Mendocino County Climate Action Advisory Committee
Friday February 18, 3:00 - 5:00
Agenda

Topic: Mendocino County Climate Action Committee
Time: Feb 18, 2022 03:00 PM Pacific Time (US and Canada)

Join Zoom Meeting
https://mendocinocounty.zoom.us/j/89233558701

1. Call to Order and Roll Call
2. Review of Agenda
3. Review and Approval of Minutes from January of 2022 (Attachment 1)
4. Public Comment on Non-Agenda Items.
5. Adopt Resolution to Extend Meeting via Covid (Attachment 2)
6. Updates on past agenda items.
7. Discuss and consider adoption of a letter of the MCCAAC to the Board of Supervisors regarding Elecetrical Vehicle Lease Program at the County of Mendocino. (Attachment 3)
8. Discuss and and consider adoption of a letter of the MCCAAC to the Board of Supervisors regarding sustainable community development.
9. Discuss and and consider adoption of a letter of the MCCAAC to the Board of Supervisors regarding Climate Emergency declaration.
10. Further discussion regarding having an intern help the MCCAAC. Discuss who would manage the intern and how they could help the committee.
11. Identify a Meeting Date for March 2022.
12. Adjournment

Mendocino County Climate Action Advisory Committee
January 21
Meeting Minutes

1. **Call to Order and Roll Call**

The meeting was called to order at 3:05

Roll call showed the following members in attendance: Cathy Monroe, Marie Jones, Richard Hubacek, Tess Albin-Smith, Ellen Drell, Jessica Stull-Otto, and Sandra Marshall.

Members of the public: Carrie Durkee, Eileen Mitro, James Schooner, Mary, Gizmo

2. **Review of Agenda**

3. **Review and Approval of Minutes from December of 2021**

ACTION: Moved by Tess and seconded by Cathy. Unanimous Approval of the minutes.

4. **Public Comment on Non-Agenda Items.**

- **Eileen, Cathy and Sandy** will participate in the logging tour with John Anderson. Three members does not constitute a quorum and so this visit will not need to be noticed. Marie will send an email out to all involved so that they can schedule a place and time.
- Gizmo is working on an anti-idling effort with Freedmen's in Ukiah and is having success. And also noted the great new electric buses.
- Tess provided an update on the REN; the City of Fort Bragg is joining it.
- Eileen reminded everyone of the Feb 7th MCOG Meeting

5. **Adopt Resolution to Extend Meeting via Covid**

ACTION: Moved by Cathy and seconded by Richard. Unanimous Adoption of the resolution.

6. **Discuss and consider adoption of a Resolution of the Mendocino County Climate Action and Advisory Goals of the County Strategic Priorities List.**

- Discussion focused on how to provide better input on the board's agenda item because we are never notified of climate relevant agenda items in advance.
- The Committee agreed to appoint an Ad Hoc committee to search for relevant agenda items and empower the chair to compose letters and submit them regarding the relevant agenda items. The committee will be composed of **Ellen, Marie and Marie.** Ellen will read the agenda packet for the first meeting of each month; Mary will read the agenda packet for the last meeting of the month and Marie will compose and submit the relevant letters on behalf of the Committee. **Jessica** wants to be included in any letters regarding land use planning.
- The committee requested that an additional line be added to the letter that requests the Board to include us in their decision making and for someone from the CEO's office to attend our meetings.

ACTION: Moved by Ellen and seconded by Cathy. Unanimous Adoption of the letter.

7. **Further discussion regarding having an intern help the MCCAAC. Discuss who would manage the intern and how they could help the committee.**

- Richard provided an overview of the great job that a couple of interns from the Sierra Club on climate issues. **Richard** will send a U-tube video of their presentation. **Jessica** and **Eileen** want to work on this project to get an intern.
- The Committee agreed to add this item to our agenda for our next meeting **and Richard, Eileen and Jessica** will invite youth to the meeting to see how we could collaborate.
- It was recommended that someone reach out to Jennifer, who used to be on the MCCAAC and is involved in youth education. Her contact is Jenmayne@yahoo.com
- **Marie** was directed to email the MCCAAC roster to everyone.

8. **Discussion of "Code Red: What Municipalities Can Do". Please review this link to the measures cities, staff, and individuals have and can be taken to mitigate climate change.** https://www.acterra.org/code-red/#Elected

- Tess provided a brief overview of the Code red website and encouraged everyone to take a look at it as it gave her great hope.

9. **Report to the MCCAAC, by Committee Members on Ongoing Activities and Possibilities for Collaboration. Discuss follow up activities from previous meetings.**

- Patrick Henshall (former member) made an interesting presentation on establishing a Mendocino County bank for our jurisdictions.
- **Cathy** recommended the book **Under the Sky we Make** and the book **Saving Us**.
- **Carrie** is going to purchase books to put in the library in honor of Sue Bocher and Randy McDonald.
- **Marie** provided an update on JDSF, especially noting the tour by Tribal Chairman Michael Hunter this Sunday at 11:00.
- **Cathy** is working with the library to develop a climate change book display.

10. **Vote for Chair, Vice Chair and Secretary Positions within the Committee**

- **Marie** offered to continue to serve as chair when no one else volunteered. **Cathy** offered to do action minutes in a limited role as the secretary. **Richard** offered to be vice chair, only to facilitate discussion in the chair's absence. **Marie** will continue to prepare letters, agendas, and attachments for the meetings and to facilitate the meetings.

ACTION: Moved by Ellen and seconded by Cathy. That Marie would continue on as Chair, Richard would serve as Vice Chair and Cathy would serve as Secretary given the roles described above.

11. **Identify a Meeting Date for January 2022.**

The next meeting will be Friday February 18th at 3:00

12. **Adjournment**

The meeting was adjourned at 4:30

RESOLUTION OF THE MENDOCINO COUNTY CLIMATE ACTION ADVISORY COMMITTEE AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE MENDOCINO COUNTY CLIMATE ACTION ADVISORY COMMITTEE PURSUANT TO THE RALPH M. BROWN ACT

WHEREAS, all meetings of the Mendocino County Climate Action Advisory Committee and its legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code §§ 54950 – 54963), so that any member of the public may attend, participate, and view the legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, on March 4, 2020, Governor Newsom issued a Proclamation of a State of Emergency declaring a state of emergency exists due to the outbreak of respiratory illness due to a novel coronavirus (a disease now known as COVID-19), pursuant to the California Emergency Services Act (Government Code section 8625) and that State of Emergency is still in effect in the State of California; and,

WHEREAS, as of the date of this Resolution, neither the Governor nor the state Legislature have exercised their respective powers pursuant to Government Code section 8629 to lift the state of emergency either by proclamation or by concurrent resolution the state Legislature; and,

WHEREAS, the California Department of Industrial Relations has issued regulations related to COVID-19 Prevention for employees and places of employment. Title 8 of the California Code of Regulations, Section 3205(c)(5)(D) specifically recommends physical (social) distancing as one of the measures to decrease the spread of COVID-19 based on the fact that particles containing the virus can travel more than six feet, especially indoors; and,

WHEREAS, the Mendocino County Public Health Officer continues to recommend teleconferencing during public meetings of all legislative bodies to protect the community's health against the spread of COVID-19; and

WHEREAS, the Mendocino County Climate Action Advisory Committee, finds that state or local officials have imposed or recommended measures to promote social distancing based on the Mendocino County Public Health Officer recommendation and the California Department of Industrial Relations' issuance of regulations related to COVID-19 Prevention through Title 8 of the California Code of Regulations, Section 3205(c)(5)(D); and,

WHEREAS, as a consequence, the Mendocino County Climate Action Advisory Committee does hereby find that current conditions meet the circumstances set for in Government Code section 54953(e)(3) to allow this legislative body to conduct its meetings by teleconferencing without compliance with Government Code section 54953 (b)(3), pursuant to Section 54953(e), and that such legislative body shall comply with the requirements to provide the public with access to the meetings as prescribed by Government Code section 54953(e)(2) to ensure the public can safely participate in and observe local government meetings.

NOW, THEREFORE, BE IT RESOLVED BY THE Mendocino County Climate Action Advisory Committee, as follows:

Section 1. Recitals. All of the above recitals are true and correct and are incorporated into this Resolution by this reference.

Section 2. Current Conditions Authorize Teleconference Public Meetings of Legislative Bodies. Based on the California Governor's continued declaration of a State of Emergency, the Mendocino County Public Health Officer's recommendation to continue teleconferencing, and the regulations issued by the California Department of Industrial Relations, the Mendocino County Climate Action Advisory Committee finds that the conditions continue to exist pursuant to Government Code section 54953(e)(3) to allow legislative bodies to use teleconferencing to hold public meetings in accordance with Government Code section 54953(e)(2) to ensure members of the public have continued access to safely observe and participate in local government meetings.

Section 3. Remote Teleconference Meetings. The Mendocino County Climate Action Advisory Committee is hereby authorized to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e)(2) and other applicable provisions of the Brown Act.

Section 4. Effective Date. This Resolution shall take effect immediately upon its adoption.

The foregoing Resolution introduced by_____, seconded by _____, and carried this _____ of _____ 2021, by the Mendocino County Climate Action Advisory Committee, by the following vote:

AYES:

NO:

ABSENT:

ABSTAIN:

WHEREUPON, the Chair declared said Resolution adopted and SO ORDERED.

COUNTY OF MENDOCINO
General Services Agency
Central Services Division

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Staff Report

DATE: March 15, 20

TO: The Honorable Board of Supervisors

FROM: Janelle Rau, General Services Agency Director

SUBJECT: Discussion and Possible Action Regarding the County's Vehicle Replacement Program, Including Consideration of a Master Equity Lease Program between the County of Mendocino and Enterprise Fleet Management, Inc.

