



DATE: May 26, 2010
TO: Honorable Mayor and City Councilmembers
FROM: Police Department
SUBJECT: **LEASE AGREEMENT FOR UNMARKED POLICE VEHICLES**

SYNOPSIS

Staff recommends that the City Council approve a three-year vehicle lease agreement between Enterprise Leasing and the City of Oceanside in a total amount of \$83,465 to lease six vehicles that will replace six existing unmarked police cars that have reached or exceeded their service life, and authorize the Chief of Police, or designee, to execute the agreement.

BACKGROUND

The Fleet Maintenance Department's current vehicle replacement practice uses Fleet Replacement Funds accrued over the service life of each vehicle. During each budget cycle, Fleet identifies vehicles projected to reach the end of their planned service life during the current cycle. As part of this process, Fleet and the affected Department assess the continuing need for the specific vehicle and searches for more economical alternative vehicles or identifies more appropriate vehicle types as replacements. After careful review, the vehicles listed in Exhibit "A" were identified as having reached the end of their useful service life.

Staff was directed to explore a leasing option to reduce vehicle acquisition and maintenance costs. The replacement of the unmarked cars listed in Exhibit "A" provides staff with an opportunity to evaluate the cost savings of the lease option on a scale that would not impact current operations or expose the organization to a significant financial risk. Staff has identified potential savings and recommends leasing six unmarked replacement vehicles as part of a three-year pilot program. At the end of the pilot program, staff will assess whether or not leasing should be implemented as a cost-savings strategy for the remaining unmarked cars presently assigned to the Police fleet. City Fleet staff supports leasing the six unmarked vehicles under this three-year pilot program.

ANALYSIS

Currently, the annual replacement cost for six used unmarked vehicles is \$39,636. This figure represents vehicle replacement and modification expenses collected over the

service life of the vehicles and deposited into the Fleet Fund Account. Under the existing purchase plan, unmarked vehicles are sold at auction at the end of their service life, and the funds from the sales are deposited into Fleet Revenue Account #1831.4501-100366. The average revenue collected from each of the last ten unmarked cars sold at auction is \$3,106. When this projected revenue is taken into consideration as a reduction in the annual expense of our current purchase plan, the true annual expense is reduced from \$39,636 to \$34,986. By comparison, the annual cost of an Enterprise three-year 45,000 mile closed-end lease and modification costs for six new unmarked vehicles is \$34,821.88 (\$27,821.88 annual lease total plus \$7,000 modification expense). At the end of the agreement, the City would trade older leased vehicles for new models and initiate a new lease agreement. Enterprise Leasing would receive any equity that is realized at the end of the closed-end lease. The City's exposure to additional expenses at the end of the lease is limited to excessive mileage fees (i.e., range 10-12 cents for each mile over the maximum mileage accrual) and excessive damage costs. Details may be found in the Enterprise lease agreement Exhibit "B" (attached).

The annual maintenance and operations costs for six leased vehicles will remain an interfund charge of \$27,342 as currently budgeted. City Fleet should realize savings on maintenance expenses with the lease option because all cars will likely be under warranty for the three years they are in service. Should leased vehicles exceed the 36,000 mile warranty, they will only be out of warranty for a maximum of 9,000 miles. Furthermore, Enterprise's volume of business with manufacturers has resulted in a track record of successful negotiations to cover the cost of repairs outside of the warranty period, if necessary. This means the new car maintenance expenses should be limited to routine service, tires and brakes. Finally, new cars are generally more fuel efficient, thus corresponding lower fuel costs may be an additional benefit. All six of the leased vehicles will have four-cylinder engines. Three of the cars will be Toyota Prius Hybrids which have City and Highway fuel consumption estimates in excess of 50 mpg. According to Oceanside Fleet records, the 2007 Toyota Prius currently in our fleet has averaged 46.7 mpg since acquired. Maintenance and operations savings, if any, will be assessed at the end of the three-year evaluation period.

Enterprise Leasing was identified as sole-source vendor because of their unique commercial leasing program that specializes in providing service to police departments. Enterprise actively seeks to partner with police departments and allows for moderate vehicle modifications without penalty. Enterprise offers acquisition services for all foreign and domestic cars and they can coordinate the installation of any aftermarket modifications for police vehicles upon request. Enterprise also offers a maintenance program at a fixed cost per vehicle, should the City choose to explore this option in the future (see attached City sole-source document Exhibit "C"). Enterprise Leasing also provided a sole-source justification letter for review (see attached contract Exhibit "D").

