

**MINUTES OF THE WORK SESSION  
OF THE MAYOR AND BOARD OF ALDERMEN  
Of The City of Starkville, Mississippi  
April 14, 2023**

Be it remembered that the Mayor and members of the Board of Aldermen met in a Work Session on Friday, April 14, 2023 at 11:00 a.m. in the second floor conference room of City Hall located at 110 West Main Street, Starkville, MS. Present were Mayor D. Lynn Spruill, Alderman Sandra Sistrunk, Aldermen Mike Brooks, Alderman Hamp Beatty and Alderman Henry Vaughn. Attending the Board were Attorney Berk Huskison and Grants Coordinator Deputy Clerk Joanna McLaurin.

Mayor Spruill opened the work session. The work session was properly noticed pursuant to Miss. Code Ann. § 25-41-13 and a copy of that notice is included in the minutes. The meeting was live streamed on Facebook. The public and media were welcomed and attended. The session is also available for viewing on the City website.

Will Maccabe of Enterprise Fleet Management gave a presentation on fleet management.

During the work session, the Mayor and Board discussed items on the upcoming April 18, 2023 agenda. Department Directors were available to answer questions related to the items. All agenda items were discussed. The agenda was finalized and items were recommended for the consent agenda.

SIGNED AND SEALED THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 2022.

\_\_\_\_\_  
MAYOR D. LYNN SPRUILL

Attest:

Seal

\_\_\_\_\_  
JOANNA MCLAURIN, DEPUTY CITY CLERK



## FLEET MANAGEMENT

PREPARED FOR:



**Will Maccabe**

FLEET CONSULTANT

**205-545-5179**

PHONE

**William.S.Maccabe@efleets.com**

EMAIL



# FLEET SYNOPSIS | CITY OF STARKVILLE, MISSISSIPPI

## THE SITUATION

### Current fleet age is negatively impacting the overall budget and fleet operations

- 41% of the fleet is currently 10 years or older
  - **8.9 years** is the current average age of the City's vehicles
  - **13.6 years** - current 'Cycle' or # of years it will take to replace the fleet 1 time based off current annual acquisitions
- Older vehicles have higher fuel costs, maintenance costs, and tend to be unreliable, causing increased downtime and loss of productivity while negatively impacting recruitment & retention (especially for LEOs)

## THE OBJECTIVES

### Identify an effective vehicle life cycle that maximizes equity at time of resale creating a conservative 10 year savings of over \$600,000

- Shorten the current vehicle life cycle of vehicles from 13.6 years to 3.93 years
- Provide fleet costs that are predictable year over year
- Significantly reduce Maintenance expense by retiring units before they are out of warranty
- Reduce overall fuel spend through more fuel efficient vehicles
- Leverage an open-ended lease to maximize cash flow and still recognize equity after resale.

### Increase employee safety with newer vehicles

- Currently:
  - 20 vehicles predate Anti-Lock Brake standardization (2007)
  - 32 vehicles predate Electronic Stability Control standardization (2012)
    - *ESC is the most significant safety invention since the seatbelt*
  - 92 vehicles predate standardization of back up camera (2018)

## THE RESULTS

By partnering with Enterprise Fleet Management, The City of Starkville will be better able to leverage its buying power, implement a tighter controlled resale program to lower total cost of ownership and in turn minimize operational spend. The City of Starkville will **reduce fuel** and **maintenance costs** by replacing oldest vehicles 1<sup>st</sup> and retiring at the optimal time. Leveraging an open-end lease maximizes cash flow and recognizes equity from vehicles sold creating an internal replacement fund. Furthermore, The City of Starkville will leverage Enterprise Fleet Management's ability to sell vehicles at an average of 109% above Black Book value. By shifting from reactively replacing inoperable vehicles to proactively planning vehicle purchases, The City of Starkville will be able to replace all of its vehicles over the course of 5 years while reducing fleet expenses by roughly \$600,000 over a 10 year period.

## SAFETY

41% of all vehicles are older than 10 years of age and do not contain the most up to date safety features, such as electronic stability control, airbag standardization and anti-lock brake control.

