

## MEMORANDUM

**TO:** Governing Board Members

**FROM:** George L. Horne, Deputy Executive Director, Operations & Maintenance

**DATE:** January 05, 2009

**SUBJECT:** 4600001678 - District Motor Pool Lease Fleet

### **Background:**

Since 03/01/2005, the District has been leasing vehicles for its Motor Pool Program from Mears Motor Leasing Company under contract number OT060691. This is a three year contract that expires on 2/28/2009. The District intends to continue this program by entering into a new three year lease agreement with Jefferson Leasing. This new contract with The Bancorp Bank dba Jefferson Leasing will be for twenty (20) vehicles consisting of compact sedans, mid size SUV's, and compact passenger vans. The District will use established pricing from the General Service Administration (GSA) contract GS-30F-0019P with The Bancorp Bank dba Jefferson Leasing.

### **How this helps meet the Districts 10-year Strategic Plan:**

Over the last three years of leasing, we have realized that leasing vehicles provides the District with (1) reduced capital outlay per budget year, (2) newer more functional vehicles every three years considering that the District keep its vehicles a minimum of eight years, (3) upgrades to the latest technology every three years, (4) increase in the utilization of the Motor Pool because of the quality and the age of the vehicles, and (5) reduction in downtime and maintenance costs because vehicles are replaced below the point where those costs are know to increase.

### **Funding Source:**

This is a three (3) year lease contract in the amount of \$250,614 of which \$41,769 is budgeted within the Operations & Maintenance Program and the remainder is subject to Governing Board approval of the FY10-FY12 budgets.

### **This Board item impacts what areas of the District, both resource areas and geography:**

This item impacts all Departments located at the District's Main Headquarters, because the Motor Pool provides daily vehicular transportation for conducting District business in and outside the SFWMD sixteen counties.

**What concerns could this Board item raise?**

This item should not raise any concern since the District could not function without a motor pool that provides employee vehicle transportation. Operating a motor pool that provides reliable vehicles to our employees for traveling throughout the District on business is essential to the District Mission, and a vital part of the daily activities at the District.

**Why should the Governing Board approve this item?**

Capital expenditure is minimized each budget year with leasing as opposed to an outright purchase of twenty (20) vehicles. These vehicles will be within the factory warranty during the three (3) year lease period. As a result, the District will avoid all associated unscheduled maintenance costs for the three (3) year contract period. The District Motor Pool program is an integral part of the business process here at the Main Headquarters providing transportation to all Departments in the commission of District business. Without approval the District Motor Pool will be unable to provide transportation to the employees at District Headquarters. This would severely impact daily travel activities here at the District by creating problems for employees needing to travel within the sixteen (16) county region of the District in the performance of their job.