles for a period of sixty (60) months and has compared the cost of leasing to the cost of purchasing new vehicles; and

WHEREAS, The cost of leasing twelve (12) vehicles with full maintenance and fleet management, taking into account the approximate trade-in values of the Library vehicles that are being replaced, is estimated to cost \$59,899 per year. The cost to purchase new vehicles with full maintenance and fleet management is approximately \$63,906 per year; and the cost to purchase new vehicles without full maintenance and fleet management is approximately \$56,443 per year; and

WHEREAS, The Administration, therefore, requests that this Board authorize the Executive Director, CEO to enter into a sixty (60) month lease and maintenance package for twelve (12) vehicles with Enterprise Fleet Management; now therefore be it

RESOLVED, That the Board of Trustees authorizes the Executive Director, CEO, or his designee, to enter into a lease and maintenance agreement with Enterprise FM Trust (through its attorney-in-fact Enterprise Fleet Management, Inc.) for twelve (12) new vehicles for a period of sixty (60) months, at the estimated cost of \$59,899 per year, but in no event in excess of \$70,000 per year, with the expenditures being charged to the General Fund account 12xx0053-53510 (Rent/Lease), where xx = the vehicle number. The Chief Financial Officer shall report the actual annual lease cost, once known, at the next regular Board meeting.



Vehicles for Cleveland Public Library - 5 Year Term (Lease)

Vehicle #	CPL #	Description	Updated 12/1/14	Year	Make	VIN Number	Estimated Mileage as of 12/1/14	Estimated Value ¹	Replace with	Annual Lease Expense ²³	Anticipated Equity at lease term ⁴
1	2	Chevrolet Truck Uplander 2008-CLEVNET	Keep	2008	Chevrolet	1GNDU23WX8D163543	68,411			-	-
2	13	Chevrolet Truck Uplander 2008-CLEVNET	Keep	2008	Chevrolet	1GNDU23W48D164686	53,953			-	-
3	14	Chevrolet Truck Uplander 2007-CLEVNET	Keep	2007	Chevrolet	1GNDV231X7D128288	52,698			-	-
4	6	Chevrolet Step Van, 1998 (Carpenter's)	Ford 12 ft. Carpenter Truck	1998	Chevrolet	1GBHP32WXW3317538		\$1,000	Ford 12 ft. Carpenter Truck	\$6,578	\$3,199
5	25	Chevrolet Pickup - C1500 Ext Cab Dark Blue	Keep	2007	Chevrolet	1GCEK14067Z649176	64,828			-	-
6	1	Chevrolet Malibu 4 Door Dark Blue 2006	Keep	2006	Chevrolet	1G1ZU53826F212326	76,497			-	-
7	9	Chevrolet Malibu 4 Door Dark Blue 2006 -Cindy	Keep	2006	Chevrolet	1G1ZU53866F212619	73,534			-	-
8	3	Chevrolet Malibu 4 Door Dark Blue 2006	Keep	2006	Chevrolet	1G1ZU53826F212648	55,029			-	-
9	10	Chevrolet Malibu 4 Door Light Blue 2006	Keep	2006	Chevrolet	1G1ZU53836F217308	54,895			-	-
10	19	Chevrolet Malibu 4 Door Dark Blue 2006	Keep	2006	Chevrolet	1G1ZU53846F212702	50,386			-	-
11	18	Chevrolet Impala 2007-Felton	Keep	2007	Chevrolet	2G1WC58R679324936	56,574			-	-
12	4	Chevrolet Pickup, 2001	Ford KUV Mechanic Truck	2001	Chevrolet	1GCCS14W018212041	99,618	\$1,000	Ford KUV Mechanic Truck	\$7,380	\$3,403
13	11	GMC Pick-Up, Sonoma 2002	Ford KUV Mechanic Truck	2002	GMC	1GTCS14W228248962	76,296	\$2,500	Ford KUV Mechanic Truck	\$7,380	\$3,403
14	7	Chevrolet Pickup, 2002	Ford F150 XL Reg Cab 4x2 v	2002	Chevrolet	1GCCS14W828211673	67,228	\$2,000	Ford F150 XL Reg Cab 4x2 w/Cap	\$5,322	\$4,000
15	21	GMC Pick-Up, Sierra, 2000	Ford F150 XL Reg Cab 4x2 v	2000	GMC	1GTEK14T4YZ351186	90,078	\$4,000	Ford F150 XL Reg Cab 4x2 w/Cap	\$5,322	\$4,000
16	20	Chevrolet Impala 2005 LS	Ford Fusion	2005	Chevrolet	2G1WH55K859276183	85,719	\$3,000	Ford Fusion SE - SPS	\$4,034	\$3,739
17	24	Chevrolet Impala - 2007 Sedan	Ford Fusion	2007	Chevrolet	2G1WB58K179274808	65,004	\$4,000	Ford Fusion SE - SPS	\$4,034	\$3,739
18	8	2011 GMC Sierra 1500	Keep	2011	GMC	1GTN2TEA9BZ379615	19,230			-	-
19	17	Chevrolet Silverado 2012	Keep	2012	Chevrolet	1GCNKPEA7CZ190597	33,305			-	-
20	12	Chevrolet Van Express 2013	Keep	2013	Chevrolet	1GB3G4CG4D1125175	15,400			-	-
21	16	Chevrolet Impala 2009 LT	Ford Fusion	2009	Chevrolet	2G1WC57M291247148	44,218	\$7,000	Ford Fusion SE - SPS	\$4,034	\$3,739
22		New sedan	Ford Fusion				0		Ford Fusion SE - SPS	\$4,034	\$3,739
23		New sedan	Ford Fusion				0		Ford Fusion SE - SPS	\$4,034	\$3,739
24	23	New sedan (Replace totalled 23)	Ford Focus				0		Ford Focus SE Hatchback	\$3,561	\$2,871
25		New Cargo Van (need lift or ramp)	Ford Transit Connect				0		Ford Transit Connect w/Ramp	\$4,189	\$5,300
								\$24,500		\$59,899	\$44,871
In place of Connect		New Cargo Van (need lift or ramp)	Ford Transit-150						Ford Transit-150 w/Liftgate	\$6,188	\$6,605
1. Conservative resale values based upon sight unseen estimates											
2. Equity Lease rates based upon 2015 model year vehicles										299493.6	
3. Lease rates include all preventative maintenance and unscheduled repairs for up to 7 years/100,000 miles											

