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Date: August 26, 2019

To: Great Lakes Water Authority Operations & Resources Committee

From: Nicolette Bateson, CPA
Chief Financial Officer & Treasurer

Re: Proposed Enterprise Fleet Contract Analysis

Background: The Great Lakes Water Authority (GLWA) Fleet Operations team wishes to proceed with a new approach for fleet maintenance, management, and fuel discount with a program that also offers attractive leasing rates to achieve a significantly improved total cost of ownership. Accordingly, requests for proposals were sought for fleet services. This analysis focuses on the outcome of negotiations with the successful vendor: Enterprise Fleet Management.

This matter was reviewed at the GLWA Operations & Resources Committee on August 14, 2019. ***This memo revises and expands upon information previously presented.***

Analysis: The following are attached related to the proposed contract.

1. Enterprise Contract - Estimated Total Contract Budget Calculation
2. Lease vs. Buy Illustration
3. Annual Leased Vehicle Costs
 - a. Enterprise Fleet Management Presentation – “Self-funded” Program Benefits
 - b. Comparison of traditional lease structure versus self-funded
4. Biennial Budget & Five-Year Plan excerpts
 - a. Fleet Operations Budget
 - b. Shared Services Budget
 - c. Capital Outlay Financial Plan
5. Enterprise Fleet Management Presentation

Items 1, 2, and 3 above rely on assumptions which are stated in the analysis. The Enterprise and GLWA teams focused their efforts on 113 vehicles which are in the greatest need of replacement due to age, cost to maintain, and impact on employee safety and morale out of a total fleet 240 vehicles.

It should also be noted that certain assumptions and parameters from Enterprise related to lease financing and vehicle maintenance costs is proprietary. Given the sample size (113 out of 240), the GLWA team determined that the cost information (delivered price, lease cost, and annual maintenance cost for each type of vehicle) was sufficient to prepare this analysis.

The financial analysis indicates that this new approach to fleet management at GLWA is a materially, positive direction.

- ✓ Over the course of a five-year contract, the direct savings from maintenance costs are estimated to be \$3.4 million.
- ✓ The self-funded lease program strikes a balance between the avoidance of lease interest financing costs (\$0) while being able to manage risk in the fleet maintenance budget area.
- ✓ The lease versus buy decision should still be conducted on a regular basis. Given the attractiveness of the overall program, providing an allowance in the contract for leasing is deemed appropriate. Enterprise has represented that the manufacturer discounted acquisition costs for the same vehicle is typically \$300 to \$800 less than other benchmarks (such as MiDEAL).

Recommendation: Given the magnitude of the financial savings and the opportunity for the Fleet Operations team to swiftly improve the effectiveness of their operations to positively impact all internal GLWA Fleet Operations customers, it is recommended that the contract with Enterprise Fleet Management proceed with the following modified task orders (modified from the initially negotiated proposal).

Task 1 Leasing – Vehicle leasing in an amount not to exceed \$7,700,000 over a five-year period subject to an internal GLWA process to base vehicle acquisition on a total cost of ownership process.

Task 2 Maintenance – Maintenance for lease vehicles not to exceed \$880,000 over a five-year period subject to an internal GLWA process to base vehicle acquisition on a total cost of ownership process which includes the \$6/month non-leased vehicle management and inspection fee.

Task 3 – Pass-thru Maintenance – Maintenance for non-leased vehicles not to exceed \$658,000 over a five-year period subject to an internal GLWA approval processes.

The total proposed contract amount for the above three items is \$9,233,000.



Biennial Budget Request

The biennial reflects a decrease in FY 2020 as a result of stabilizing the contractual services DWSD shared services agreement (OPS-001 – Fleet).

Biennial Budget Request by Expense Category

Expense Category	FY 2018 Actual	FY 2019 Amended Budget	FY 2019 Activity as of 12.31.2018	FY 2020 Department Requested	FY 2020 Dollar Variance	FY 2020 Percent Variance	FY 2021 Department Requested
4.2 Supplies & Other	\$ 561,300	\$ 392,400	\$ 220,400	\$ 534,500	\$ 142,100	36.2%	\$ 544,800
4.3 Contractual Services	1,524,500	2,185,100	1,083,700	1,500,000	(685,100)	-31.4%	1,530,000
Grand Total	\$ 2,085,800	\$ 2,577,500	\$ 1,304,100	\$ 2,034,500	\$ (543,000)	-21.1%	\$ 2,074,800

Biennial Budget Request by Team

Team	FY 2018 Actual	FY 2019 Amended Budget	FY 2019 Activity as of 12.31.2018	FY 2020 Department Requested	FY 2020 Dollar Variance	FY 2020 Percent Variance	FY 2021 Department Requested
Fleet Operations	\$ 2,085,800	\$ 2,577,500	\$ 1,304,100	\$ 2,034,500	\$ (543,000)	-21.1%	\$ 2,074,800
Grand Total	\$ 2,085,800	\$ 2,577,500	\$ 1,304,100	\$ 2,034,500	\$ (543,000)	-21.1%	\$ 2,074,800

Personnel Budget

Personnel budget is not a component of the Fleet Operations Area.