# ACCOUNT MANAGEMENT

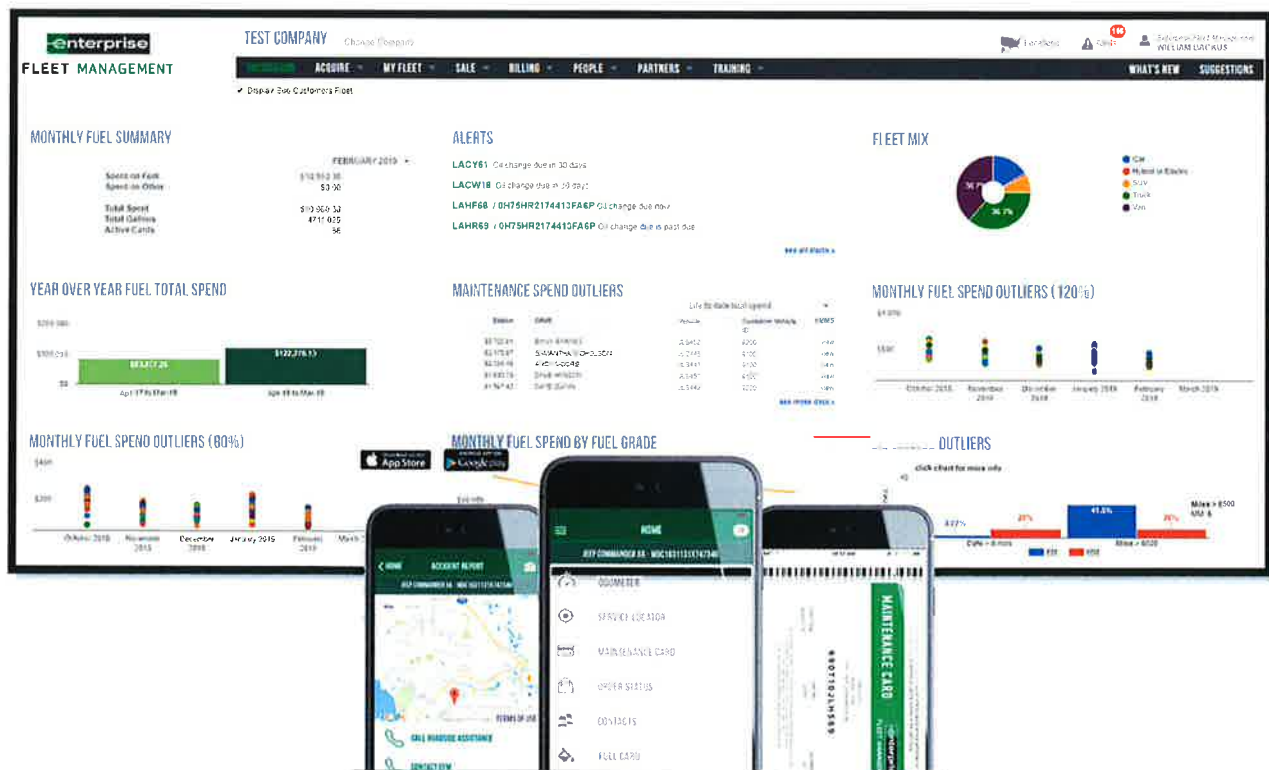
The City of Starkville will have a dedicated, local account team to proactively manage and develop your fleet while delivering the highest level of customer service to facilitate your day-to-day needs.

- Your dedicated Client Strategy Manager meets with you 3-4 times a year for both financial and strategic planning.
- Your Client Strategy Manager will provide on-going analysis – this will include most cost-effective vehicle makes/models, cents per mile, total cost of ownership, and replacement analysis.

# TECHNOLOGY

Enterprise Fleet Management's website provides vehicle tracking, reporting, and metrics. Our website can be customized to view a wide range of data so that you may have a comprehensive and detailed look at all aspects of your fleet and the services provided. Our Mobile App gives drivers all of the convenience and functionality they need.

