



City of Takoma Park

City Manager Jamal T. Fox

INTERNAL MEMORANDUM

DATE: December 13, 2022
TO: Jamal Fox, City Manager
CC: David Eubanks, Director, Housing & Community Development
FROM: Duane Baravechia, HCD Code Enforcement Manager
SUBJECT: Code Enforcement Vehicle Replacement (June 2023)

Code Enforcement has three Chevrolet Bolts assigned to the division, the leases (non-renewable) all expire in June. I think the most cost-effective choice for vehicle replacement is to exercise the lease end purchase option that is available to us for two of the vehicles, the third will be turned in to Chevrolet. The purchase option is \$21,369.60 for one and \$21,088.70 for the other. These two were chosen because they have the least number of miles, both under 10,000.

The Bolts have proven themselves to be excellent vehicles and since they are EVs, they have zero carbon output, which compliments Takoma Park's 2019 Sustainable Energy Action Plan. Also, there are no fluid changes necessary. There have been no maintenance costs associated with these vehicles from June of 2020 till now. I spoke to Keith Perry regarding the future maintenance for the Bolts and he estimated it to be \$500.00 or less per year for each vehicle. From everything I have read, the Bolts projected service life is between 200,000 to 300,000 miles and at least ten years. Historically, Code Enforcement vehicles have accrued 5,000 miles or less per year.

Currently, new Bolts are selling for around \$32,000.00 each and there are availability issues. The current lease for each vehicle costs us \$3,336.00 per year, the total costs at lease end will be \$10,008.00. Current lease quotes are \$516/month/vehicle or a total of \$18,576/vehicle for a three-year lease. At the end of three years the cost to purchase compared to the cost to lease is approximately equal. However, after the renewal of the contract the cost of leasing doubles that of purchasing the vehicle today.



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Consumer Reports has a website that provides the value of used vehicles. This is their information for the Bolt:

Trade-In Value = \$27,680.00

Private Party Sale = \$29,575.00

If the City were to exercise its purchase options, per the lease agreement, approximately \$8,000 is saved when compared to the purchase of a used vehicle from private seller.

	3 Year Comparison	
	Purchase	Lease
Vehicle 1	\$ 21,369.60	\$ 18,576.00
Vehicle 2	\$ 21,088.70	\$ 18,576.00
Maintenance (3 Years)	\$ 3,000.00	
Due at Signing	\$ -	\$ 3,016.00
Due at Signing	\$ -	\$ 3,016.00
Total	\$ 45,458.30	\$ 43,184.00
	6 Year Comparison	
Vehicle 1		\$ 20,247.84
Vehicle 2		\$ 20,247.84
Maintenance (3 Years)	\$ 3,270.00	0
Due at Signing		\$ 3,287.44
Due at Signing		\$ 3,287.44
Total	\$ 3,270.00	\$ 47,070.56
Cost After 9 Years	\$ 48,728.30	\$ 90,254.56

Takoma Park SEAP 2019

<https://takomaparkmd.gov/initiatives/project-directory/sustainability-and->



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