Five Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2019 Amended Budget	FY 2019 Activity as of 12.31.2018	FY 2020 Department Requested	FY 2020 Dollar Variance	FY 2020 Percent Variance	FY 2021 Department Requested	FY 2022 Department Requested	FY 2023 Department Requested	FY 2024 Department Requested
4.2 Supplies & Other	\$ 392,400	\$ 220,400	\$ 534,500	\$ 142,100	36.2%	\$ 544,800	\$ 555,300	\$ 565,700	\$ 567,600
4.3 Contractual Services	2,185,100	1,083,700	1,500,000	(685,100)	-31.4%	1,530,000	1,560,600	1,591,800	1,623,600
Grand Total	\$ 2,577,500	\$ 1,304,100	\$ 2,034,500	\$ (543,000)	-21.1%	\$ 2,074,800	\$ 2,115,900	\$ 2,157,500	\$ 2,191,200

Great Lakes Water Authority
Enterprise Contract - Estimated Total Contract Budget Calculation
Assumes 240 Vehicles in Fleet and Self-Funded Lease Program

	Estimated Average Annual Lease		Cumulative	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
	Base	Vehicles	e						
Contract Ceiling - Capital Outlay - Vehicle Lease Costs - Self-Funded Lease Option									
Note - Vehicle replacement may occur through course of any one year; amounts would be adjusted according to transaction month									
Lease for initial 113 Cars	\$ 31,000	113	113	\$ 3,633,977					\$ 3,633,977
Lease for 127 Vehicles (total fleet of 240 vehicles with five year lease terms) - Based on Average of \$31,000 per vehicle average for initial 113 vehicles with an 2% escalation factor for planning purposes									
Year 1	31,000	4	117	124,000					124,000
Year 2	31,620	69	186		2,181,780				2,181,780
Year 3	32,252	31	217			999,824			999,824
Year 4	32,897	23	240				756,641		756,641
Year 5	33,555	0	240				-	-	-
		<u>240</u>		<u>\$ 3,757,977</u>	<u>\$ 2,181,780</u>	<u>\$ 999,824</u>	<u>\$ 756,641</u>	<u>\$ -</u>	<u>\$ 7,696,223</u>

Contract Ceiling - External Vehicle Maintenance Costs

Part A - Maintenance for Leased Vehicles

Maintenance for 127 Vehicles (total fleet of 240 vehicles) -
Based on Average Fee of \$103,000 divided by 113 or \$910/year

Lease for initial 113 Vehicles		113	113	\$ 102,830	\$ 102,830	\$ 102,830	\$ 102,830	\$ 102,830	\$ 514,150
Year 1		4	117	22,750	22,750	22,750	22,750	22,750	113,750
Year 2		69	186		22,750	22,750	22,750	22,750	91,000
Year 3		31	217			22,750	22,750	22,750	68,250
Year 4		23	240				22,750	22,750	45,500
Year 5		0	240					22,750	22,750
Total - Part A - Maintenance for Leased Vehicles		<u>240</u>		<u>\$ 125,580</u>	<u>\$ 148,330</u>	<u>\$ 171,080</u>	<u>\$ 193,830</u>	<u>\$ 216,580</u>	<u>\$ 855,400</u>

Part B - Management & Inspection Fee for Non-Leased Vehicles

Monthly Non-lease Management & Inspection Fee (\$6/month/non-leased vehicle)

Initial 113 Vehicles		127	127	\$ 9,144	\$ -	\$ -	\$ -	\$ -	\$ 9,144
Year 1		123	123	in above	8,856				8,856
Year 2		54	54			3,888			3,888
Year 3		23	23				1,656		1,656
Year 4		0	0					-	-
Year 5		0	0					-	-
Total - Part B - Management & Inspection Fee for Non-Leased Vehicles				<u>\$ 9,144</u>	<u>\$ 8,856</u>	<u>\$ 3,888</u>	<u>\$ 1,656</u>	<u>\$ -</u>	<u>\$ 23,544</u>

Great Lakes Water Authority
Enterprise Contract - Estimated Total Contract Budget Calculation
Assumes 240 Vehicles in Fleet and Self-Funded Lease Program

Part C - Pass-thru Maintenance for Non-Leased Vehicles

Estimate for pass-thru repairs and maintenance (estimate conservatively high at \$2,000 annually*)

Initial 113 Vehicles	127	127	\$ 254,000	\$ -	\$ -	\$ -	\$ -	\$ 254,000
Year 1	88	102	in above	176,000				176,000
Year 2	63	77			126,000			126,000
Year 3	38	52				76,000		76,000
Year 4	13	27					26,000	26,000
Year 5		0						-
Total - Part C - Pass-thru Maintenance for Non-Leased Vehicles			\$ 254,000	\$ 176,000	\$ 126,000	\$ 76,000	\$ 26,000	\$ 658,000

Proposed Enterprise Contract Total for Vehicle Acquisition & Maintenance**						
Sum of All Enterprise Related Maintenance Categories (Parts A, B, and C)	\$ 388,724	\$ 333,186	\$ 300,968	\$ 271,486	\$ 242,580	\$ 1,536,944
Sum of Enterprise Lease Costs**	3,757,977	2,181,780	999,824	756,641	-	7,696,223
Proposed Enterprise Contract Total for Vehicle Acquisition & Maintenance**	\$ 4,146,701	\$ 2,514,966	\$ 1,300,792	\$ 1,028,127	\$ 242,580	\$ 9,233,167

Comparison with Current Program Budget for Maintenance						
Current Shared Service Program Budgeted	\$ 1,500,000	\$ 1,530,000	\$ 1,560,600	\$ 1,591,800	\$ 1,623,600	\$ 7,806,000
Sum of All Enterprise Related Maintenance Categories (Parts A, B, and C)	388,724	333,186	300,968	271,486	242,580	1,536,944
Estimated Positive Budget & Financial Plan Variance	1,111,276	1,196,814	1,259,632	1,320,314	1,381,020	6,269,056

Comparison with Current Program Based on FY 2017 Shared Service True-Up Amount						
FY 2017 Fleet Shared Service Agreed Upon True-up Amount of \$994,954 rounded	\$ 995,000	\$ 995,000	\$ 995,000	\$ 995,000	\$ 995,000	\$ 4,975,000
Sum of All Enterprise Related Maintenance Categories (Parts A, B, and C)	388,724	333,186	300,968	271,486	242,580	1,536,944
Estimated Positive Variance based upon FY 2017 Shared Service True-up Cost	\$ 606,276	\$ 661,814	\$ 694,032	\$ 723,514	\$ 752,420	\$ 3,438,056

* Based upon a survey of 180 Fleet Managers in 2012, the 52% responded \$1,000 to \$3,000 for light duty trucks therefore used average of \$2,000 for all vehicle types; Source: page 18 at http://www.fleetanswers.com/sites/default/files/Dow%20Kokam%20Survey%20Report_0.pdf)

** Assumes that proceeds from sale of fleet is to third parties and/or to GLWA directly. The proposed contract is at gross amount versus netting of sale proceeds to preserve flexibility.