- **Consolidated Invoices** - Includes lease, maintenance, and any additional ancillaries
- **Maintenance Utilization** - Review the life-to-date maintenance per vehicle
- **Recall Information** - See which units have open recalls
- **License & Registration** - See which plate renewals are being processed by Enterprise and view status
- **Alerts** - Set customizable alerts for oil changes, lease renewals, license renewals, and billing data
- **Lifecycle Analysis** - See data regarding all transactions for the lifecycle of the entire fleet, with drill-down capability to any specific lease or transaction



# FLEET PROFILE | THE CITY OF STARKVILLE

## Fleet Profile

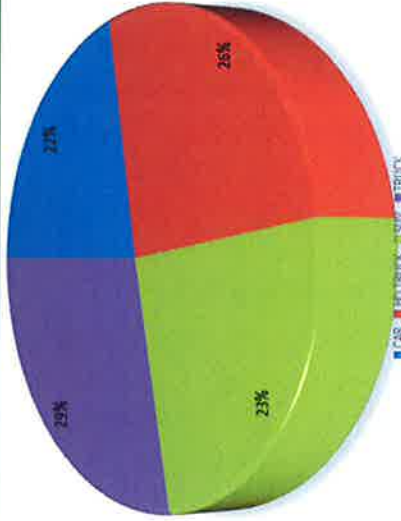
## Fleet Replacement Schedule

## Replacement Criteria

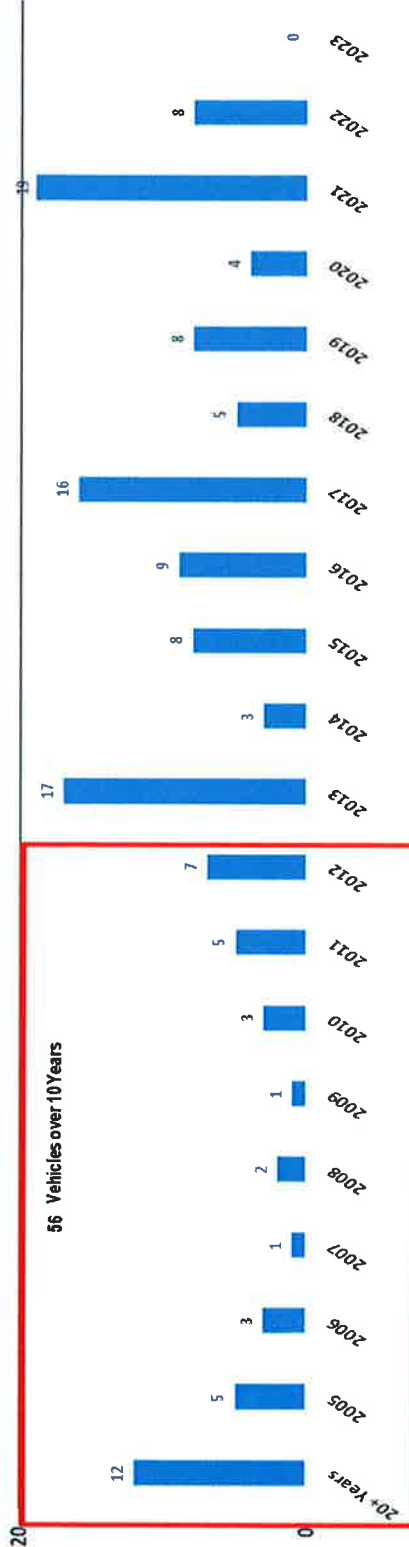
- \* Fiscal Year 2023 = 10 years old and older, or odometer over 100,000
- \* Fiscal Year 2024 = 8 years old and older, or odometer over 93,300
- \* Fiscal Year 2025 = 6 years old and older, or odometer over 86,600
- \* Fiscal Year 2026 = 4 years old and older, or odometer over 79,900
- \* Fiscal Year 2027 = Remaining Vehicles
- \* Underutilized = Annual Mileage less than 2,000