Vehicles for Cleveland Public Library - 5 Year Term (Cash Purchase)

<u>Vehicle Type</u>	<u>Capitalized Price</u>	<u>Number Of Vehicles</u>	<u>Total Cost Per Car Class</u>	<u>Management Fee</u>	<u>Full Maintenance</u>	<u>36 Month Management Fee Per Car Class</u>	<u>60 Month Full Maintenance Per Car Class</u>
Ford Focus SE Hatchback	\$18,518.00	1	\$18,518.00	\$22.15	\$35.92	\$797.40	\$2,155.20
Ford Fusion SE - SPS	\$21,044.00	5	\$105,220.00	\$22.15	\$35.92	\$3,987.00	\$10,776.00
Ford KUV Mechanic Truck	\$36,721.00	2	\$73,442.00	\$22.15	\$42.65	\$1,594.80	\$5,118.00
Ford 12 ft. Carpenter Truck	\$32,531.00	1	\$32,531.00	\$22.15	\$42.65	\$797.40	\$2,559.00
Ford F150 XL Reg Cab 4x2 w/Cap	\$27,603.00	2	\$55,206.00	\$22.15	\$40.62	\$1,594.80	\$4,874.40
Ford Transit Connect w/Ramp	\$21,800.00	1	\$21,800.00	\$22.15	\$37.67	\$797.40	\$2,260.20
Total		12	\$306,717.00			\$9,568.80	\$27,742.80
Ford Transit - 150 w/Liftgate	\$30,396.00	1	\$30,396.00	\$22.15	\$40.62	\$797.40	\$2,437.20

Capitalized price includes any aftermarket equipment that is added to the vehicle, such as a ramp or cap.

Management Fee and Full Maintenance Cost would be paid on a monthly basis.

Paying Cash and still having fleet maintenance/Management with Enterprise

Estimated total cost over 5 years **\$344,028.60**

Estimated trade-in equity (24,500.00)

Net Estimated total cost over 5 years \$319,528.60

Total cost annually **\$63,905.72**

vs Lease cost \$59,898.72

Paying Cash and maintaining and managing in house

Estimated cash outflow for vehicles \$306,717.00

Sale of Old Vehicles (50%/100% of Enterprise Equity) (12,250.00) (24,500.00)

Estimated net outflow \$294,467.00 \$282,217.00

Estimated cost over 5 years \$58,893.40 **\$56,443.40**