*** Assumes that GLWA receives fuel discount with fuel purchases being transacted with fuel vendor directly; fuel costs are therefore not part of Enterprise contract.

Enterprise Fleet Proposal Analysis
Lease vs. Buy; Option to Purchase for \$1 at Lease Termination; OR Self-Funded Lease
For Illustrative Initial Fleet Replacement of 113 Vehicles

Table 1 - Lease with Remaining Depreciation

Vehicle Description	Delivered Cost Each Vehicle	Initial Lease Term Each Vehicle	Count of Vehicle Description	Sum of Delivered Cost Each Vehicle	Sum of Initial Lease Cost with Depreciation Reserve	Sum of
						Estimated Net Book Value - Open Ended Lease
Escape	23,301.10	60	6	139,807	148,151	26,563
Escape 4x4	23301.1	60	1	23,301	19,864	4,427
Explorer Base	29,126.55	48	10	291,266	250,056	101,943
Explorer XLT	35,836.80	60	1	35,837	37,454	6,809
F-250 Reg Cab 4x4 8 ft box	27,704.00	60	4	110,816	117,694	21,055
F-350 Crew Diesel	43,026.00	60	15	645,390	673,038	122,624
F-350 SuperCab 4x4	33,412.00	60	11	367,532	387,849	69,831
Fusion S FWD Sedan	18,853.35	60	7	131,973	139,045	25,075
Police Interceptor	32,910.00	48	12	394,920	300,067	138,222
Supercab 4x4	31,267.37	60	9	281,406	295,483	53,467
Transit 150 Cargo Van	27,812.00	60	10	278,120	295,044	52,843
Transit 250 High Roof ext	38,560.55	60	4	154,242	161,794	29,306
Transit Base Medium Roof	33,665.00	60	22	740,630	779,790	140,720
Transit High Roof	38,737.00	60	1	38,737	40,573	7,360
Grand Total			113	3,633,977	3,645,901	800,245

Lease Payment plus Remaining Net Book Value **4,446,146**
Net Book Value = 19% after 60 months; 35% after 48 months (depreciation = 1.35% per month)

Table 2 - Lease with \$1 Buyout at End

Vehicle Description	Delivered Cost	Lease Term	Count of Vehicle Description	Sum of Delivered Cost Per Vehicle	Sum of Lease Cost with \$1
					Buyout Payment
Escape	23,301	60	6	139,807	169,085
Escape 4x4	23,301	60	1	23,301	28,181
Explorer Base	29,127	48	10	291,266	326,151
Explorer XLT	35,836	60	1	35,836	42,951
F-250 Reg Cab 4x4 8 ft box	27,704	60	4	110,816	133,195
F-350 Crew Diesel	43,026	60	15	645,390	782,838
F-350 SuperCab 4x4	33,412	60	11	367,532	440,570
Fusion S FWD Sedan	18,853	60	7	131,973	158,508
Police Interceptor	32,910	48	12	394,920	457,690
Supercab 4x4	31,267	60	9	281,406	338,580
Transit 150 Cargo Van	27,812	60	10	278,120	333,576
Transit 250 High Roof ext	38,561	60	4	154,242	182,837
Transit Base Medium Roof	33,665	60	22	740,630	887,832
Transit High Roof	38,737	60	1	38,737	46,420
Grand Total			113	3,633,976	4,328,413

Lease Payment plus Remaining Net Book Value @ \$1 **4,328,526**

Table 3 - Self-Funded Lease with \$500 final Payment at End

Vehicle Description	Delivered Cost	Lease Term	Count of Vehicle Description	Sum of Delivered Cost Each Vehicle	Sum of Self-funded Lease Initial Payment	Sum of Estimated Net Book Value - Self-Funded Lease
Escape	23,301	60	6	139,807	136,807	3,000
Escape 4x4	23,301	60	1	23,301	22,801	500
Explorer Base	29,127	48	10	291,266	286,266	5,000
Explorer XLT	35,837	60	1	35,837	35,337	500
F-250 Reg Cab 4x4 8 ft box	27,704	60	4	110,816	108,816	2,000
F-350 Crew Diesel	43,026	60	15	645,390	637,890	7,500
F-350 SuperCab 4x4	33,412	60	11	367,532	362,032	5,500
Fusion S FWD Sedan	18,853	60	7	131,973	128,473	3,500
Police Interceptor	32,910	48	12	394,920	388,920	6,000
Supercab 4x4	31,267	60	9	281,406	276,906	4,500
Transit 150 Cargo Van	27,812	60	10	278,120	273,120	5,000
Transit 250 High Roof ext	38,561	60	4	154,242	152,242	2,000
Transit Base Medium Roof	33,665	60	22	740,630	729,630	11,000
Transit High Roof	38,737	60	1	38,737	38,237	500
Grand Total			113	3,633,977	3,577,477	56,500
Total - Self-Funded Lease plus \$500 final Payment at End						3,633,977

FLEXIBLE FINANCING OPTIONS

1 Option

Open-End Lease

- Equity lease
- Flexible term
- No mileage restrictions
- No abnormal wear and tear clauses
- Lessee responsible for book value at term
- Lessee keeps vehicle equity at term

2 Option

Self-Funded

- Ideal for clients with strong cash position
- Pay down lease upfront to a \$1 book value or to projected residual book value
- No abnormal wear and tear charges or mileage restrictions
- EFM is title holder until term for vehicle management services

SELF FUNDED PROGRAM BENEFITS



Administrative

- EFM is title holder until term for vehicle management services
- Retain secure title for easy resale
- Automatic license & registration servicing
- Toll and ticket management
- Access to EFM website
- Local account team for day-to-day services