Vehicle Type	2023	2024	2025	2026	2027	Under-Utilized
Compact Sedan	0	0	0	0	0	1
Mid size Sedan	1	0	0	0	0	0
Full size Sedan-ERV	12	0	0	0	15	1
Compact SUV 4x2	0	0	0	1	0	0
Mid Size SUV 4x4	2	0	0	0	0	0
Mid Size SUV 4x4-ERV	8	0	10	0	0	0
Full Size SUV 4x2	1	0	0	0	0	0
Full Size SUV 4x2-ERV	0	1	0	0	0	0
Full Size SUV 4x4	0	0	0	4	4	0
Luxury SUV 4x2	1	0	0	0	0	0
Compact Pickup Reg 4x4	2	1	0	0	4	3
1/2 Ton Pickup Reg 4x4	6	0	0	1	0	0
1/2 Ton Pickup Ex 4x4	7	15.1	8.400	0	0	0
1/2 Ton Pickup Quad 4x4	14	8.9	8.500	3	1	3
3/4 Ton Pickup Reg 4x4	8	8.4	6.100	3	0	1
3/4 Ton Pickup Quad 4x4	4	20.7	7.200	0	0	0
1 Ton Pickup Ex 4x4	14	7.8	7.400	6	3	2
1 Ton Pickup Quad 4x4	2	6.8	12.100	1	0	0
1 Ton Cab Chassis	12	10.5	9.700	1	2	0
1 Ton Cab Chassis	3	10.7	3.700	1	0	1
<b>Totals/Averages</b>	<b>60</b>	<b>4</b>	<b>23</b>	<b>12</b>	<b>31</b>	<b>6</b>
<b>Average Annual Mileage</b>	<b>1,900</b>	<b>21,400</b>	<b>11,400</b>	<b>8,900</b>	<b>5,000</b>	<b>12,200</b>
<b>Average Age (years)</b>	<b>21.5</b>	<b>5.3</b>	<b>7.2</b>	<b>5.3</b>	<b>19.5</b>	<b>7.7</b>
<b># of Type</b>	<b>1</b>	<b>1</b>	<b>28</b>	<b>1</b>	<b>2</b>	<b>18</b>
<b>Totals/Averages</b>	<b>136</b>	<b>8.9</b>	<b>9,000</b>			

## Vehicle Types



## Model Year Analysis



Confidential

3/22/2023

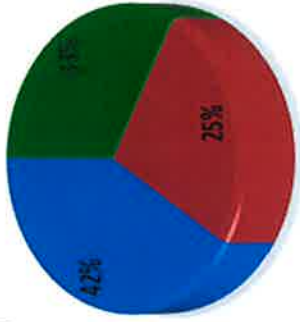
Enterprise  
FLEET MANAGEMENT

# 10 YEAR MODEL | THE CITY OF STARKVILLE

## Fleet Costs Analysis

Current Fleet	136	Fleet Growth	-1.01%	Proposed Fleet	130
Current Cycle	13.60	Annual Miles	9,400	Proposed Cycle	3.93
Current Maint.	\$172.33	Current MPG	10	Proposed Maint.	\$58.59
Maint. Cents Per Mile	\$0.22			Price/Gallon	\$3.00

Fiscal Year	Fleet Mix				Fleet Cost				Annual Net Cash		
	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)		Maintenance	Fuel
Average	136	10.0	136	0	462,560	0	-413,288	281,248	367,200	1,111,008	0
'23	130	60	70	60	0	632,290	-413,288	186,946	333,305	739,253	371,755
'24	130	4	66	64	0	671,948	-64,868	181,487	331,045	1,097,563	13,444
'25	130	25	43	87	0	935,171	-382,680	150,094	318,052	668,550	442,458
'26	130	36	31	99	0	1,135,487	-167,116	133,715	311,273	1,345,822	-234,814
'27	130	37	0	130	0	1,390,897	-272,940	91,404	293,760	637,081	473,927
'28	130	49	0	130	0	1,390,897	-522,472	91,404	293,760	1,253,589	-142,582
'29	130	36	0	130	0	1,390,897	-448,164	91,404	293,760	1,327,897	-216,890
'30	130	28	0	130	0	1,390,897	-323,008	91,404	293,760	1,453,053	-342,046
'31	130	22	0	130	0	1,390,897	-748,939	91,404	293,760	1,027,122	83,885
'32	130	50	0	130	0	1,390,897	-885,747	91,404	293,760	890,314	220,693



