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Justin Johnson, Secretary

MEMORANDUM

TO: Agency Secretaries, Commissioners, & Department Heads
FROM: Justin Johnson, Secretary, Agency of Administration
DATE: June 26, 2015
SUBJECT: Fleet Management Services – Changes Effective July 1, 2015

1. 20% Reduction in State Vehicle Lease Rates
2. 15,000 Mile Annual Lease Option

Lease Rate Reduction

In order to assist the State of Vermont in finding efficiencies and savings, the Secretary of Administration and the Fleet Management Services program have created an opportunity to pass savings back to departments through lower vehicle lease costs. Beginning July 1, 2015, State vehicles leased through the Buildings & General Services Fleet Management Services program will benefit from a 20 percent reduction in the current monthly lease rates. The new lease rates – beginning with July vehicle usage -- will be reflected in the August 2015 billing.

A limited number of vehicles with special lease terms – such as a “finance-only” agreement-- will not see a rate reduction.

New: 15,000 Mile Annual Lease Option

Departments will now have the ability to lease vehicles from BGS Fleet Management Services for 15,000 miles annually. This option will generate additional savings for departments leasing vehicles that travel less than the current minimum of 18,000 miles annually. Departments with special-use and/or service vehicles which already benefit from a lower mileage lease option are not affected by this change.

BGS Fleet Management Services will be reviewing vehicle utilization and reaching out to departments that may benefit from the lower mileage lease option.

Changes to Lease Requests

The BGS Fleet Management Services program staff is available at any time to review, evaluate, and make changes to existing leases to explore possible savings opportunities. Contact BGS Fleet Management Services at 802-828-3821 or by email to fleet.services@state.vt.us. You may also contact Harmony Wilder, BGS Fleet Manager with any questions or concerns regarding your fleet vehicles at (802) 828-3718 or by email to harmony.wilder@state.vt.us.

cc: Michael J. Obuchowski, Wanda L. Minoli, Harmony H. Wilder, Deborah W. Ferrell