Operational

- EFM to coordinate logistics for moving vehicles in and out of service
- State-to-state transfers
- Aftermarket & decal services
- Safety recall management
- Access to fuel programs
- Telematics offerings
- Mobile application for drivers to access for all vehicle operational needs



Financial

- EFM to research best vehicle options and benefit from our negotiated buys for acquisition
- Vehicle incentive management
- Access to EFM remarketing services for maximum resale
- ASE certified techs to manage maintenance expense
- Gold certified claim handling for lower accident repair costs

Great Lakes Water Authority
Open-End Equity Lease Rate Quote VS. Self Funded Rate Quote
As of August 22, 2019

Vehicle Information

Year	2019	Make	Ford	Model	F-350
Series	XL 4X4 SD Crew Cab 8 ft. box 176 in. WB SRW				
Term	60 months				

Quote No. 4293839

	Lease Rate	Self Funded Rate	Difference
Capitalized Price of Vehicle	\$42,501.00	\$42,501.00	\$0.00
* Sales Tax 0.0000% (State MI)	-	-	-
* Initial License Fee	103.00	103.00	-
Other Courtesy Delivery Fee	200.00	200.00	-
Capitalized Price Reduction	-	(42,201.00)	42,201.00
Total Capitalized Amount (Delivered Price)	\$42,701.00	\$500.00	\$42,201.00
Depreciation Reserve @ 1.3500%	\$576.46	\$0.05	\$576.41
Monthly Lease Charge (Based on Interest Rate - Subject to a Floor)			
Interest	\$117.31	\$0.00	\$117.31
Management Fee	\$42.70	\$42.70	\$0.00
Total Monthly Lease Charge (Based on Interest Rate - Subject to a Floor)	\$160.01	\$42.70	\$117.31
Total Monthly Payment Excluding Additional Services	\$736.47	\$42.75	\$693.72
Interest Cost Over Life of the Lease	\$7,038.60	\$0.00	\$7,038.60
Full Maintenance Program	\$70.54	\$70.54	\$0.00
Contract Miles 40,000 Over Mileage \$ 0.0550 Per Mile Incl # Brake Sets (1 set = 1 Axle) 2 # of Tires 4 Loaner Vehicle Not Included			
Additional Services Sub Total	\$70.54	\$70.54	\$0.00
Sales Tax 6.00% State MI	\$0.00	\$0.00	\$0.00
Total Monthly Payment Including Additional Services	\$807.01	\$113.29	\$693.72
Reduced Book Value at 60 Months	\$8,113.40	\$497.00	\$7,616.40
Equal to A minus (B x lease months)			
Sevice Charge Due at Lease Termination	\$375.00	\$375.00	\$0.00

Quote based on estimated annual mileage of 8,000
 Current market and vehicle conditions may also affect value of vehicle
 Quote is Subject to Customer's Credit Approval
 * Indicated Items to be billed on delivery

Five Year Financial Plan by Area - Shared Services - GLWA as Subscriber

Cost Center & Description	FY 2019 Amended Budget	FY 2019 Activity as of 12.31.2018	FY 2020 Department Requested	FY 2020 Dollar Variance	FY 2020 Percent Variance	FY 2021 Department Requested	FY 2022 Department Requested	FY 2023 Department Requested	FY 2024 Department Requested
Centralized Services	\$ 5,785,800	-	\$ 5,594,000	\$ (191,800)	-3.3%	\$ 4,828,700	\$ 4,925,200	\$ 4,705,400	\$ 4,799,400
882421 - Facility Operations	1,500,000	-	2,300,000	800,000	53.3%	2,346,000	2,392,900	2,440,800	2,489,600
882422 - Fleet Operations	2,230,900	-	1,590,000	(640,900)	-28.7%	1,621,800.00	1,654,200.00	1,687,300.00	1,721,000.00
882431 - Field Service Operations	194,900	-	200,000	5,100	2.6%	204,000	208,000	212,200	216,400
883331 - IT Infrastructure	1,010,000	-	1,010,000	-	0.0%	153,000	156,100	159,200	162,400
883351 - IT Business Applications	850,000	-	494,000	(356,000)	-41.9%	503,900	514,000	205,900	210,000
Grand Total	\$ 5,785,800	-	\$ 5,594,000	\$ (191,800)	-3.3%	\$ 4,828,700	\$ 4,925,200	\$ 4,705,400	\$ 4,799,400

Five Year Financial Plan by Shared Services Number - GLWA as Provider & Subscriber

Both activities by the GLWA as service “provider” and services received by the GLWA as the service “subscriber” are shown in the table below.