Background and Considerations:

The Board of Supervisors has given the General Services Agency (GSA) direction during several meetings and during the Budget development process to research and present a more efficient and effective vehicle replacement program for the County. GSA presented an update to the Board most recently in October 2021 during the First Quarter Budget Report that included a draft replacement schedule, along with an update on progress made to date.

Fleet Management alternatives have been building interest over the past several years with articles in the various fleet management periodicals about leasing programs. The County has worked with Enterprise Fleet Management numerous times over the past several years but fleet administration decisions and funding have been deferred due to other competing priorities. After an in-depth analysis of the County's fleet the last 6 months (including average age and miles, standard vehicle types, and the existing maintenance cost model) Based on the research and analysis, the most cost effective, efficient, and sustainable plan of action is to replace the County's qualified vehicles with leased vehicles. In order to meet the operational demands of the County's departments, staff is proposing a pilot program with the Social Services Department that will be scaled to other departments if successful. This phased in approach will allow County staff to analyze the costs and potential fiscal impacts, develop a more efficient fleet maintenance program, and analyze the composition of the current fleet v. more efficient vehicle options.

County Fleet and Fiscal Analysis:

The County has a fleet of approximately (395) vehicles across (18) departments and an additional (10) subdivisions. There are (251) light duty vehicles and (4) long term rentals, not including the Sheriff's department vehicles. Per the direction of the Board, the County suspended the internal service fund for vehicle replacement in 2008, and instead, have considered departmental vehicle replacement requests based on their fiscal and vehicle needs.

Each County operating department has a unique funding structure which may utilize enterprise, federal, general fund, non-general fund, or a combination when or if available. This method of vehicle fleet administration has led to an aged fleet where the average age of the (255) vehicles is (12.14) years and the oldest vehicle is from 1982.

Currently, when departments decide to replace vehicles, they are procured through local dealerships based on the state bid pricing. The state bid ensures strong government rebates and minimal dealer markup, but it cannot mitigate certain factory ordered vehicle options which may increase costs by a few hundred dollars regularly or a few thousand at worst. When surplused, vehicles are sold through auction well past their optimal life.

Based on the newly adopted replacement program criteria pictured below, (47) County owned sedans have aged vs (6) that have mileaged out, and (119) pick up/SUV/van have aged out vs (40) that have mileaged out. Vehicles do not depreciate in a straight line and values rapidly decline after (5) years or (100,000) miles. This creates a significant lost opportunity cost in resale value

under the current plan, and auctions also charge 7% - 15% fees. From an operational perspective, maintenance is handled in-house and tracked through two different software systems.

From a utilization perspective, departments may assign vehicles to specific drivers, pass them down the line, or share them amongst personnel (pool). These (251) vehicles have a relatively low annual mileage pattern, in line with other counties of this size. Beside collecting total miles driven, there is no telematics (tracking) to check trip distance or location. There is also no check-in check-out software to evaluate who drives what/when for general fund departments.

Draft Mendocino County Replacement Program		
Vehicle Type	Repacement Miles	Replacement Age
Mid-size Sedan / Hybrid	100,000	5
Full size Sedan	100,000	5
Police Cruiser/Pursuit	90,000	4
4X4, 1/2 & 1 ton pick up, Vans, SUV	90,000	7

Social Services Vehicle Fleet Analysis

Social Services is a non-general fund department that operates (55) vehicles with an average fleet age of (9.17) years. Although they have a more proactive replacement plan than many of their counterparts, budgeting is still a challenge due to the large capital cost of unforeseen vehicle purchases. The departmental fleet primarily consist of sedans, SUV's and minivans with little to no aftermarket equipment (with the exception of SIU vehicles). Vehicles are disbursed between Ukiah (23), Willits (13) and Fort Bragg (2) and are shared between staff. (52) of these travel out of the county or to especially remote areas. Safety and reliability are primary considerations since at least (29) vehicles transport children. (8) vehicles predate the mandate of electronic stability controls (ESC) and (42) vehicles predate many recent advances including forward collision warning and blind spot monitoring. Based on the county's replacement guidelines, (14) sedans have aged out vs (3) that have mileaged out, and (13) van/SUV's have aged out.

Electronic Vehicles and Carbon Footprint Reduction Directive

In addition to the new replacement guidelines below, there has been additional Board direction to transition to an all-electric vehicle fleet. Several variables are required to add the necessary infrastructure. These include electric vehicle (EV) charging station cost and maintenance plans, construction cost and permits, and cost and permits for using additional electricity from the grid. While considering options to implement a more effective and efficient leased vehicle fleet, staff will research various models such as EV stations for county use only, the public, or a combination, and how that impacts cost and utilization. Staff has already installed (3) charging stations for a total of (6) chargers, (4) of which are online and currently in use. The cost for the install of the two stations at the County Garage was approximately $36,000, and approximately $20,000 for the third station at the County's Crisis Residential Treatment Center.

There is an annual maintenance plan cost per station of $1,698.00, and cloud data plan cost per station of $1,316 per year. The price for hardware per station is approximately $6,800. For a majority of 2023 (estimated) (2) of the (3) current charging stations will be out of service do to the upcoming jail add on construction project. Time lines for construction and permits, construction costs, and available locations will all vary and play a vital part in moving forward with this portion of the project. Staff estimates that it will take three to five years before robust charging infrastructure is available at all county offices.

Enterprise Fleet Management:

The County of Mendocino is a member of Sourcewell (Formerly the National Joint Power Alliance (NJPA)), a national cooperative purchasing program whose membership includes government and other entities in various states, including California. This cooperative purchasing program enables member entities to purchase on an "as needed" basis from competitively awarded contracts with high-performance vendors. Enterprise Fleet Management, Inc. is one of the vendors and has secured a contract with Sourcewell through a competitive process for the fleet leasing and management services under Sourcewell's Contract.

Enterprise Fleet Management has presented a cost effective, efficient, and sustainable plan of action to replace the County's vehicle fleet with leased vehicles, starting with Social Services vehicles. New vehicles can be leased and replaced in roughly half

the age and miles, and at a lower total cost of ownership than the most recent board guidelines. More specifically, instead of replacing sedans at 5 years or 100,000 miles like the newly adopted board vehicle replacement guidelines, staff will replace at 1-5 years or 75,000 miles, if not sooner.. The main reasons this is possible is due to strong government vehicle incentives, low annual miles and a flexible funding structure. This lease program allows the county to acquire at a much lower upfront cost than the public and take advantage of strong resale value that we do not have the expertise or infrastructure to take advantage of on our own. The proposed open-end* lease structure will allow the County to acquire vehicles more quickly, reduce large capital outlays, and take advantage of equity. Vehicles will be initially leased for a period of one to five years, based on the vehicle type, budget, estimated mileage and resale value, with the option to early term, extend or purchase based on county needs and data driven recommendations.

Enterprise has the ability to acquire any make/model and created models showing a roll-in of like-for-like, hybrid and electric vehicles. In the hybrid versions, assuming no change, staff estimates a savings of between $1,520,127 and $1,561,614 over (10) years. This proposed phased in approach creates an ideal bridge program to transition to electric vehicles as soon as more robust charging infrastructure is in place. A proactive plan for vehicle purchases also allows staff to account for the average 3–6-month lead time required to order vehicles factory direct. Staff can select ideal makes/models and corresponding options to create consistency and control. Upon surplus and sale, vehicles will be run through Enterprise channels that have generated a 13.5% over auction values the last few years in Northern California, and they charge a flat fee of $400 vehicle, as opposed to a 7%-15% fee assessed by other auction venues. This savings alone may offset the entire cost of doing business with Enterprise and it is also expected to save County resources. Staff expects the program to quickly reduce carbon footprint and overall cost, as well as improve safety and reliability.

*An open-end lease has no early termination, mileage or abnormal wear and tear penalties. Leases are written to a residual balance to streamline the budget and refresh the fleet more often. The county receives flexibility of ownership, as well as net equity from sale at time of disposal.

Mixed Term Hybrid Cost Comparison

Based on a review of historical costs, Social Services has an annual maintenance and fuel cost per vehicle of $459.50 for a total $303,272/annually. (6) vehicles are surplused and auctioned annually for between ($0) to ($1,000) each. Capital replacement costs for each new vehicle average ($33,156) for a total ($198,936). This equates to a total fleet budget of ($502,208).

Based on the mixed lease term hybrid vehicle model, transitioning to a proactive lease and replacement plan with Enterprise is expected to cost $1,561,614 over (10) years. Fuel and maintenance costs will decrease each year by an estimated $232,470. Acquisition costs are conservatively expected to remain the same, but average resale will improve from $1,000 to $18,915. Average equity at term from the first (55) vehicles will improve from $1,000 to $8,367.87, and even more during the second-round if equity is applied toward new leases as a down payment. While some of the oldest vehicles may not have any value resale, the County will likely receive more than the $1,000 projected average in the Current Fleet Equity Analysis due to the ongoing new vehicle shortage.

Proposed Lease Program Phase-in

Enterprise Fleet Management, Inc. provided a flexible vehicle leasing program, starting with vehicle leases in Fiscal Year 2022/2023. Staff has identified (23) vehicles (7) years old or older, or with 70,000 miles or more, to be considered for the initial phase. The first round of leases will consist of hybrid vehicles wherever possible (there may not be a cargo van option) on a 12-month to 60-month term, with the understanding these will be switched to electric vehicles as soon as more robust charging infrastructure is in place. Staff is conducting an ongoing utilization audit and may include some hybrid electric vehicles in the first round if possible. If there are no changes to the model and additional leases are approved in the future, the number of annual new vehicle needs based on 36-month and 60-month terms is shown in the third graphic below.

