

8/27/18 item #32

Enterprise Fleet Management, Inc. Option (TIPS Contract No. 2072816)

Option A: Enterprise 36-month Lease term:

Constables

Vehicle Type	Description	Qty.	Term	Mo. Lease Rate /unit	Annual Cost per unit	Total Annual Cost	Overall Total 3 yrs.
Chevy Police Tahoe	2019 4x2 Interceptor	21	36	2,010.00	24,120.00	506,520.00	1,519,560.00

Sheriff

Vehicle Type	Description	Qty.	Term	Mo. Lease Rate /unit	Annual Cost per unit	Total Annual Cost	Overall Total 3 yrs.
Chevy Police Tahoe	2019 4x2 Interceptor	23	36	2,189.90	26,278.80	604,412.40	1,813,237.20

Grand Total for Option A for leasing (includes cost of equipment/radios)

\$3,332,797.20

Option B: Enterprise 48-month term:

Constables

Vehicle Type	Description	Qty.	Term	Mo. Lease Rate /unit	Annual Cost per unit	Total Annual Cost	Overall Total 4 yrs.
Chevy Police Tahoe	2019 4x2 Interceptor	21	48	1,577.85	18,934.20	397,618.20	1,590,472.80

Sheriff

Vehicle Type	Description	Qty.	Term	Mo. Lease Rate /unit	Annual Cost per unit	Total Annual Cost	Overall Total 4 yrs.
Chevy Police Tahoe	2019 4x2 Interceptor	23	48	1,719.60	20,635.20	474,609.60	1,898,438.40

Grand Total Option B for leasing (includes cost of equipment/radios)

\$3,488,911.20

Notes:

1. Vehicles are ordered through the manufacturer by Enterprise; this can take anywhere from 8-26 weeks from time Purchase Order is issued to Enterprise. This is stipulated in TIPS contract as an exception to Shipment requirements by the State.
2. By selecting option to lease, Enterprise will pay outfitter and radio vendor directly. Total cost including equipment is worked into the monthly lease rates as shown above.

Caldwell County Chevrolet Purchase Option (NOT A LEASE) Buy-Board 521-16:

Constable Units – Qty. 21

Chevy Tahoe 4x2 w/police package	1,326,553.36	
Motorola radios 8500 APX	140,893.41	
Total for Constables (Purchase)	\$ 1,467,446.77	(a)

Sheriff's Office – Qty. 23

Chevy Tahoe 4x2 w/police package	1,566,505.88	
Motorola radios 8500 APX	154,242.83	
Total for Sheriff's Office (Purchase)	\$ 1,720,748.71	(b)
Grand Total Constable & Sheriff:	\$ 3,188,195.48	(a+b)

Notes:

1. *If Court chooses option to purchase, a future agenda item will be required to approve the financing to pay for units.*
2. *From point Purchase Order is issued; it will take 90-120 days to deliver turnkey unit.*
3. *Option to purchase is less costly, but any maintenance expenses will have to be covered by the County.*
4. *Purchasing units will also allow County to auction vehicles during replacement phase and recover revenue that will revert to County.*

Cost / Investment Comparison – Lease vs. Purchase

Leasing Option (A.)	3,332,797.20 (36 month term)
Purchase Option	<u>3,188,195.48</u>
Difference in cost/investment:	<u>144,601.72</u>
Leasing Option (B.)	3,488,911.20 (48 month term)
Purchase Option	<u>3,188,195.48</u>
Difference in cost/investment:	<u>300,715.72</u>