Shared Services Number & Description	Cost Center & Description	FY 2019 Amended Budget	FY 2019 Activity as of 12.31.2018	FY 2020 Department Requested	FY 2021 Department Requested	FY 2022 Department Requested	FY 2023 Department Requested	FY 2024 Department Requested
DoIT-001 Financial Information System	883331 - IT Infrastructure	150,000	-	150,000	153,000	156,100	159,200	162,400
DoIT-002 Radios	883351 - IT Business Applications	150,000	-	150,000	153,000	156,100	159,200	162,400
DoIT-003 Customer Service Technology Suite	883351 - IT Business Applications	44,000	-	44,000	44,900	45,800	46,700	47,600
Fuel	882422 - Fleet Operations	80,000	-	90,000	91,800	93,600	95,500	97,400
ITS-001 Retail AMR	883341 - IT Enterprise Applications	(455,000)	(782,600)	-	-	-	-	-
	886401 - Systems Analytics	(110,000)	-	-	-	-	-	-
ITS-002 Customer Service Tech Suite	883321 - IT Service Desk	(8,100)	(8,100)	-	-	-	-	-
	883351 - IT Business Applications	(23,100)	-	-	-	-	-	-
ITS-003 See-Click-Fix	883351 - IT Business Applications	(95,000)	-	-	-	-	-	-
ITS-004 WAM	883351 - IT Business Applications	(2,110,000)	(1,270,700)	(660,500)	-	-	-	-
ITS-005 Mobile Work Force	886401 - Systems Analytics	(330,000)	(220,100)	(60,000)	-	-	-	-
ITS-006 ESRI - Geographic Information System	883341 - IT Enterprise Applications	(1,110,000)	-	-	-	-	-	-
ITS-007 DADS	883351 - IT Business Applications	(120,000)	-	-	-	-	-	-
ITS-008 TIBCO	883351 - IT Business Applications	(75,000)	-	(122,900)	-	-	-	-
ITS-009 IT Infrastructure	883331 - IT Infrastructure	(2,672,300)	(1,336,200)	(2,371,100)	-	-	-	-
	883361 - IT Security & Risk	(82,700)	(41,400)	(31,200)	-	-	-	-
LS-001-A Litigation and Joint Defense (GLWA Provider)	883101 - General Counsel	(8,000)	-	-	-	-	-	-
New - DWSD - Bank Fees	884131 - Treasury	(585,000)	(139,200)	(585,000)	(596,700)	(608,600)	(620,800)	(633,200)
New - DWSD - Public Finance	884141 - Public Finance	(38,100)	(19,100)	(38,900)	(39,700)	(40,500)	(41,300)	(42,100)
New - DWSD Staff Training by GLWA	883201 - Organizational Development	(6,700)	(3,400)	-	-	-	-	-
New - WAM (Annual License)	883351 - IT Business Applications	656,000	-	300,000	306,000	312,100	-	-
OPS-001 Fleet	882422 - Fleet Operations	2,150,900	-	1,500,000	1,530,000	1,560,600	1,591,800	1,623,600
OPS-002 MISS DIG	882431 - Field Service Operations	94,900	-	100,000	102,000	104,000	106,100	108,200
OPS-003 As Needed Field Services	882431 - Field Service Operations	100,000	-	100,000	102,000	104,000	106,100	108,200
OPS-004 Water Quality Sampling, Testing, Reporting	882121 - Water Quality	(150,000)	(75,100)	(53,000)	(54,100)	(55,200)	(56,300)	(57,400)
OPS-005 Security and Integrity	881201 - Security and Integrity	(284,500)	(142,200)	(325,000)	(331,500)	(338,100)	(344,800)	(351,700)
OPS-006 Facilities	882421 - Facility Operations	(8,000)	-	-	-	-	-	-
OPS-006 Shared Facilities Shared Costs	882421 - Facility Operations	1,500,000	-	2,300,000	2,346,000	2,392,900	2,440,800	2,489,600
OPS-008 Systems Control Center: Detroit Only Pump Stations/CSO	882301 - Systems Operations Control	(552,600)	(276,300)	(429,200)	(437,800)	(446,600)	(455,500)	(464,600)
	882431 - Field Service Operations	(16,400)	(8,200)	(16,700)	(17,000)	(17,300)	(17,600)	(17,900)
	892222 - Wastewater Process Control	(69,700)	(34,900)	(60,400)	(61,600)	(62,800)	(64,100)	(65,400)
	892270 - Combined Sewer Overflow	(18,600)	(9,400)	(19,000)	(19,400)	(19,800)	(20,200)	(20,600)
	892279 - Belle Isle Combined Sewer Overflow	(62,700)	(31,400)	(74,900)	(76,400)	(77,900)	(83,800)	(105,600)
	892342 - Belle Isle Pumping Station	(80,000)	(40,000)	(55,300)	(56,400)	(57,500)	(58,700)	(59,900)
	892343 - Blue Hill Pumping Station	(80,000)	(40,000)	(74,000)	(75,500)	(77,000)	(78,500)	(80,100)
	892347 - Fischer Pumping Station	(40,000)	(20,000)	(12,000)	(12,200)	(12,400)	(12,600)	(12,900)
	892352 - Woodmere Pumping Station	(80,000)	(40,000)	(36,000)	(36,700)	(37,400)	(38,100)	(38,900)
Oracle Licenses	883331 - IT Infrastructure	860,000	-	860,000	-	-	-	-
Grand Total		\$ (3,485,700)	\$ (4,538,300)	\$ 568,900	\$ 3,013,700	\$ 3,074,100	\$ 2,813,100	\$ 2,849,100

Table 2 - Total Capital Outlay by Asset Type (funded by both I&E and O&M)

Asset Type	FY 2019 Amended Budget	2020 Department Requested	FY 2021 Department Requested	FY 2022 Department Requested	FY 2023 Department Requested	FY 2024 Department Requested
Operations & Maintenance	\$ 5,445,300	\$ 4,890,600	\$ 4,470,200	\$ 4,952,300	\$ 4,424,500	\$ 4,921,500
Information Technology	5,445,300	4,890,600	4,470,200	4,952,300	4,424,500	4,921,500
Data/Network	1,500,100	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Hardware	1,427,900	356,000	356,900	359,000	361,500	364,000
Software	2,517,300	2,534,600	2,113,300	2,593,300	2,063,000	2,557,500
Improvement & Extension	28,090,500	30,247,400	29,110,900	32,915,200	13,273,000	15,680,300
Buildings & Structures	1,007,500	1,007,500	1,007,500	1,007,500	1,007,500	1,007,500
Information Technology	7,330,600	5,580,500	5,580,500	5,580,500	80,500	80,500
Hardware	-	5,500,000	5,500,000	5,500,000	-	-
Software	7,330,600	80,500	80,500	80,500	80,500	80,500
Leasehold Improvements	600,000	910,000	450,000	950,000	450,000	250,000
Machinery & Equipment	11,080,500	16,188,300	15,460,800	19,276,400	8,453,900	12,883,000
Computers & IT	62,200	4,305,000	6,550,000	6,010,200	1,000,000	1,000,000
Computers & IT	-	75,000	5,000	18,000	10,000	22,000
Controls & Communication	1,060,200	610,000	636,000	6,175,000	1,107,000	5,069,000
Flow Measuring & Meters	140,500	820,600	840,000	657,000	245,900	245,000
Furniture & Fixtures	859,700	534,000	106,000	100,000	100,000	100,000
Heavy Equipment	57,000	605,000	985,000	485,000	104,000	55,000
Heavy Equipment & Misc.	150,000	-	-	-	-	-
Laboratory	585,400	364,700	219,000	236,100	391,400	403,000
Machinery & Equipment	37,000	-	68,000	-	-	68,000
Passenger	-	78,000	81,000	53,000	28,000	26,000
Pipes, Gates & Valves	1,167,000	767,000	785,000	1,516,000	739,000	684,000
Process Equipment	1,903,000	2,164,000	988,000	976,000	1,420,200	1,241,000
Pumps & Motors	4,960,100	5,699,000	4,152,200	2,945,100	3,308,300	3,826,000
Roofing	17,500	-	-	-	-	-
Tools, Shop & Warehouse	81,000	166,000	45,600	105,000	-	144,000
Multiple Asset Types	1,300,000	2,000,000	2,000,000	2,000,000	-	-
Safety & Security	3,816,300	2,359,000	2,187,500	1,700,600	-	-
Site Improvements	200,000	50,000	50,000	50,000	50,000	50,000
Vehicles	2,755,600	2,152,100	2,374,600	2,350,200	3,231,100	1,409,300
Heavy Truck	215,000	385,000	-	-	-	410,000
Light Truck	350,000	495,000	270,000	380,000	250,000	160,000
Passenger	50,000	175,000	-	128,000	51,500	-
Trailer & Towable Equipment	40,000	-	-	-	-	40,000
Utility Vehicle	7,000	57,000	32,000	7,000	7,000	22,000
Vehicles	2,093,600	1,040,100	2,072,600	1,835,200	2,922,600	777,300
Grand Total	\$ 33,535,800	\$ 35,138,000	\$ 33,581,100	\$ 37,867,500	\$ 17,697,500	\$ 20,601,800