Replacement Criteria

* Fiscal Year 2022 = 7 years old and older, or odometer over 70,000
* Fiscal Year 2023 = 6 years old and older, or odometer over 60,000
* Fiscal Year 2024 = 4 years old and older, or odometer over 40,000
* Fiscal Year 2025 = 2 years old and older, or odometer over 20,000
* Fiscal Year 2026 = Remaining Vehicles
* Underutilized = Annual Mileage less than

Current Fleet Equity Analysis

YEAR	2022	2023	2024	2025	2026	Under-Utilized
QTY	23	20	7	4	1	0
Est $	$1,000	$2,000	$3,500	$6,500	$8,500	$0
TOTAL	$23,000	$40,000	$24,500	$26,000	$8,500	$0
Estimated Current Fleet Equity**						$122,000

Fleet Mix		
Annual Needs	Owned	Leased
6.0	55	0
23	32	23
20	12	43
7	5	50
15	1	54
9	0	55
18	0	55
27	0	55
10	0	55
6	0	55
15	0	55

Fiscal Considerations and Commitment

Should staff receive Board direction to proceed with the lease model presented, a future consent calendar item will be presented that will include the Master Enterprise Fleet Management agreement and resolution; once approved, orders will be placed following manufacturers release of additional 2023 model year information and staff conduct a further review of vehicle utilization, with a target for July 1, 2022, as having the leased program in place.

In future fiscal years, staff will re-evaluate the replacement needs for Social Services on an annual basis and bring recommendations for the budget as typically occurs and amend the vehicle lease agreements each year, as deemed beneficial.

Staff have been researching options associated with a more efficient and effective maintenance cost recovery, along with an interim funding formula for replacement during the lease model phased in implementation. A metered maintenance and replacement rate has been established that will be applied to all owned and new leases delivered. This replacement metered rate will be revised as the leased vehicles are acquired and then surplused, with the surplus proceeds being invested back into replacement and future lease up-front costs.

Fiscal Impact

Based on staff's review of the proposed lease model, there are no negative fiscal impacts with moving forward. The anticipated expense of approximately $175,000 for the lease of the (23) vehicles will be budgeted by Social Services in the Fiscal Year 2022/23 budget. The surplus/sale equity from the leases will be applied to new leases as a down payment to reduce monthly principal and interest**,** which is projected at $81,145 for midsize SUV's year three and $88,714.16 for the remaining vehicles year (5).

The proceeds from both the current and future fleet equity may increase because the model uses auction values that are 13.5% less than what Enterprise channels net and the model does not account for increases in the vehicle resale market due to the microchip shortage. The proceeds could decrease if staff early term leases at a breakeven to quicken the transition to electric vehicles. However, there will still be budget savings at the end of the lease, from which the County will benefit.

Staff Recommendation

Accept presentation and provide direction to the General Services Agency to proceed with the phased in implementation of the Enterprise Fleet Management program, with Social Services fleet in the first phase and return with a future consent calendar item that will include adopting a resolution approving a Master Enterprise Fleet Management agreement.


enterprise
FLEET MANAGEMENT
County of Mendocino
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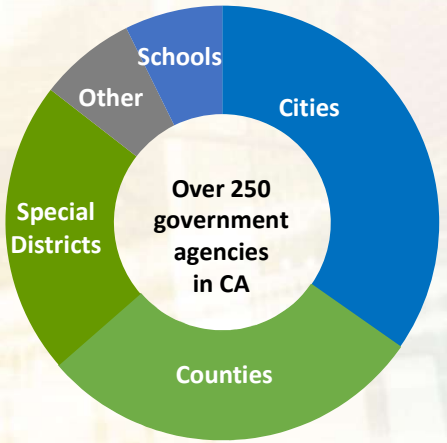
SUMMARY

- Adopt the Resolution and EFM MLA and authorize the Deputy CEO to execute EFM master agreement, amendments and the lease of 23 vehicles with a year one capital cost of no more than $10,000 over the budgeted model year 2021 estimate of $165,945. Payment will not start until vehicles are delivered on or after 7/1/22
- Review of funding models, budgets and vehicle types for all departments beside Sheriff over a six-month period. Engaged EFM over the past 10 years but budgets and timing have never aligned
- Mendocino has worked with ERAC for the past 20 years and they have been a reliable partner
- Here today due to board direction for replacement program at 5 years or 100,000 miles and transition an all-electric fleet. Goal is to create a more efficient, sustainable and cost-effective program
- Currently, the county pays cash for vehicles and operates them past their useful life or roughly 10-15 years. There is little to no resale value at term.
- EFM provides a proactive lease and replacement model. It capitalizes on the county's strong purchasing power and low annual mileage pattern to take advantage of strong resale. The lease allows the county to "catch up" and exceed the mandated guidelines without straining the capital budget. It also provides flexibility to replace current models with hybrid and electric vehicles as soon as operationally possible. The plan improves safety, reliability, and flexibility and decreases carbon footprint and overall cost. There are numerous benefits that come with their infrastructure including ordering factory direct resale channels that outperform auction, and a team to provide semi-annual data driven recommendations
- Sourcewell member
- Due to varying budgets and vehicle types, staff proposes a pilot program with Social Services that will be scaled to other departments if successful.
- Depending on model, the Social Services spends between $159,484 and $198,536 on 6 new vehicles each year and re-captures $1,000/vehicle at most upon sale. Fuel and maintenance costs average $303,272. Estimated capital cost to replace 23 of 55 vehicles 7 years old or older or with 70,000 miles vary between $611,355 and $762,588
- Staff can lease 23 vehicles for an estimated capital cost between $144,339 and $165,954 each year for 3-5 years. Operating expenses will decrease by an estimated $96,764 - $97,215 in year one. At term, average resale will improve to $18,915 and average equity will improve to $8,367.87
- Total 10-year savings for 55 vehicles between $1,715,596 (like for like) and $1,561,614 (mixed term hybrid)
- Janelle to wrap up- "we need direction"