FISCAL IMPACT

The monthly lease amount for the six unmarked vehicles (3 Nissan Altimas and 3 Toyota Prius') is \$2,318.49. The annual cost of the lease for six vehicles is \$27,821.88 with a total lease expense of \$83,465 over three years. The Fleet Maintenance budget for Fiscal Year 2010-2011 will include sufficient funds in account 620608831.5336 (i.e. operating lease). Additionally, Fleet will continue to collect a total of \$18,000 per unit (total \$108,000) over their three-year service life to be deposited in the Fleet Replacement Fund. The monies collected will cover modification costs for the new vehicles acquired to replace vehicles at the end of their leases. The modification includes the installation of a police radio, lights and siren. The remaining replacement funds would be earmarked for the Police Departments as funds available for vehicle purchases at the conclusion of the three-year pilot project, should staff decide to discontinue the lease program.

COMMISSION OR COMMITTEE REPORT

This matter was presented to the Police and Fire Commission on May 20, 2010; the Commission recommended City Council approval.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney's Office and approved as to form.

RECOMMENDATION

Staff recommends that the City Council approve a three-year vehicle lease agreement between Enterprise Leasing and the City of Oceanside in a total amount of \$83,465 to lease six vehicles that will replace six existing unmarked police cars that have reached or exceeded their service life, and authorize the Chief of Police, or designee, to execute the agreement.

PREPARED BY:


Leonard Mata
Police Lieutenant

SUBMITTED BY:


Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Frank S. McCoy, Chief of Police

Joseph Arranaga, Deputy Public Works Director

Teri Ferro, Financial Services Director





- Exhibit A Replacement Fund Documentation
- Exhibit B Enterprise Leasing Contract
- Exhibit C City of Oceanside Sole Source Document
- Exhibit D Enterprise Sole Source Letter
- Exhibit E Enterprise Lease Rate Quote
- Exhibit F Enterprise Statement of Policy and Procedures

Exhibit A

Cars Scheduled for Replacemnt FY 09/10

Unit#	Model	Assign	Veh.class	Accrued Replacement Funds
329	Implala	Inv.	1010	\$ 26,886.00
437	Gr. Prix	Inv.	1010	\$ 20,472.00
438	Implala	Inv.	1010	\$ 20,472.00
440	Gr. Prix	Inv.	1010	\$ 20,472.00
539	Lasabre	Inv.	1010	\$ 21,091.00
664	Taurus	Inv.	1010	\$ 21,090.00
		Total \$ available		\$ 130,483.00

MASTER WALKAWAY LEASE AGREEMENT

This Master Walkaway Lease Agreement is entered into this twenty-seventh day of April, 2010, by and between Enterprise Rent-A-Car Company of Los Angeles, LLC, a Delaware Limited Liability Company doing business as "Enterprise Fleet Management" ("Lessor"), and the lessee whose name and address is set forth on the signature page below ("Lessee").

1. LEASE OF VEHICLES: Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the vehicles ("Vehicle(s)") described in the schedules from time to time delivered by Lessor to Lessee as set forth below ("Schedule(s)") for the rentals and on the terms set forth in this Agreement and in the applicable Schedule. References to this "Agreement" shall include this Master Walkaway Lease Agreement and the various Schedules and addenda to this Master Walkaway Lease Agreement. Lessor will, on or about the date of delivery of each Vehicle to Lessee, send Lessee a Schedule covering the Vehicle, which will include, among other things, a description of the Vehicle, the lease term and the monthly rental and other payments due with respect to the Vehicle. The terms contained in each such Schedule will be binding on Lessee unless Lessee objects in writing to such Schedule within ten (10) days after the date of delivery of the Vehicle covered by such Schedule. This Agreement is a lease only and Lessor will at all times remain the owner of the Vehicles and Lessee will have no right, title or interest in or to the Vehicles except for the use of the Vehicles as described in this Agreement. This Agreement shall be treated as a true lease for federal and applicable state income tax purposes with Lessor having all benefits of ownership.

2. TERM: The term of this Agreement ("Term") for each Vehicle begins on the date such Vehicle is delivered to Lessee (the "Delivery Date") and, unless terminated earlier in accordance with the terms of this Agreement, continues for the "Lease Term" as described in the applicable Schedule.

