County of Monterey

Board Report

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: WRAFIN 24-054

June 07, 2024

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Consider authorizing three years of fleet management services for light duty vehicles, in accordance with the approved Enterprise Fleet Management, Inc Master Lease Agreement, for a total amount not to exceed $765,000.

RECOMMENDATION:
It is recommended that the Monterey County Water Resources Agency Board of Directors:

Authorize three years of fleet management services for light duty vehicles, in accordance with the approved Enterprise Fleet Management, Inc Master Lease Agreement, for a total amount not to exceed $765,000.

SUMMARY/DISCUSSION:
The Board of Directors approved a Master Lease Agreement with Enterprise Fleet Management, Inc. (EFM) to provide fleet management services, effective July 1, 2020. The purpose of the Master Lease Agreement is to support a program for the cyclical replacement of the Agency's aging fleet. Benefits of refreshing the Agency's fleet on a scheduled rotation has allowed for increased vehicle safety, reduced maintenance costs, reduced operational costs, and standardize annual capital outlay on Agency vehicles. Currently the Agency has 19 light vehicles in the program that are all on staggered 48-month lease cycles and plans to trade in 4-5 vehicles annually to be replaced with new vehicles, when the leases expire.

The cost of acquisition and management of the individual vehicles has been done through separate lease agreements/contracts for each vehicle, in compliance with the Master Lease Agreement. However, in absence of an authorization by the Board indicating a not-to-exceed amount for a specific timeframe, County's purchasing and payment processes require creation of a Multi-Year Agreement (MYA) and Delivery Order (DO) for individual vehicles, which has resulted in late payments whenever new lease vehicles are acquired.

In order to address the late billing issue, staff requests an authorization specifying continuation of the vehicle lease program with EFM for three years for a total amount not to exceed $765,000. The authorization will allow staff to request one MYA for all EFM leased vehicles and improve efficiency in processing and issuing payments.

The FY25 estimate for the total light vehicle fleet services, which include leases and maintenance, is approximately $230,000, proportioned across all funds based on vehicle usage. Staff is proposing an approximate 10% increase for FY26 and FY27 for an estimated total of $765,00 to account for CPI increases, vehicle market fluctuations, and vehicle make availability.

OTHER AGENCY INVOLVEMENT:
None

FINANCING:
$230,000 in appropriations include in the FY25 recommended budget. FY26 estimated at $255,000. FY27 estimated at 280,000.

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Attachments:
1. Enterprise Fleet Master Lease Agreement