KERN COUNTY TESTIMONIAL

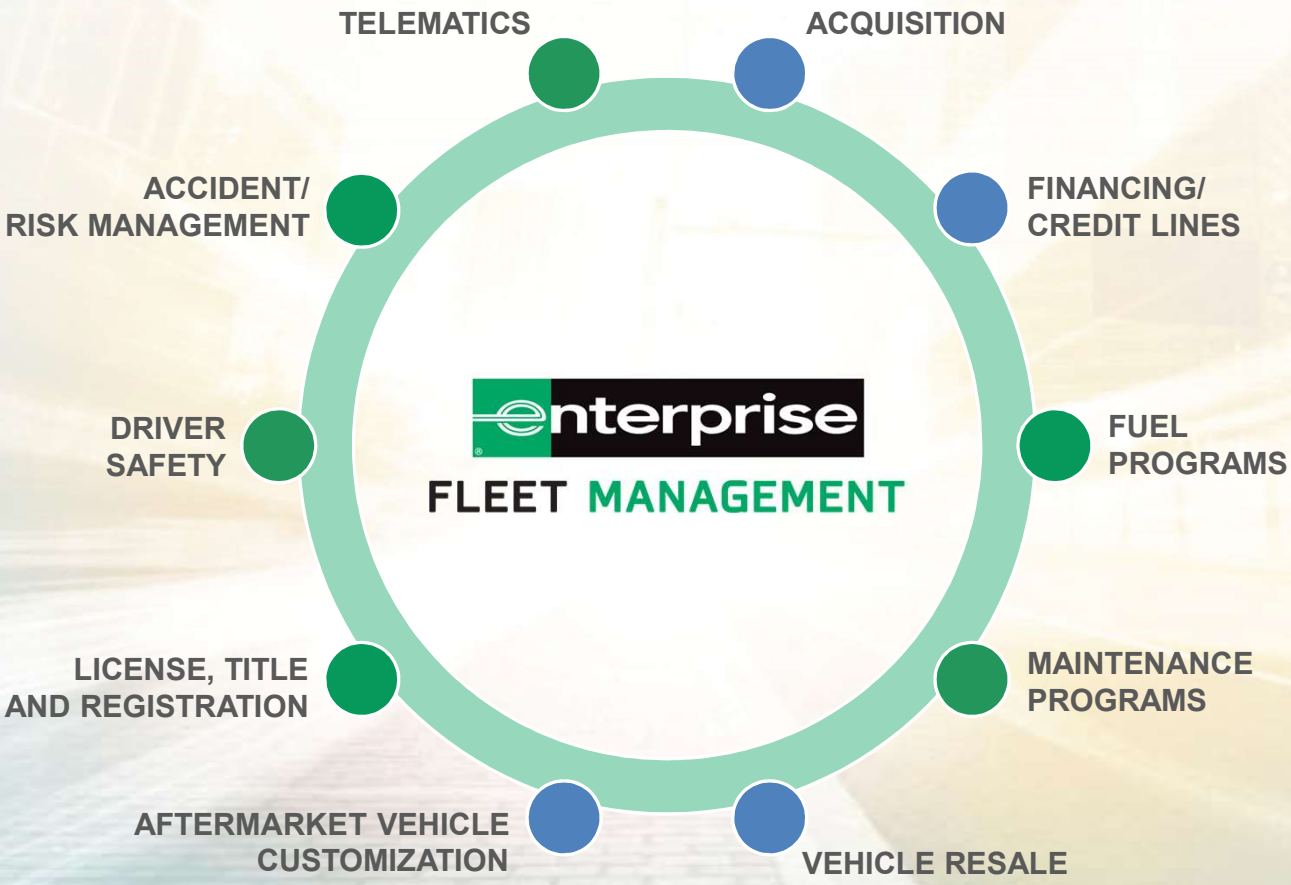
REFERENCES



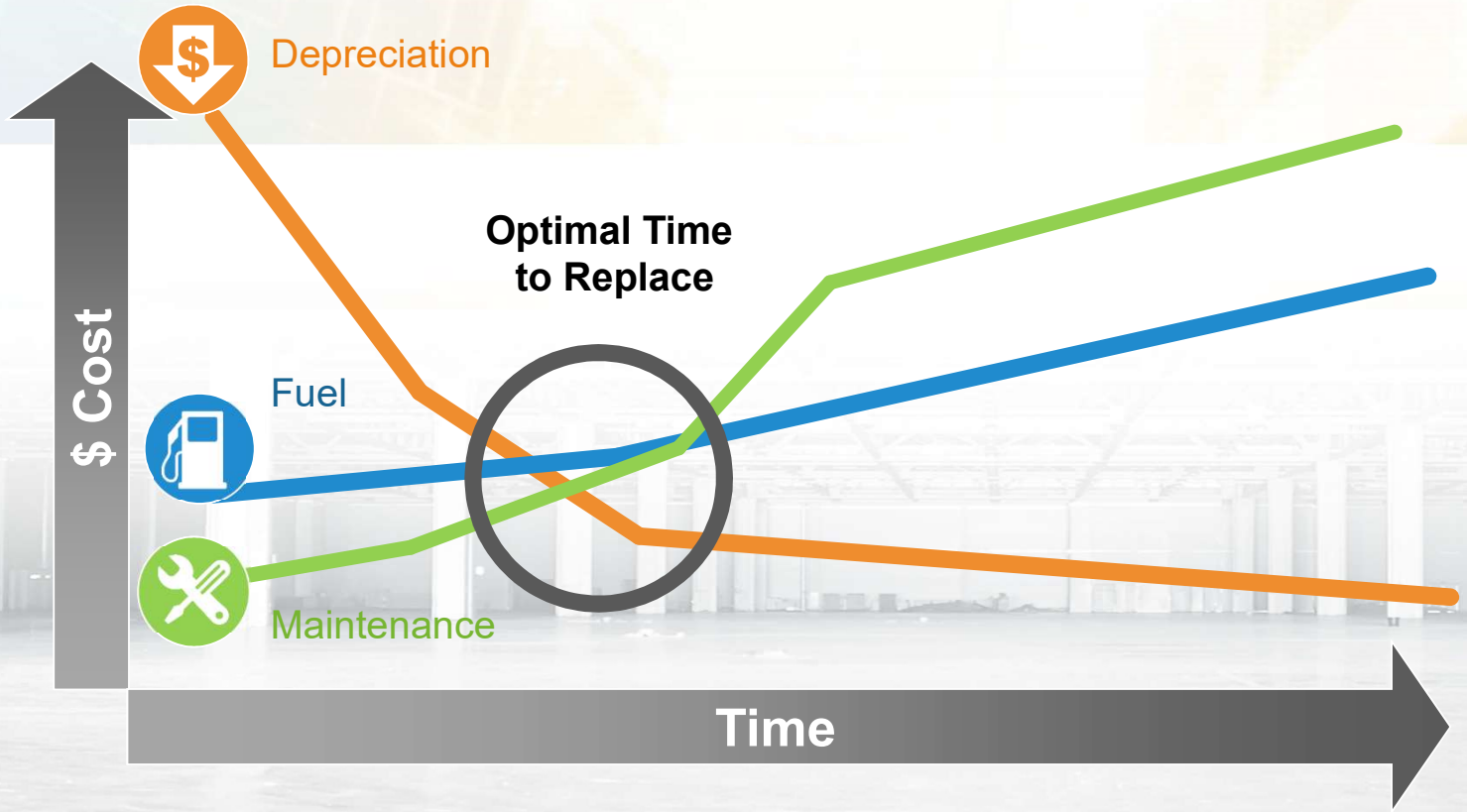
Kern County expects to save millions of dollars by leasing hundreds of its vehicles through Enterprise instead of purchasing those vehicles outright. “This is a really great Lean Six Sigma project,” said Geoffrey Hill, Kern County chief general services officer, referring to the county’s financial savings initiative. “It saves time, it saves money, and it’s more convenient.”

DELIVERING SOLUTIONS. DRIVING RESULTS.

enterprise FLEET MANAGEMENT



EFFECTIVE VEHICLE LIFECYCLE



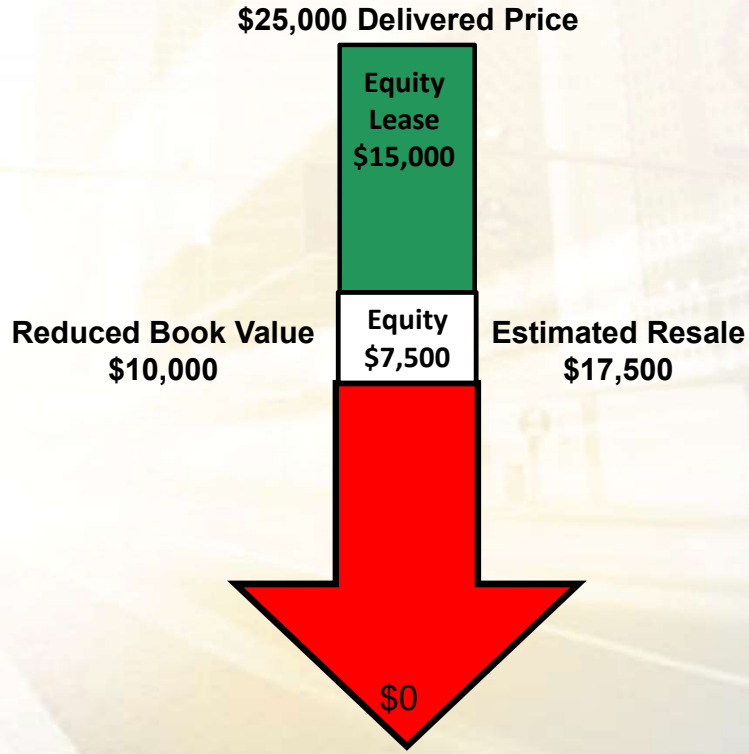
Key Observations

- Maintenance costs in your current replacement window can be double the costs of vehicles in the optimal range
- Fuel costs are 20% - 30% higher or more depending on vehicle type
- Resale values are 50% - 60% lower at your typical replacement interval vs. optimal
- Replacing vehicles at optimal time reduces total cost of ownership.

OPEN-END LEASE STRUCTURE

Open-End Lease Benefits

- Improve cash flow
- No mileage restrictions or wear and tear charges
- Customized terms for use and type of vehicle
- Flexibility of ownership



GOVERNMENT BUYING POWER

enterprise FLEET MANAGEMENT

2018 SUPER DUTY
F-250 XL

$37,375
Net Price [55]

← FORD'S WEBSITE

State Contract Price **$24,769**

MANHEIM AUCTION RESULTS

VEHICLE	Odometer	Sale Price	Capital Outlay
2017 Ford F-250 XL Crew Cab 4x2	4,146	$28,300	-$3,531
2016 Ford F-250 XL Crew Cab 4x2	10,282	$25,700	- $931
2013 Ford F-250 XL Crew Cab 4x2	57,636	$18,700	$6,069
2008 Ford F-250 XL Crew Cab 4x2	98,436	$3,100	$21,669

REDUCE RISK THROUGH NEW VEHICLE TECHNOLOGY – SOCIAL SERVICES

2007

- Front/Side Crash Test
- Anti-Lock Brakes
- Airbags Improvements

- 5 Vehicles

2012

- Electronic Stability Control
- Lane Departure Warning

- 8 Vehicles

2017

- Forward Collision
- Warning
- Blind Spot Warning
- Improved Headlamps
- Offset-Crash Test
- Rear Video

- 42 Vehicles

FLEET PROFILE – SOCIAL SERVICES

Fleet Profile

Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage
Compact Sedan	1	15.0	500
Mid-size Sedan	8	6.3	6,400
Full-size Sedan	2	8.9	15,000
Hybrid Sedan	6	5.7	7,900
Minivan-Passenger	5	11.3	7,600
Full-size Van-Passenger	2	14.0	1,600
1/2 Ton Van Cargo	1	16.1	1,800
Compact SUV 4x4	11	4.5	5,800
Mid Size SUV 4x4	18	6.4	9,200
Full Size SUV 4x4	1	11.0	1,300
Totals/Averages	55	7.1	7,300

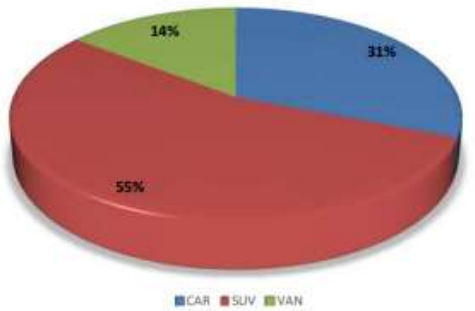
Fleet Replacement Schedule

2022	2023	2024	2025	2026	Under-Utilized
1	0	0	0	0	0
2	6	0	0	0	0
2	0	0	0	0	0
1	5	0	0	0	0
3	1	1	0	0	0
2	0	0	0	0	0
1	0	0	0	0	0
0	4	4	2	1	0
10	4	2	2	0	0
1	0	0	0	0	0
23	20	7	4	1	0