Fuel ■ Maintenance ■ Purchase

10 Year Savings **\$669,829**

## Current Fleet Equity Analysis

YEAR	2023	2024	2025	2026	2027	Under-Utilized
QTY	60	4	23	12	31	6
Est \$	\$5,496	\$16,217	\$16,638	\$13,926	\$8,805	\$13,921
TOTAL	\$29,763	\$64,868	\$382,680	\$167,116	\$272,940	\$83,525
			Estimated Current Fleet Equity**			\$1,300,891

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

## KEY OBJECTIVES

### Lower average age of the fleet

41% 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

# CASE STUDY

## CASE STUDY | CITY OF FREDERICKSBURG, TX



### City lowers fleet maintenance costs by \$127K with Fleet Program.

#### BACKGROUND

Location: Fredericksburg, TX  
Industry: Government  
Total vehicles: 75 vehicles

#### THE CHALLENGE

Each year, the City of Fredericksburg was faced with high vehicle repair and maintenance costs for an aging fleet. The City's 75 vehicles had an average age of 12 years, resulting in unexpected maintenance issues each year. The City was spending \$153,300 per year on fleet maintenance, averaging over \$2,000 per truck. Searching for solutions within their budget, the city needed to make managing their vehicles easier, from purchasing to maintenance and driver fueling options.

#### THE SOLUTION

Enterprise Fleet Management presented a proactive fleet replacement plan to the City of Fredericksburg that would reduce the average age of the fleet by 60% helping reduce operational and maintenance expenses. With integrating newer vehicles into the City's fleet, employees would drive safer, more reliable vehicles with minimal maintenance needs. Long term, this plan has helped save an average of \$29,284 per year in fleet related expenses.

**"We have truly enjoyed the partnership with Enterprise Fleet Management. Things are much easier to manage now, and we are saving money on vehicle maintenance."**

*Brandon P. Programs Manager*

Enterprise Fleet Management also recommended replacing all vehicles owned by the city within a 5-year time frame. This approach will help the City lower maintenance expenses from \$153,300 per year to \$26,016 per year.

#### THE RESULTS

Since their partnership began 4 years ago, Enterprise Fleet Management has helped the City of Fredericksburg transition their fleet vehicles from an average age of 12 years to 4. The City has experienced a significant reduction in costs associated with their fleet program and a decrease in employee downtime. This is due to the City putting their trust in the local Enterprise Fleet Management team's expertise and the fleet planning analytics backing each recommendation. The partnership has given the City visibility into all vehicle costs and budget accordingly.

To learn more, visit [efleets.com](http://efleets.com) or call 877-23-FLEET.