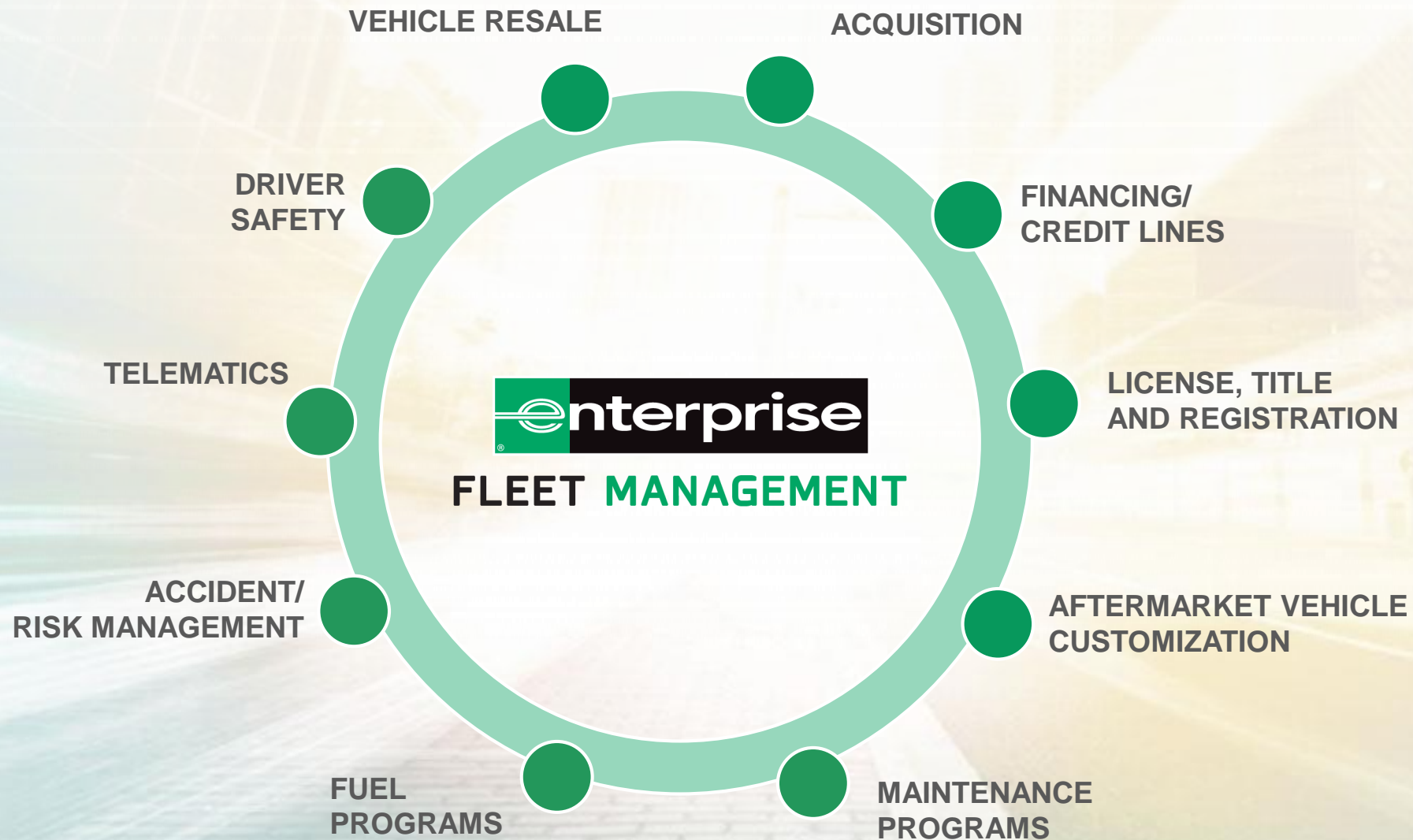


FLEET MANAGEMENT

*Great Lakes Water
Authority*



DELIVERING SOLUTIONS. DRIVING RESULTS.



ENTERPRISE FLEET MANAGEMENT

2 Biggest Competitive Advantages =
Financial Value for our Clients

The Enterprise Infrastructure

Enterprise expertly manages its own fleet of 1.9 million vehicles. We take our experience and infrastructure to help small, medium and large businesses manage their own fleets.