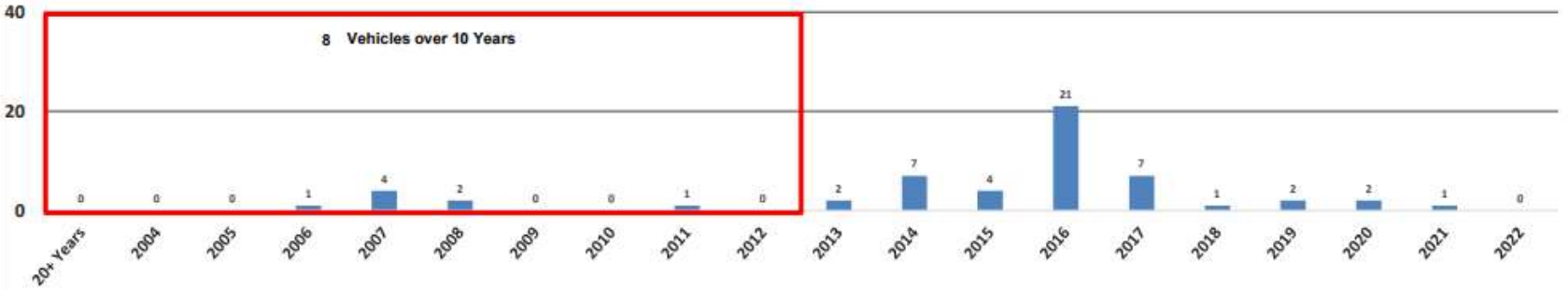
Replacement Criteria

* Fiscal Year 2022 = 7 years old and older, or odometer over 70,000
* Fiscal Year 2023 = 6 years old and older, or odometer over 60,000
* Fiscal Year 2024 = 4 years old and older, or odometer over 40,000
* Fiscal Year 2025 = 2 years old and older, or odometer over 20,000
* Fiscal Year 2026 = Remaining Vehicles
* Underutilized = Annual Mileage less than

Vehicle Types



Model Year Analysis

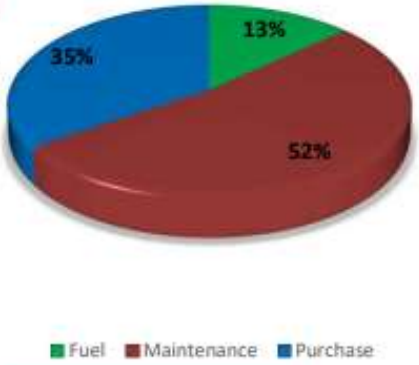


SOCIAL SERVICES FLEET PLANNING ANALYSIS – LIKE FOR LIKE

Current Fleet	55	Fleet Growth	0.00%	Proposed Fleet	55
Current Cycle	9.17	Annual Miles	7,300	Proposed Cycle	4.31
Current Maint.	$366.93			Proposed Maint.	$34.85
Maint. Cents Per Mile	$0.60	Current MPG	23	Price/Gallon	$3.50

	Fleet Mix					Fleet Cost						Annual
Fiscal Year	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash
						Incl. Tax						
Average	55	6.0	55	0	159,484	0			242,174	61,098	462,756	0
'22	55	23	32	23	0	144,339	-23,000		150,520	55,988	327,847	134,909
'23	55	20	12	43	0	251,049	-40,000		70,821	51,544	333,415	129,341
'24	55	7	5	50	0	291,253	-24,500	-86,982	42,927	49,989	272,686	190,069
'25	55	15	1	54	0	315,411	-26,000	-28,614	26,987	49,100	336,884	125,872
'26	55	5	0	55	0	320,617	-8,500	-122,883	23,002	48,878	261,114	201,642
'27	55	14	0	55	0	320,617		-232,062	23,002	48,878	160,434	302,321
'28	55	29	0	55	0	320,617		-71,631	23,002	48,878	320,866	141,890
'29	55	9	0	55	0	320,617		-31,873	23,002	48,878	360,624	102,132
'30	55	4	0	55	0	320,617		-110,072	23,002	48,878	282,425	180,331
'31	55	14	0	55	0	320,617		-137,190	23,002	48,878	255,307	207,449
									10 Year Savings		$1,715,956	Avg. Sustainable Savings $186,825

Fleet Costs Analysis



Current Fleet Equity Analysis

YEAR	2022	2023	2024	2025	2026	Under-Utilized
QTY	23	20	7	4	1	0
Est $	$1,000	$2,000	$3,500	$6,500	$8,500	$0
TOTAL	$23,000	$40,000	$24,500	$26,000	$8,500	$0
Estimated Current Fleet Equity**						$122,000

* 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 Maintenace costs are exclusive of tires unless noted on the lease rate quote.

KEY OBJECTIVES

Lower average age of the fleet

15% 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

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Maintain a manageable vehicle budget

Challenged by inconsistent yearly budgets

Currently vehicle budget is underfunded

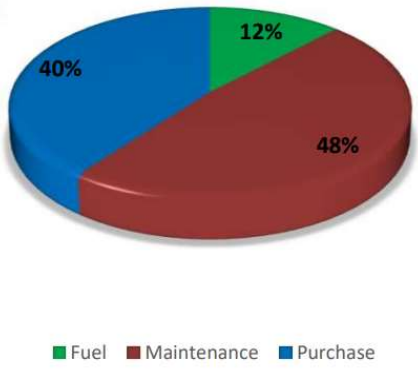
SOCIAL SERVICES FLEET PLANNING ANALYSIS – HYBRID – 36 MONTH

Current Fleet	55	Fleet Growth	0.00%	Proposed Fleet	55
Current Cycle	9.17	Annual Miles	7,300	Proposed Cycle	3.00
Current Maint.	$366.93			Proposed Maint.	$30.46
Maint. Cents Per Mile	$0.60	Current MPG	23	Price/Gallon	$3.50

	Fleet Mix					Fleet Cost						Annual
Fiscal Year	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash
						Incl. Tax						
Average	55	6.0	55	0	198,936	0			242,174	61,098	502,208	0
'22	55	23	32	23	0	168,205	-23,000		149,309	55,988	350,502	151,706
'23	55	20	12	43	0	302,766	-40,000		68,556	51,544	382,867	119,341
'24	55	7	5	50	0	360,837	-24,500	-144,069	40,293	49,989	282,550	219,658
'25	55	27	1	54	0	395,674	-26,000	-111,894	24,143	49,100	331,023	171,185
'26	55	21	0	55	0	404,383	-8,500	-45,499	20,105	48,878	419,367	82,840
'27	55	7	0	55	0	404,383		-173,576	20,105	48,878	299,791	202,417
'28	55	27	0	55	0	404,383		-119,271	20,105	48,878	354,095	148,112
'29	55	21	0	55	0	404,383		-45,499	20,105	48,878	427,867	74,340
'30	55	7	0	55	0	404,383		-173,576	20,105	48,878	299,791	202,417
'31	55	27	0	55	0	404,383		-119,271	20,105	48,878	354,095	148,112

10 Year Savings	$1,520,127	Avg. Sustainable Savings	$155,079

Fleet Costs Analysis



Current Fleet Equity Analysis

YEAR	2022	2023	2024	2025	2026	Under-Utilized
QTY	23	20	7	4	1	0
Est $	$1,000	$2,000	$3,500	$6,500	$8,500	$0
TOTAL	$23,000	$40,000	$24,500	$26,000	$8,500	$0
Estimated Current Fleet Equity**						$122,000

* Lease Rates are conservative estimates

**Estimated Current Fleet Equity is based on the current fleet "sight unseen" and can be adjusted after physical inspection

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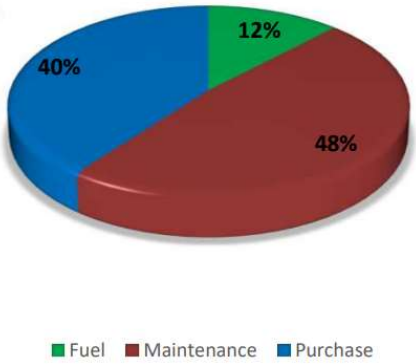
SOCIAL SERVICES FLEET PLANNING ANALYSIS – HYBRID – ALL 60 MONTH EXCEPT 36 MONTH HYBRID SUV

Current Fleet	55	Fleet Growth	0.00%	Proposed Fleet	55
Current Cycle	9.17	Annual Miles	7,300	Proposed Cycle	3.91
Current Maint.	$366.93			Proposed Maint.	$33.22
Maint. Cents Per Mile	$0.60	Current MPG	23	Price/Gallon	$3.50

	Fleet Mix				Fleet Cost							Annual
Fiscal Year	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash
						Incl. Tax						
Average	55	6.0	55	0	198,936	0			242,174	61,098	502,208	0
'22	55	23	32	23	0	165,954	-23,000		150,069	55,988	349,011	153,197
'23	55	20	12	43	0	298,491	-40,000		69,978	51,544	380,013	122,194
'24	55	7	5	50	0	356,381	-24,500	-81,145	41,946	49,989	342,672	159,536
'25	55	15	1	54	0	391,218	-26,000	-59,014	25,928	49,100	381,233	120,975
'26	55	9	0	55	0	399,928	-8,500	-171,069	21,924	48,878	291,161	211,047
'27	55	18	0	55	0	399,928		-216,264	21,924	48,878	254,466	247,741
'28	55	27	0	55	0	399,928		-72,901	21,924	48,878	397,829	104,379
'29	55	10	0	55	0	399,928		-44,261	21,924	48,878	426,469	75,739
'30	55	6	0	55	0	399,928		-110,652	21,924	48,878	360,078	142,130
'31	55	15	0	55	0	399,928		-193,199	21,924	48,878	277,530	224,677

10 Year Savings	$1,561,614	Avg. Sustainable Savings	$158,933

Fleet Costs Analysis



Current Fleet Equity Analysis

YEAR	2022	2023	2024	2025	2026	Under-Utilized
QTY	23	20	7	4	1	0
Est $	$1,000	$2,000	$3,500	$6,500	$8,500	$0
TOTAL	$23,000	$40,000	$24,500	$26,000	$8,500	$0
Estimated Current Fleet Equity**						$122,000

* 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 Maintenace costs are exclusive of tires unless noted on the lease rate quote.

