



CITY COUNCIL AGENDA REPORT



DEPARTMENT: Police

MEETING DATE: May 7, 2013

PREPARED BY: James Hunt, Chief of Police

AGENDA LOCATION: CC-4

TITLE: 36-Month Lease with Enterprise Leasing for One (1) 2013 Ford Explorer in the Amount of \$27,776.88 to Replace One Non-Patrol Fleet Vehicle

OBJECTIVE: To replace an undercover vehicle for the officer assigned to a multi-jurisdictional crime suppression team. The leasing concept will decrease the long term financial exposure on this asset.

BACKGROUND: The police department traditionally has purchased the non-patrol fleet vehicles. These vehicles tend to be the lower mileage vehicles and are replaced less often than the patrol fleet. As these vehicles age, it is difficult to find the finances to buy replacements. Leasing is an innovative concept to replace aging vehicles without the up front costs of a direct purchase.

The leasing options available to public entities are identical to the options available to the private person. The leases are either open-ended or closed-ended leases. A closed-ended lease is for a set period of time and a set maximum number of miles. The open-ended lease might have a time limitation but there is no mileage limitation on the vehicle. Each option has certain benefits to the police department. The current undercover car being used by the police department for this assignment is a 2005 Pontiac Bonneville. Undercover vehicles are driven many miles per year and are best suited for an open-ended lease.

ANALYSIS: The undercover vehicle will have a configuration to support the long-range rolling surveillance and long term static surveillance needs of our officer assigned to the West San Gabriel Valley Anti Crime Task Force. The Ford Explorer has been recommended by the staff officers at the task force. The Explorer will allow for a long range rolling surveillance with an estimated city miles per gallon of 20. The purchase price of the base model Ford Explorer is approximately \$30,485.00. The recommended lease will only require an annual outlay of \$9,258.96. Because the accumulated mileage potential of this vehicle is impossible to estimate, an open ended lease is the best option. This vehicle will also include a full maintenance program so the officer will not need to come back to Monrovia for service. The vehicle can be serviced, when service is recommended, by any authorized Enterprise Leasing establishment. By using this option, the covert mission of the vehicle remains protected and the city realizes reduced maintenance costs.

VEHICLE PRICING AND AVAILABILITY: Enterprise Leasing was the successful bidder in a California statewide competitive bid process. Enterprise Leasing will provide the vehicles we are requesting at the same rate Enterprise Leasing has agreed to charge the State of California, on purchase order #1017855.

EVALUATION OF THE CURRENT FLEET: The previous undercover vehicle was a 2005 Pontiac Bonneville. This vehicle has exceeded the number of years for replacement and maintenance costs are now exceeding budget. It is no longer practical for long term, static surveillance.

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ENVIRONMENTAL IMPACT: This vehicle is considered a fuel efficient SUV at 20 mpg city and 28 mpg highway

FISCAL IMPACT: By using the Enterprise Leasing lease plan, the department will lower the operating costs for these vehicles and reduce the maintenance costs as well. Additionally, the leasing concept will not require a large initial outlay of funds for these vehicles. Funds are available in the Non-Patrol Fleet Replacement Account.

OPTIONS: The City Council has the following options for consideration:

1. Approve the lease of a 2013 Ford Explorer from Enterprise Leasing.
2. Reject the lease package and direct Staff to explore alternative purchase options for this vehicle.
3. Defer any action and direct Staff to repair and maintain the previously used undercover vehicle. This would require investing repair money on a vehicle that has significantly exceeded its service life.

RECOMMENDATION: Staff recommends option 1, approving the lease of a Ford Explorer.

COUNCIL ACTION REQUIRED: Should the City Council concur, the appropriate action would be a motion to approve the lease of (1) 2013 Ford Explorer from Enterprise Leasing in the amount of \$27,776.88, and authorize the Chief of Police to execute the necessary documents.