Local Team of Fleet Experts - Strategy and Execution

95% of our local Account Managers have extensive experience managing a fleet of vehicles through Enterprise Rent-A-Car.

- Gain an entire team of experts to develop and benchmark your fleet strategy.
- AFC (industry exclusive) to execute and coordinate your fleet plan.
- Multi-channel vehicle resale network.
- Consolidated reporting with state-of-the-art technology.
- Ongoing industry expertise and annual financial review.

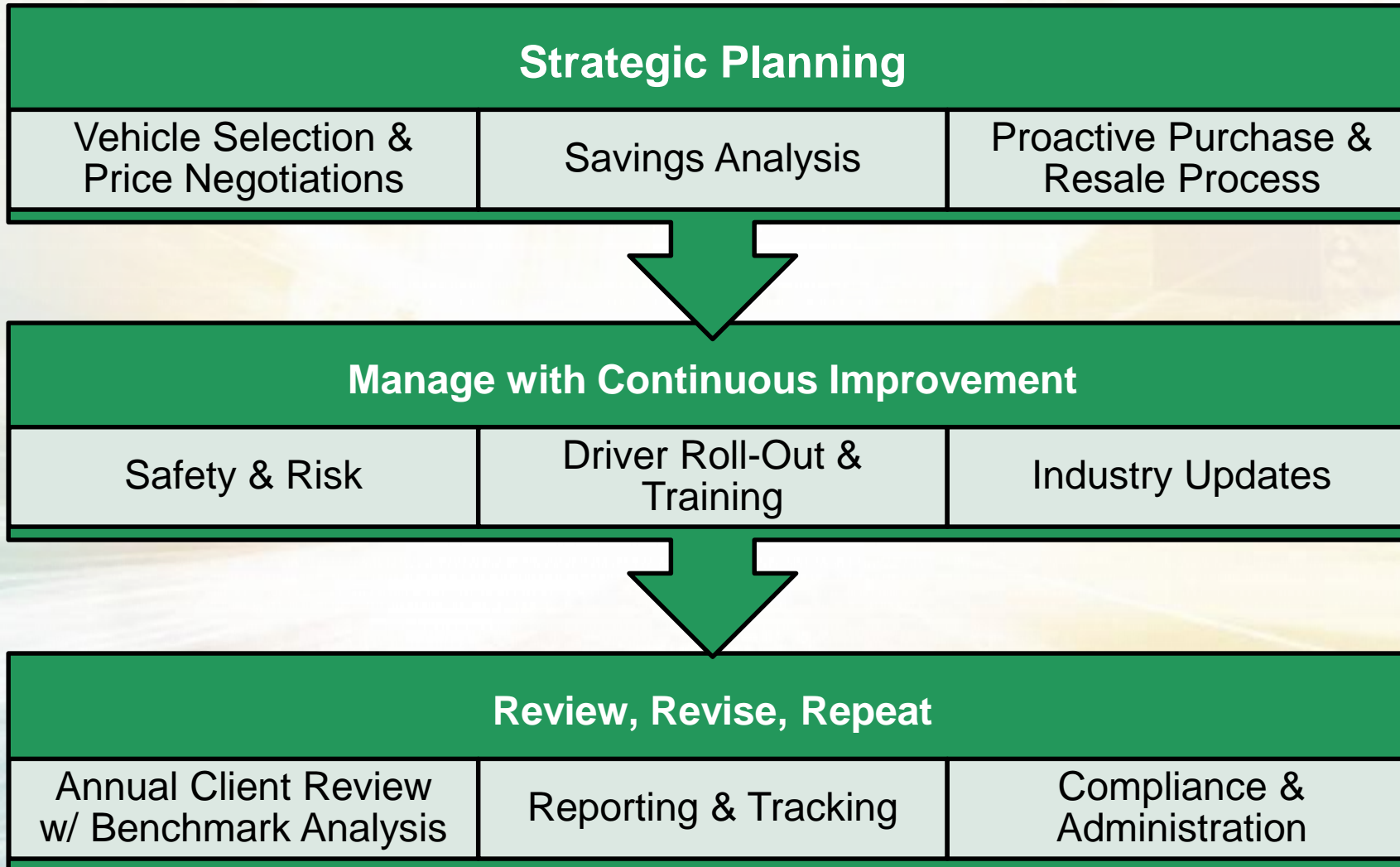
2019 Ford F-150 Crew Cab 4x4

- Enterprise Delivered Price: \$31,267.37 (48 month, 12,000 annual miles)
 - Lease Payment: \$529.15
 - RBV at term: \$12,507.05
 - Est. Resale Value: \$25,000
 - Equity at term: \$12,117.95