KEY OBJECTIVES

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REPLACEMENT VEHICLES AND TERMS – HYBRID 36 MONTH

55	Vehicle Information						Contract		Equity Lease Rates									
Qty.	Vehicle Type	Year	Make	Model	Description	(X) 4x4	Term	Annual Miles	EFS Inv. Adj.	AM$	Dep. %	Dep. $	Mgt Fee	Interest Cost	Mo. Pmnt.	Service Charge	RBV W/SC	Potential Equity
															Incl. Tax			
1	Hybrid Sedan	2021	Toyota	Prius	1221-L 5dr Front-wheel Drive Hatchback		36	500	260.00	-	1.50%	335.05	24.21	54.14	$447.51	$400	10,675.00	5,632.86
10	Hybrid Sedan	2021	Toyota	Prius	1221-L 5dr Front-wheel Drive Hatchback		36	5,800	260.00	-	1.50%	335.05	24.21	54.14	$447.51	$400	10,675.00	4,837.86
2	Hybrid Sedan	2021	Toyota	Prius	1221-L 5dr Front-wheel Drive Hatchback		36	15,000	260.00	-	1.50%	335.05	24.21	54.14	$447.51	$400	10,675.00	3,457.86
6	Hybrid Sedan	2021	Toyota	Prius	1221-L 5dr Front-wheel Drive Hatchback		36	7,900	260.00	-	1.50%	335.05	24.21	54.14	$447.51	$400	10,675.00	4,522.86
2	Minivan-Passenger	2021	Chrysler	Voyager Passenger Van	RUCE53-L Passenger Van		36	13,100	260.00	-	1.50%	361.42	27.90	58.30	$484.54	$400	11,483.63	1,238.47
2	Full-size Van-Passenger	2021	Chevrolet	Express 2500 Passenger Van	CG23406-LS Rear-wheel Drive Passenger		36	1,600	260.00	-	1.50%	398.85	35.16	64.20	$539.30	$400	12,631.26	2,290.85
1	1/2 Ton Van Cargo	2021	Ford	Transit-150 Cargo	E1Y-Base Rear-wheel Drive Low Roof Var		36	1,800	260.00	-	1.50%	378.70	33.95	61.02	$512.74	$400	12,013.50	6,472.15
11	Hybrid SUV	2021	Toyota	Highlander Hybrid	6964-LE 4dr All-wheel Drive		36	5,800	260.00	-	1.50%	545.32	37.84	87.30	$725.78	$400	17,123.21	7,376.79
19	Hybrid SUV	2021	Toyota	Highlander Hybrid	6964-LE 4dr All-wheel Drive		36	9,000	260.00	-	1.50%	545.32	37.84	87.30	$725.78	$400	17,123.21	7,376.79
1	Full Size SUV 4x4	2021	Chevrolet	Tahoe	CK10706-Commercial Fleet 4x4	X	36	1,300	260.00	-	1.50%	644.09	49.41	102.88	$862.08	$400	20,152.09	15,447.23

REPLACEMENT VEHICLES AND TERMS – HYBRID 60 MONTH EXCEPT 36 MONTH HYBRID SUV

55	Vehicle Information						Contract		Equity Lease Rates									
Qty.	Vehicle Type	Year	Make	Model	Description	(X) 4x4	Term	Annual Miles	EFS Inv. Adj.	AM$	Dep. %	Dep. $	Mgt Fee	Interest Cost	Mo. Pmnt.	Service Charge	RBV W/SC	Potential Equity
															Incl. Tax			
1	Hybrid Sedan	2021	Toyota	Prius	1221-L 5dr Front-wheel Drive Hatchback		60	500	260.00	-	1.50%	335.05	24.21	41.24	$433.55	$400	2,633.69	10,572.91
10	Hybrid Sedan	2021	Toyota	Prius	1221-L 5dr Front-wheel Drive Hatchback		60	5,800	260.00	-	1.50%	335.05	24.21	41.24	$433.55	$400	2,633.69	9,247.91
2	Hybrid Sedan	2021	Toyota	Prius	1221-L 5dr Front-wheel Drive Hatchback		60	15,000	260.00	-	1.50%	335.05	24.21	41.24	$433.55	$400	2,633.69	6,947.91
6	Hybrid Sedan	2021	Toyota	Prius	1221-L 5dr Front-wheel Drive Hatchback		60	7,900	260.00	-	1.50%	335.05	24.21	41.24	$433.55	$400	2,633.69	8,722.91
2	Minivan-Passenger	2021	Chrysler	Voyager Passenger Van	RUCE53-L Passenger Van		60	13,100	260.00	-	1.50%	361.42	27.90	44.38	$469.48	$400	2,809.48	6,509.68
2	Full-size Van-Passenger	2021	Chevrolet	Express 2500 Passenger Van	CG23406-LS Rear-wheel Drive Passenger		60	1,600	260.00	-	1.50%	398.85	35.16	48.84	$522.68	$400	3,058.97	9,713.38
1	1/2 Ton Van Cargo	2021	Ford	Transit-150 Cargo	E1Y-Base Rear-wheel Drive Low Roof Var		60	1,800	260.00	-	1.50%	378.70	33.95	46.44	$496.96	$400	2,924.67	13,849.33
11	Hybrid SUV	2021	Toyota	Highlander Hybrid	6964-LE 4dr All-wheel Drive		36	5,800	260.00	-	1.50%	545.32	37.84	87.30	$725.78	$400	17,123.21	7,376.79
19	Hybrid SUV	2021	Toyota	Highlander Hybrid	6964-LE 4dr All-wheel Drive		36	9,000	260.00	-	1.50%	545.32	37.84	87.30	$725.78	$400	17,123.21	7,376.79
1	Full Size SUV 4x4	2021	Chevrolet	Tahoe	CK10706-Commercial Fleet 4x4	X	60	1,300	260.00	-	1.50%	644.09	49.41	78.09	$835.24	$400	4,693.93	23,348.65

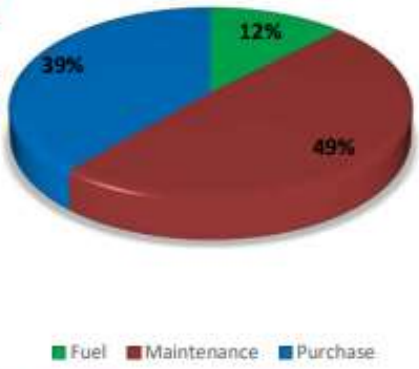
SOCIAL SERVICES FLEET PLANNING ANALYSIS –EV

Current Fleet	55	Fleet Growth	0.00%	Proposed Fleet	55
Current Cycle	9.17	Annual Miles	7,300	Proposed Cycle	3.91
Current Maint.	$366.93			Proposed Maint.	$26.78
Maint. Cents Per Mile	$0.60	Current MPG	23	Price/Gallon	$3.50

	Fleet Mix					Fleet Cost						Annual
Fiscal Year	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash
						Incl. Tax						
Average	55	6.0	55	0	190,703	0			242,174	61,098	493,974	0
'22	55	23	32	23	0	159,378	-23,000		148,292	55,988	340,658	153,317
'23	55	20	12	43	0	286,866	-40,000		66,656	51,544	365,067	128,908
'24	55	7	5	50	0	342,700	-24,500	-70,816	38,083	49,989	335,456	158,518
'25	55	15	1	54	0	376,166	-26,000	-44,295	21,756	49,100	376,727	117,247
'26	55	9	0	55	0	384,533	-8,500	-108,033	17,674	48,878	334,552	159,422
'27	55	18	0	55	0	384,533		-133,631	17,674	48,878	317,455	176,519
'28	55	27	0	55	0	384,533		-57,717	17,674	48,878	393,368	100,606
'29	55	10	0	55	0	384,533		-33,221	17,674	48,878	417,864	76,110
'30	55	6	0	55	0	384,533		-92,964	17,674	48,878	358,121	135,852
'31	55	15	0	55	0	384,533		-124,643	17,674	48,878	326,442	167,532

10 Year Savings	$1,374,030	Avg. Sustainable Savings	$131,324

Fleet Costs Analysis



Current Fleet Equity Analysis

YEAR	2022	2023	2024	2025	2026	Under-Utilized
QTY	23	20	7	4	1	0
Est $	$1,000	$2,000	$3,500	$6,500	$8,500	$0
TOTAL	$23,000	$40,000	$24,500	$26,000	$8,500	$0
Estimated Current Fleet Equity**					$122,000	

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**Estimated Current Fleet Equity is based on the current fleet "sight unseen" and can be adjusted after physical inspection

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Maintain a manageable vehicle budget

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CARBON FOOTPRINT – SOCIAL SERVICES - LIKE FOR LIKE

- Moving the fleet from an average of 23 MPG to an average of 28 MPG would decrease carbon emissions per vehicle from 2,821kg to 2,317kg. This equates to a total decrease across 55 vehicles of 27,702kg.
  - 1990's – average passenger car CO2 emissions 4,350 kg/annually
  - 2020's – average passenger car CO2 emissions 3,250 kg/annually

CO_2 emissions from

3,117 gallons of gasoline consumed	-or- 2,721 gallons of diesel consumed	-or- 30,619 Pounds of coal burned	-or- 0.367 tanker trucks' worth of gasoline	-or- 3.3 homes' energy use for one year
64.1 barrels of oil consumed	-or- 1,132 propane cylinders used for home barbeques	-or- 0 coal-fired power plants in one year	-or- 3,369,769 number of smartphones charged	

CARBON FOOTPRINT – SOCIAL SERVICES - HYBRID

- Moving the fleet from an average of 23 MPG to an average of 50 MPG would decrease carbon emissions per vehicle from 2,821kg to 1,298kg. This equates to a total decrease across 55 vehicles of 83,773kg.

