



FLOYD COUNTY BOARD OF EDUCATION
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Linda C. Gearheart, Member - District 1
William Newsome, Jr., Vice-Chair -
District 3

CONSENT ITEM

DATE: August 23, 2019

ACTION/DISCUSSION ITEM: Consider/approve authorizing the superintendent to enter into lease agreement(s) with Enterprise Fleet Management for four light duty fleet vehicles.

APPLICABLE STATUTE, REGULATION, BOE POLICY: KRS BOE Policy 01.11

BACKGROUND AND MAJOR POLICY IMPLICATIONS: Last fiscal year the district began replacing the light duty fleet though leasing with Enterprise Fleet, a nationally known company, that procedures vehicles via a national governmental bid (Sourcewell contract #060618-EFM), and currently provides vehicles to many city, county, and school districts in Kentucky. In recent years the district has replaced vehicles in the maintenance, transportation, technology and administrative fleet by including them with the KISTA financing along with bus purchases. The method of KISTA financing, used prior to the new Enterprise leasing method, resulted in making payments for 10 years on the district's non-bus fleet. Many of the vehicles purchased this way need replaced well within 10 years along with having increasing maintenance cost, however given past and current financial constraints it was the most economical financing method available. Now that the district is utilizing Enterprise Fleet, the district can continue replacing more non-bus fleet vehicles quicker, with the goal of replacing the all vehicles in 5-year cycles instead of 10. This will mean a safer, more effective and efficient fleet. (The annual lease payments for the 4 vehicles is similar to the cost of purchasing one vehicle outright.) Once fully implemented the estimated savings after a ten years should be over \$40,000 annually.

FISCAL IMPACT: The estimated lease payments will be approximately \$36,000 annually.

RECCOMENDED ACTION: Approve as presented.

CONTACT PERSONS: Tiffany Campbell, Director of Finance


Director


Superintendent