3. RENT AND OTHER CHARGES:

(a) Lessee agrees to pay Lessor monthly rental according to the Schedules and this Agreement. The monthly rental payments will be in the amount listed as the "Total Monthly Rental Including Additional Services" on the applicable Schedule and will be due and payable in advance on the first day of each month. If a Vehicle is delivered to Lessee on any day other than the first day of a month, monthly rental payments will begin on the first day of the next month. In addition to the monthly rental payments, Lessee agrees to pay Lessor a pro-rated rental charge for the number of days that the Delivery Date precedes the first monthly rental payment date. Lessee agrees to pay Lessor the "Total Initial Charges" set forth in each Schedule on the due date of the first monthly rental payment under such Schedule. Lessee agrees to pay Lessor the "Service Charge Due at Lease Termination" set forth in each Schedule at the end of the applicable Term (whether by reason of expiration, early termination or otherwise).

(b) The monthly rental rate allows the number of miles per month as set forth in the applicable Schedule. Lessee agrees to pay Lessor at the end of the applicable Term (whether by reason of expiration, early termination or otherwise) an excess mileage charge for any miles in excess of this average amount per month at the rate set forth in the applicable Schedule.

(c) Any security deposit of Lessee will be returned to Lessee at the end of the applicable Term, except that the deposit will first be applied to any losses and/or damages suffered by Lessor as a result of Lessee's breach of or default under this Agreement and/or to any other amounts then owed by Lessee to Lessor.

(d) Any rental payment or other amount owed by Lessee to Lessor which is not paid within twenty (20) days after its due date will accrue interest, payable on demand of Lessor, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate permitted by applicable law (the "Default Rate").

(e) If Lessee fails to pay any amount due under this Agreement (including maintenance management or VIP Rental billings) or to comply with any of the covenants contained in this Agreement, Lessor may, at its option, pay such amounts or perform such covenants and all sums paid or incurred by Lessor in connection therewith will be repayable by Lessee to Lessor upon demand together with interest thereon at the Default Rate.

4. USE AND SURRENDER OF VEHICLES: Lessee agrees to allow only duly authorized, licensed and insured drivers to use and operate the Vehicles. Lessee agrees to comply with, and cause its drivers to comply with, all laws, statutes, rules, regulations and ordinances and the provisions of all insurance policies affecting or covering the Vehicles or their use or operation. Lessee agrees to keep the Vehicles free of all liens, charges and encumbrances. Lessee agrees that in no event will any Vehicle be used or operated for transporting hazardous substances or persons for hire, for any illegal purpose or to pull trailers that exceed the manufacturer's trailer towing recommendations. Lessee agrees that no vehicle is intended to be or will be utilized as a "school bus" as defined in the Code of Federal Regulations or any applicable state or municipal statute or regulation. Lessee agrees not to remove any Vehicle from the continental United States without first obtaining Lessor's written consent. At the expiration or earlier termination of this Agreement with respect to each Vehicle, or upon demand by Lessor made pursuant to Section 14, Lessee at its risk and expense agrees to return such Vehicle to Lessor at such place and by such reasonable means as may be designated by Lessor, in the same repair, condition and working order as at the commencement of the applicable Term, reasonable wear and tear resulting from proper use excepted. If a Vehicle is not returned in the required condition, Lessee agrees to pay Lessor, at Lessor's option, the estimated cost to restore such Vehicle to such condition, or the actual cost of restoration, if the Vehicle is restored. If for any reason Lessee fails to return any Vehicle to Lessor as and when required in accordance with this Section, Lessee agrees to pay Lessor additional rent for such Vehicle at twice the normal pro-rated daily rent. Acceptances of such additional rent by Lessor will in no way limit Lessor's remedies with respect to Lessee's failure to return any Vehicle as required hereunder.

5. COSTS, EXPENSES, FEES AND CHARGES: Lessee agrees to pay all costs, expenses, fees, charges, fines, tickets, penalties and taxes (other than federal and state income taxes on the income of Lessor) incurred in connection with the titling, registration, delivery, purchase, sale, rental, use or operation of the Vehicles during the Term. If Lessor incurs any of such costs or expenses, Lessee agrees to promptly reimburse Lessor for the same.

6. LICENSE AND CHARGES: Each Vehicle will be licensed in Lessor's name at Lessee's expense. Certain other charges relating to the acquisition of each Vehicle and paid or satisfied by Lessor have been capitalized in determining the monthly rental, treated as an initial charge or otherwise charged to Lessee. Such charges have been determined without reduction for trade-in, exchange allowance or other credit attributable to any Lessor-owned vehicle.