CO_2 emissions from

9,426 gallons of gasoline consumed	8,229 gallons of diesel consumed	92,593 Pounds of coal burned	1.1 tanker trucks' worth of gasoline	10.1 homes' energy use for one year
194 barrels of oil consumed	3,425 propane cylinders used for home barbeques	0 coal-fired power plants in one year	10,190,353 number of smartphones charged	

CARBON FOOTPRINT – SOCIAL SERVICES - EV

- Moving the fleet from an average of 23 MPG to an average of 80 MPG would decrease carbon emissions per vehicle from 2,821kg to 811kg. This equates to a total decrease across 55 vehicles of 110,550kg.

CO_2 emissions from

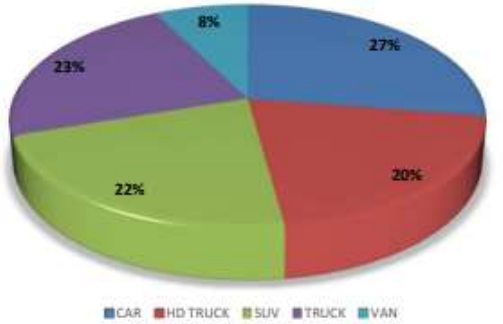
12,438 gallons of gasoline consumed	-or- 10,858 gallons of diesel consumed	-or- 122,171 Pounds of coal burned	-or- 1.5 tanker trucks' worth of gasoline	-or- 13.3 homes' energy use for one year
256 barrels of oil consumed	-or- 4,519 propane cylinders used for home barbeques	-or- 0 coal-fired power plants in one year	-or- 13,445,629 number of smartphones charged	

FULL FLEET PROFILE – EXCLUDED DA & SHERIFF

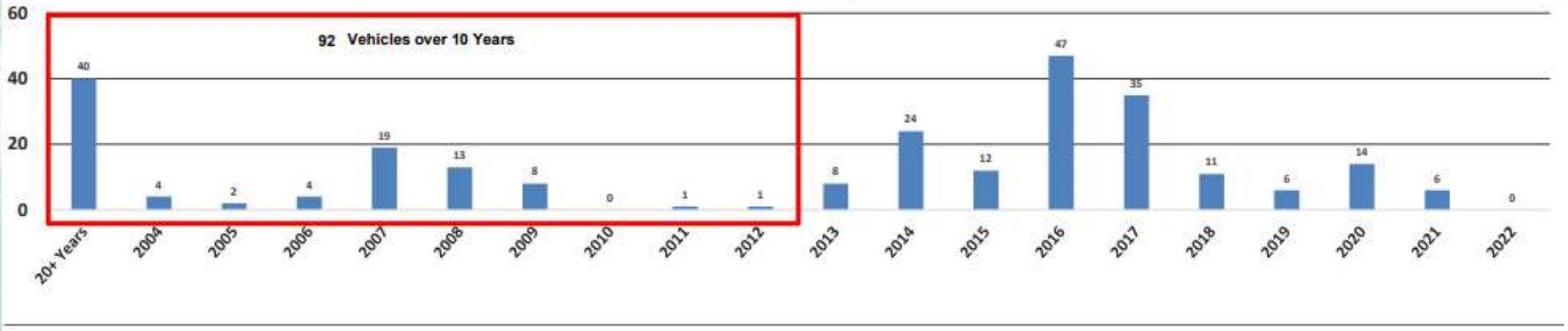
Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage	2022	2023	2024	2025	2026	Under-Utilized
Compact Sedan	4	5.8	7,000	1	0	1	0	2	0
Mid-size Sedan	14	7.2	7,700	1	3	10	0	0	0
Full-size Sedan	12	9.8	7,500	4	6	0	0	1	1
Hybrid Sedan	40	6.3	8,400	8	2	13	10	7	0
Minivan-Passenger	8	10.8	6,800	4	0	3	0	0	1
Full-size Van-Passenger	3	15.2	5,400	3	0	0	0	0	0
1/2 Ton Van Cargo	4	12.5	5,500	2	1	0	1	0	0
3/4 Ton Van Cargo	1	5.8	2,200	0	0	0	0	0	1
1 Ton Van Cargo	3	14.8	6,400	1	0	0	0	1	1
Compact SUV 4x4	27	8.1	7,900	6	2	6	9	4	0
Mid Size SUV 4x4	26	8.4	9,000	4	11	6	1	3	1
Full Size SUV 4x4	3	19.9	6,200	1	1	0	0	0	1
Compact Pickup Reg 4x2	1	26.0	8,400	1	0	0	0	0	0
Compact Pickup Ext 4x4	32	7.2	7,700	8	3	7	11	3	0
1/2 Ton Pickup Reg 4x4	15	15.3	6,000	10	0	5	0	0	0
1/2 Ton Pickup Ext 4x4	10	7.8	7,000	3	0	1	2	3	1
3/4 Ton Pickup Reg 4x2	23	15.5	6,400	18	0	0	5	0	0
3/4 Ton Pickup Quad 4x2	13	15.1	7,400	12	0	0	0	1	0
1 Ton Pickup Reg 4x4	15	12.0	5,500	3	3	3	4	1	1
1 Ton Pickup Quad 4x2	1	7.8	5,500	0	1	0	0	0	0
Totals/Averages	255	9.9	7,400	90	33	55	43	26	8

* Fiscal Year 2022 = 10 years old and older, or odometer over 100,000
* Fiscal Year 2023 = 8 years old and older, or odometer over 80,000
* Fiscal Year 2024 = 6 years old and older, or odometer over 60,000
* Fiscal Year 2025 = 4 years old and older, or odometer over 40,000
* Fiscal Year 2026 = Remaining Vehicles
* Underutilized = Annual Mileage less than 2,500

Vehicle Types



Model Year Analysis



REPLACEMENT VEHICLES AND TERMS – LIKE FOR LIKE, RIGHT TERM

255	Vehicle Information						Contract				
Qty.	Vehicle Type	Year	Make	Model	Description	(X) 4x4	Term	Annual Miles	EFS Inv. Adj.	AM$	Dep. %
4	Compact Sedan	2021	Nissan	Sentra	12011-S 4dr Sedan		60	7,000	260.00	-	1.50%
14	Mid-size Sedan	2021	Chevrolet	Malibu	1ZC69-LS w/1FL 4dr Sedan		60	7,700	260.00	-	1.50%
12	Full-size Sedan	2021	Dodge	Charger	LDDM48-SXT 4dr Rear-wheel Drive Sedar		60	7,500	260.00	-	1.50%
40	Hybrid Sedan	2021	Toyota	Prius	1221-L 5dr Front-wheel Drive Hatchback		60	8,400	260.00	-	1.50%
8	Minivan-Passenger	2021	Chrysler	Voyager Passenger Van	RUCE53-L Passenger Van		60	6,800	260.00	-	1.50%
3	Full-size Van-Passenger	2021	Chevrolet	Express 2500 Passenger Van	CG23406-LS Rear-wheel Drive Passenge		60	5,400	260.00	-	1.50%
4	1/2 Ton Van Cargo	2021	Ford	Transit-150 Cargo	E1Y-Base Rear-wheel Drive Low Roof Va		60	5,500	260.00	-	1.50%
1	3/4 Ton Van Cargo	2021	Ford	Transit-250 Cargo	R1Y-Base Rear-wheel Drive Low Roof Va		60	2,200	260.00	-	1.50%
3	1 Ton Van Cargo	2021	Ford	Transit-350 Cargo	W1Y-Base Rear-wheel Drive Low Roof Vi		60	6,400	260.00	-	1.50%
27	Compact SUV 4x4	2021	Jeep	Compass	MPJL74-Sport 4dr 4x4	X	60	7,900	260.00	-	1.50%
26	Mid Size SUV 4x4	2021	Chevrolet	Traverse	1NV56-LS w/1LS All-wheel Drive	X	24	9,000	260.00	-	1.50%
3	Full Size SUV 4x4	2021	Chevrolet	Tahoe	CK10706-Commercial Fleet 4x4	X	24	6,200	260.00	-	1.50%
1	Compact Pickup Reg 4x2	2021	Toyota	Tacoma Access Cab	7128-TRD Sport V6 4x2 Access Cab 6 ft. b		60	8,400	260.00	1,500	1.50%
32	Compact Pickup Ext 4x4	2021	Toyota	Tacoma Access Cab	7514-SR 4x4 Access Cab 6 ft. box 127.4 in	X	60	7,700	260.00	1,500	1.50%
15	1/2 Ton Pickup Reg 4x4	2021	Chevrolet	Silverado 1500 Regular Cab	CK10903-Work Truck 4x4 Regular Cab 8 f	X	12	6,000	260.00	1,500	1.50%
10	1/2 Ton Pickup Ext 4x4	2021	Chevrolet	Silverado 1500 Double Cab	CK10753-Work Truck 4x4 Double Cab 6.6	X	12	7,000	260.00	1,500	1.50%
23	3/4 Ton Pickup Reg 4x2	2021	Ford	F-250 Regular Cab	F2A-XL 4x2 SD Regular Cab 8 ft. box 142 i		36	6,400	260.00	3,000	1.50%
13	3/4 Ton Pickup Quad 4x2	2021	Ford	F-250 Crew Cab	W2A-XL 4x2 SD Crew Cab 6.75 ft. box 160		36	7,400	260.00	3,000	1.50%
15	1 Ton Pickup Reg 4x4	2021	Ford	F-350 Regular Cab	F3B-XL 4x4 SD Regular Cab 8 ft. box 142 i	X	36	5,500	260.00	3,000	1.50%
1	1 Ton Pickup Quad 4x2	2021	Ford	F-350 Crew Cab	W3A-XL 4x2 SD Crew Cab 6.75 ft. box 160		36	5,500	260.00	3,000	1.50%