#### Key Results

MAINTENANCE  
LOWERED BY  
**83%**



**SAVED  
\$62,052**  
OVER THE LAST 2  
REPLACEMENT YEARS

**5 YEAR**  
REPLACEMENT PLAN



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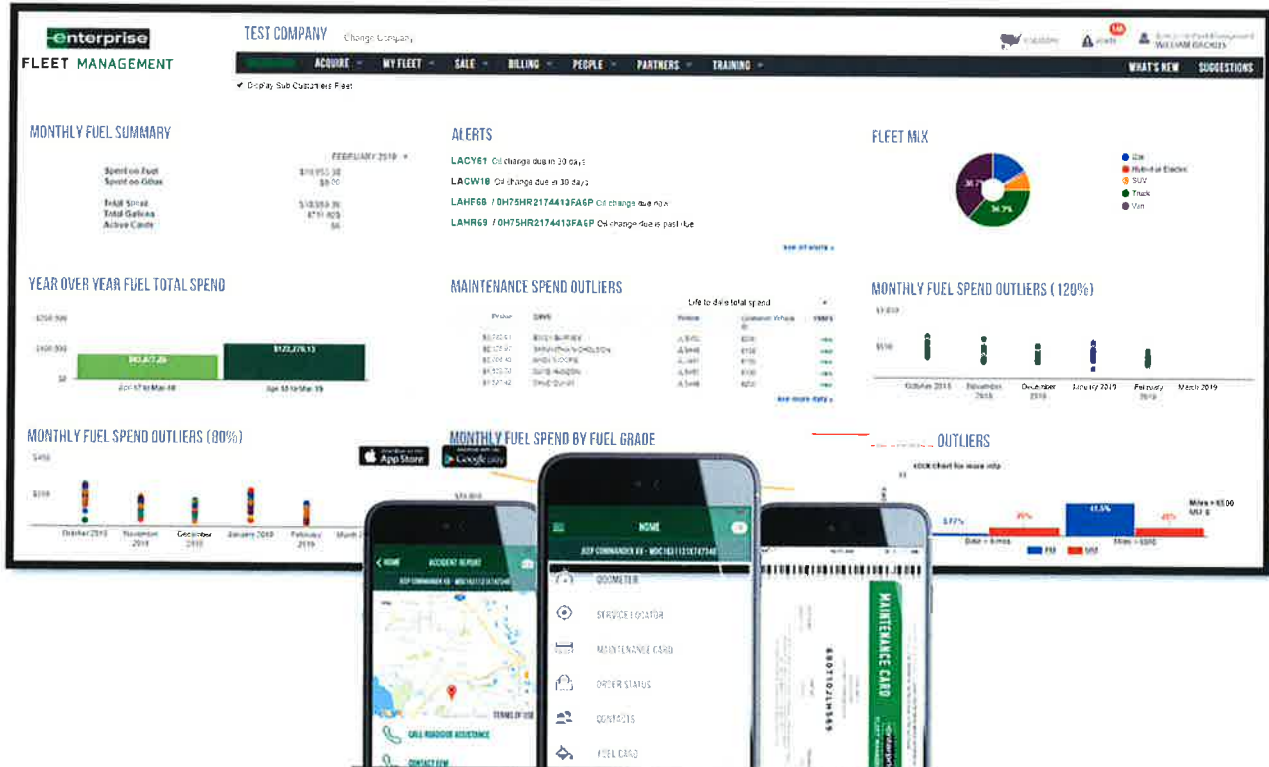
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# REFERENCES | THE CITY OF STARKVILLE

## CURRENT PARTNERS

- City of Pearl
- City of Pontotoc
- City of Hattiesburg
- City of Oxford
- City of New Albany
- City of Kosciusko
- City of Natchez
- Forrest County
- Adams County
- Tunica County

## REFERENCE:

Below is a list of at least two (2) client references including company name, contact person, and telephone number.

**1. The City of Pontotoc**

Business Phone #: (662) 296-8202

Contact Person: Tim Gunter, Purchasing Manager / Bob Peeples, Mayor

**2. The City of Pearl**

Business Phone #: (601) 932-2262

Contact Person: Jake Windham, Mayor



## **WORK SESSION**

**CITY OF STARKVILLE, MISSISSIPPI**

**APRIL 14, 2023**

**11:00 a.m.**

- A. CALL THE MEETING TO ORDER**
- B. PRESENTATION ON A FLEET MANAGEMENT PROGRAM BY WILL MACCABE OF ENTERPRISE FLEETS.**
- C. DISCUSSION OF THE AGENDA ITEMS FOR THE APRIL 18, 2023, MEETING OF THE BOARD OF ALDERMEN FOR THE CITY OF STARKVILLE.**
- D. ADJOURN MEETING**



**THERE WILL BE A WORK SESSION OF THE  
MAYOR AND BOARD OF ALDERMEN ON  
FRIDAY, APRIL 14, 2023**

**AT 11:00 AM IN THE STARKVILLE CITY HALL  
LOCATED AT 110 WEST MAIN STREET  
IN THE SECOND FLOOR CONFERENCE ROOM**

The public and media are invited to attend.