7. REGISTRATION PLATES, ETC.: Lessee agrees, at its expense, to obtain in the name of Lessor all registration plates and other plates, permits, inspections and/or licenses required in connection with the Vehicles, except for the initial registration plates which Lessor will obtain at Lessee's expense. The parties agree to cooperate and to furnish any and all information or documentation, which may be reasonably necessary for compliance with the provisions of this Section or any federal, state or local law, rule, regulation or ordinance. Lessee agrees that it will not permit any Vehicle to be located in a state other than the state in which such Vehicle is then titled for any continuous period of time that would require such Vehicle to become subject to the titling and/or registration laws of such other state.

8. IMPROVEMENTS AND MAINTENANCE OF VEHICLES:

(a) Lessee agrees, at its expense, to (i) maintain the Vehicles in good condition, repair, maintenance and running order and in accordance with all manufacturer's instructions and warranty requirements and all legal requirements and (ii) furnish all labor, materials, parts and other essentials required for the proper operation and maintenance of the Vehicles. Any alterations, additions, replacement parts or improvements to the Vehicles will become

and remain the property of Lessor and will be returned with the Vehicles pursuant to Section 4. Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, Lessee shall have the right to remove any additional equipment installed by Lessee on a Vehicle prior to returning such Vehicle to Lessor under Section 4 so long as Lessee repairs any damage to such Vehicle caused by such removal. The value of such alterations, additions, replacement parts and improvements will in no instance be regarded as rent. Without the prior written consent of Lessor, Lessee will not make any alterations, additions, replacement parts or improvements to any Vehicle which detract from its economic value or functional utility. Lessor will not be required to make any repairs or replacements of any nature or description with respect to any Vehicle, to maintain or repair any Vehicle or, except as set forth in Section 8(b) below, to make any expenditure whatsoever in connection with any Vehicle or this Agreement.

(b) Notwithstanding the provisions of Section 8(a) above, if Section 4 of a Schedule includes a charge for maintenance, Lessor agrees that, subject to the terms and conditions of this Section 8(b), it will pay for, or reimburse Lessee for its payment of, all costs and expenses incurred in connection with the maintenance or repair of the Vehicle(s) covered by such Schedule (each, a "Covered Vehicle"). This Section 8(b) does not cover, and Lessee will remain responsible for and pay for, (i) fuel, (ii) oil and other fluids between changes, (iii) tire repair and replacement, (iv) washing, (v) repair of damage due to lack of maintenance by Lessee between scheduled services (including, without limitation, failure to maintain fluid levels), (vi) maintenance or repair of any alterations to a Covered Vehicle or of any after-market components (this Section 8(b) covers maintenance and repair only of the Covered Vehicles themselves and any factory-installed components and does not cover maintenance or repair of chassis alterations, add-on bodies (including, without limitation, step vans) or other equipment (including, without limitation, lift gates and PTO controls) which is installed or modified by a dealer, body shop, upfitter or anyone else other than the manufacturer of the Covered Vehicle, (vii) any service and/or damage resulting from, related to or arising out of an accident, a collision, theft, fire, freezing, vandalism, riot, explosion, other Acts of God, an object striking the Covered Vehicle, improper use of the Covered Vehicle (including, without limitation, driving over curbs, overloading, racing or other competition) or Lessee's failure to maintain the Covered Vehicle as required by this Agreement, (viii) roadside assistance or towing for vehicle maintenance purposes, (ix) mobile services, (x) the cost of loaner or rental vehicles or (xi) if the Covered Vehicle is a truck, (A) manual transmission clutch adjustment or replacement, (B) brake adjustment or replacement or (C) front axle alignment. Whenever it is necessary to have a Covered Vehicle serviced, Lessee agrees to have the necessary work performed by an authorized dealer of such Covered Vehicle or by a service facility acceptable to Lessor. In every case, if the cost of such service will exceed \$50.00, Lessee must notify Lessor and obtain Lessor's authorization for such service and Lessor's instructions as to where such service shall be made and the extent of service to be obtained. Lessee agrees to furnish an invoice for all service to a Covered Vehicle, accompanied by a copy of the shop or service order (odometer mileage must be shown on each shop or service order). Lessor will not be obligated to pay for any unauthorized charges or those exceeding \$50.00 for one service on any Covered Vehicle unless Lessee has complied with the above terms and conditions. Lessor will not have any responsibility to pay for any services in excess of the services recommended by the manufacturer, unless otherwise agreed to by Lessor. Notwithstanding any other provision of this Section 8(b), (i) all service performed within one hundred twenty (120) days prior to the last day of the scheduled Term must be authorized by and have the prior consent and approval of Lessor and any service not so authorized will be the responsibility of and be paid for by Lessee and (ii) Lessor is not required to provide or pay for any service to any covered Vehicle after 100,000 miles. Lessor may, at its option, provide Lessee with an authorization card (the "Enterprise Card") for use in authorizing the payment of charges incurred in connection with the maintenance of the Covered Vehicles. Lessee agrees to be liable to Lessor for, and upon receipt of a monthly or other statement from Lessor, Lessee agrees to pay to Lessor, all charges made by or for the account of Lessee with the Enterprise Card (other than any charges which are the responsibility of Lessor under the terms of this Section 8(b)). Lessor reserves the right to change the terms and conditions for the use of the Enterprise Card at any time. The Enterprise Card remains the property of Lessor and Lessor may revoke Lessee's right to possess or use the Enterprise Card at any time. Upon termination or expiration of the Agreement or upon the demand of Lessor, Lessee must return the Enterprise Card to Lessor. The Enterprise Card is non-transferable. The monthly maintenance charge set forth on each applicable Schedule allows the number of miles per month as set forth in such Schedule. Lessee agrees to pay Lessor at the end of the applicable Term (whether by reason of expiration, early termination or otherwise) an overmileage maintenance charge for any miles in excess of this average amount per month at the rate set forth in the applicable Schedule.