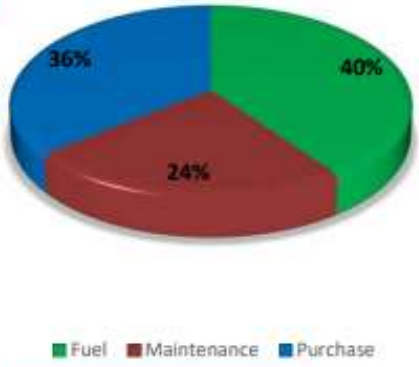
FULL FLEET PLANNING ANALYSIS – LIKE FOR LIKE, RIGHT TERM

Current Fleet	255	Fleet Growth	-0.72%	Proposed Fleet	247
Current Cycle	12.14	Annual Miles	7,600	Proposed Cycle	3.87
Current Maint.	$130.00			Proposed Maint.	$34.12
Maint. Cents Per Mile	$0.21	Current MPG	10	Price/Gallon	$3.50

	Fleet Mix					Fleet Cost						Annual
Fiscal Year	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash
						Incl. Tax						
Average	255	21.0	255	0	588,903	0			397,800	660,450	1,647,153	0
'22	247	90	157	90	0	583,976	-94,000	-55,699	281,770	612,320	1,328,367	318,785
'23	247	46	124	123	0	851,512	-66,000	-87,237	243,802	594,672	1,536,748	110,404
'24	247	73	69	178	0	1,175,505	-192,500	-484,179	180,521	565,260	1,244,607	402,545
'25	247	107	26	221	0	1,432,551	-279,500	-190,927	131,047	542,264	1,635,435	11,717
'26	247	62	0	247	0	1,529,813	-221,000	-614,644	101,133	528,360	1,323,661	323,491
'27	247	79	0	247	0	1,529,813		-787,261	101,133	528,360	1,372,044	275,107
'28	247	97	0	247	0	1,529,813		-601,778	101,133	528,360	1,557,527	89,624
'29	247	83	0	247	0	1,529,813		-544,089	101,133	528,360	1,615,217	31,934
'30	247	72	0	247	0	1,529,813		-778,516	101,133	528,360	1,380,789	266,362
'31	247	97	0	247	0	1,529,813		-649,692	101,133	528,360	1,509,613	137,538

10 Year Savings	$1,967,509	Avg. Sustainable Savings	$160,113

Fleet Costs Analysis



Current Fleet Equity Analysis

YEAR	2022	2023	2024	2025	2026	Under-Utilized
QTY	90	33	55	43	26	8
Est $	$1,000	$2,000	$3,500	$6,500	$8,500	$500
TOTAL	$90,000	$66,000	$192,500	$279,500	$221,000	$4,000
Estimated Current Fleet Equity**					$853,000	

* 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 Maintenace costs are exclusive of tires unless noted on the lease rate quote.

KEY OBJECTIVES

Lower average age of the fleet

36% 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

REPLACEMENT VEHICLES AND TERMS – RIGHT TYPE, RIGHT TERM

255	Vehicle Information						Contract				
Qty.	Vehicle Type	Year	Make	Model	Description	(X) 4x4	Term	Annual Miles	EFS Inv. Adj.	AM$	Dep. %
4	Compact Sedan	2021	Nissan	Sentra	12011-S 4dr Sedan		60	7,000	260.00	-	1.50%
14	Mid-size Sedan	2021	Chevrolet	Malibu	1ZC69-LS w/1FL 4dr Sedan		60	7,700	260.00	-	1.50%
12	Full-size Sedan	2021	Dodge	Charger	LDDM48-SXT 4dr Rear-wheel Drive Sedar		60	7,500	260.00	-	1.50%
40	Hybrid Sedan	2021	Toyota	Prius	1221-L 5dr Front-wheel Drive Hatchback		60	8,400	260.00	-	1.50%
8	Minivan-Passenger	2021	Chrysler	Voyager Passenger Van	RUCE53-L Passenger Van		60	6,800	260.00	-	1.50%
3	Full-size Van-Passenger	2021	Chevrolet	Express 2500 Passenger Van	CG23406-LS Rear-wheel Drive Passenge		60	5,400	260.00	-	1.50%
4	1/2 Ton Van Cargo	2021	Ford	Transit-150 Cargo	E1Y-Base Rear-wheel Drive Low Roof Va		60	5,500	260.00	-	1.50%
1	3/4 Ton Van Cargo	2021	Ford	Transit-250 Cargo	R1Y-Base Rear-wheel Drive Low Roof Va		60	2,200	260.00	-	1.50%
3	1 Ton Van Cargo	2021	Ford	Transit-350 Cargo	W1Y-Base Rear-wheel Drive Low Roof Va		60	6,400	260.00	-	1.50%
27	Compact SUV 4x4	2021	Jeep	Compass	MPJL74-Sport 4dr 4x4	X	60	7,900	260.00	-	1.50%
26	Mid Size SUV 4x4	2021	Chevrolet	Traverse	1NV56-LS w/1LS All-wheel Drive	X	24	9,000	260.00	-	1.50%
3	Full Size SUV 4x4	2021	Chevrolet	Tahoe	CK10706-Commercial Fleet 4x4	X	24	6,200	260.00	-	1.50%
1	*1/2 Ton Pickup Ext 4x2*	2021	Ford	F-150 Super Cab	X1C-XL 4x2 SuperCab Styleside 6.5 ft. bo		12	8,400	260.00	1,500	1.50%
32	*1/2 Ton Pickup Ext 4x4*	2021	Ford	F-150 Super Cab	X1E-XL 4x4 SuperCab Styleside 6.5 ft. bo	X	12	7,700	260.00	1,500	1.50%
15	*1/2 Ton Pickup Ext 4x4*	2021	Ford	F-150 Super Cab	X1E-XL 4x4 SuperCab Styleside 6.5 ft. bo	X	12	6,000	260.00	1,500	1.50%
10	1/2 Ton Pickup Ext 4x4	2021	Ford	F-150 Super Cab	X1E-XL 4x4 SuperCab Styleside 6.5 ft. bo	X	12	7,000	260.00	1,500	1.50%
23	3/4 Ton Pickup Ext 4x2	2021	Ford	F-250 Super Cab	X2A-XL 4x2 SD Super Cab 6.75 ft. box 148		36	6,400	260.00	3,000	1.50%
13	3/4 Ton Pickup Quad 4x2	2021	Ford	F-250 Crew Cab	W2A-XL 4x2 SD Crew Cab 6.75 ft. box 160		36	7,400	260.00	3,000	1.50%
15	1 Ton Pickup Ext 4x4	2021	Ford	F-350 Super Cab	X3B-XL 4x4 SD Super Cab 6.75 ft. box 148	X	36	5,500	260.00	3,000	1.50%
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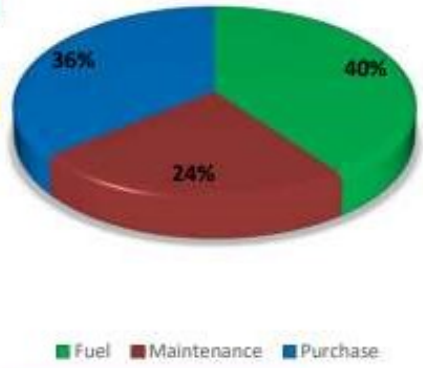
	Fleet Mix					Fleet Cost							Annual
Fiscal Year	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash
						Incl. Tax						
Average	255	21.0	255	0	593,502	0			397,800	660,450	1,651,752	0
'22	247	90	157	90	0	596,926	-94,000	-119,420	282,373	612,320	1,278,199	373,554
'23	247	55	124	123	0	923,022	-66,000	-167,159	244,626	594,672	1,529,162	122,590
'24	247	85	69	178	0	1,292,299	-192,500	-621,175	181,714	565,260	1,225,597	426,154
'25	247	126	26	221	0	1,482,161	-279,500	-377,004	132,528	542,264	1,500,450	151,302
'26	247	92	0	247	0	1,559,759	-221,000	-685,549	102,788	528,360	1,284,358	367,394
'27	247	103	0	247	0	1,559,759		-960,711	102,788	528,360	1,230,196	421,556
'28	247	127	0	247	0	1,559,759		-703,347	102,788	528,360	1,487,559	164,192
'29	247	109	0	247	0	1,559,759		-587,585	102,788	528,360	1,603,321	48,430
'30	247	94	0	247	0	1,559,759		-951,966	102,788	528,360	1,238,940	412,811
'31	247	127	0	247	0	1,559,759		-721,068	102,788	528,360	1,469,839	181,912

10 Year Savings	$2,669,894	Avg. Sustainable Savings	$245,780

Fleet Costs Analysis



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