2020 Ford Police Interceptor

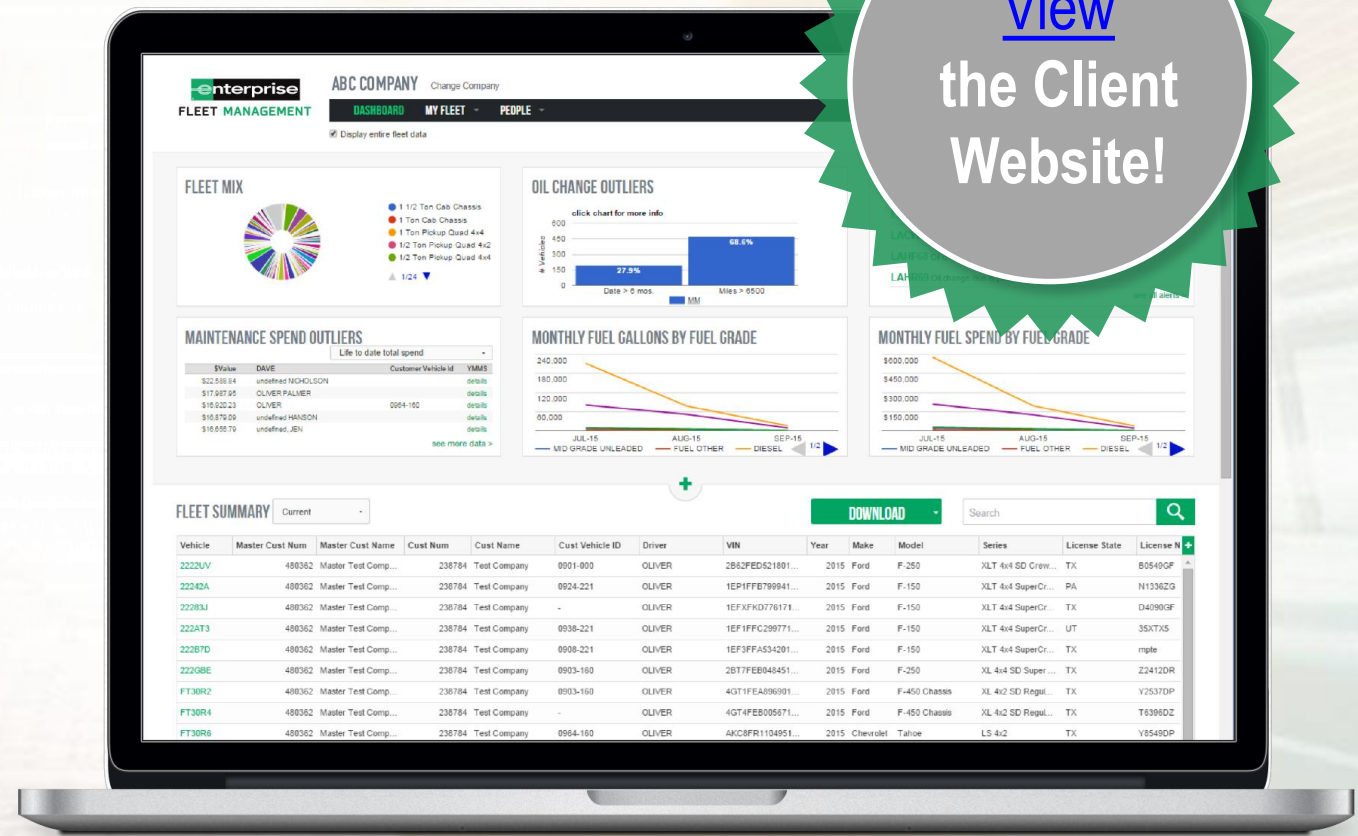
- Enterprise Delivered Price: \$32,910 (48 month, 12,000 annual miles)
 - Lease Payment: \$625.23
 - RBV at term: \$9,214.80
 - Est. Resale Value: \$13,000
 - Equity at term: \$3,485.20

WHAT TO EXPECT – ACCOUNT TEAM



Client Website

- Visibility and tracking of vehicle data
- Customized dashboards with easy reporting
- Real-time alerts
- Simplify accounting processes with vehicle descriptors
- Self-service features including *driver changes, vehicle descriptors, mileage information and more*
- Assign unlimited unique identifiers to each vehicle to simplify routine tasks and vehicle categorization



Annual Client Review

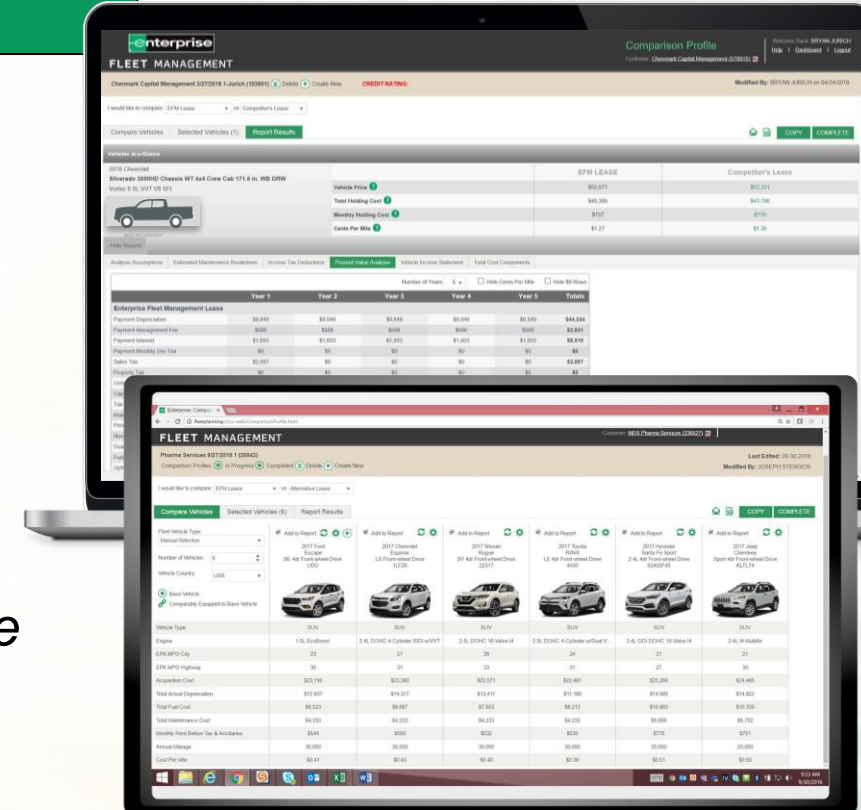
If we don't measure it, you can't improve it:

- Web based solution for the EFM team to evaluate the prior year's fleet performance
- Analyze all fleet costs including *maintenance, fuel, insurance, depreciation, etc.*
- Document future goals to develop the best possible fleet cycling plan for the future of the fleet

Fleet Planning Tool Kit

Purchase the right vehicle at the right cost:

- Online vehicle selector allowing Enterprise to compare up to 6 vehicles side-by-side
- Integrate all costs for a total cost analysis: *monthly vehicle costs, replacement schedules, maintenance, taxes, fuel, etc.*
- Determine the best time to replace your vehicles





FLEET MANAGEMENT

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