9. SELECTION OF VEHICLES AND DISCLAIMER OF WARRANTIES:

(a) LESSEE ACCEPTANCE OF DELIVERY AND USE OF EACH VEHICLE WILL CONCLUSIVELY ESTABLISH THAT SUCH VEHICLE IS OF A SIZE, DESIGN, CAPACITY, TYPE AND MANUFACTURE SELECTED BY LESSEE AND THAT SUCH VEHICLE IS IN GOOD CONDITION AND REPAIR AND IS SATISFACTORY IN ALL RESPECTS AND IS SUITABLE FOR LESSEE'S PURPOSE. LESSEE ACKNOWLEDGES THAT LESSOR IS NOT A MANUFACTURER OF OR A DEALER IN ANY VEHICLE OR AN AGENT OF A MANUFACTURER OF OR A DEALER IN ANY VEHICLE.

(b) LESSOR MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY VEHICLE, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY LESSEE. THE VEHICLES ARE LEASED "AS IS," "WITH ALL FAULTS." All warranties made by any supplier, vendor and/or manufacturer of a Vehicle are hereby assigned by Lessor to Lessee for the applicable Term and Lessee's only remedy, if any, is against the supplier, vendor or manufacturer of the Vehicle. No defect, unfitness or lack of governmental approval in, of or with respect to a Vehicle regardless of the cause or consequence will relieve Lessee from the performance of its obligations under this Agreement, including the payment of rent.

(c) Lessor will not be liable to Lessee for any liability, claim, loss, damage (direct, incidental or consequential) or expense of any kind or nature, caused directly or indirectly, by any Vehicle or any inadequacy of any Vehicle for any purpose or any defect (latent or patent) in any Vehicle or the use or maintenance of any Vehicle or any repair, servicing or adjustment of or to any Vehicle, or any delay in providing or failure to provide any Vehicle, or any interruption or loss of service or use of any Vehicle, or any loss of business or any damage whatsoever and however caused. In addition, Lessor will have no liability to Lessee under this Agreement or under any order authorization form executed by Lessee if Lessor is unable to locate or purchase a Vehicle ordered by Lessee or for any delay in delivery of any Vehicle ordered by Lessee.

10. RISK OF LOSS: Lessee assumes and agrees to bear the entire risk of loss of, theft of, damage to or destruction of any Vehicle from any cause whatsoever ("Casualty Occurrence"). No Casualty Occurrence to any Vehicle will relieve Lessee from its obligation to pay rent or to perform any of its other obligations under this Agreement. In the event of a Casualty Occurrence, Lessee shall give Lessor prompt notice of the Casualty Occurrence and thereafter will place the applicable Vehicle in good repair, condition and working order; provided, however, that if the applicable Vehicle is determined by Lessor to be lost, stolen, destroyed or damaged beyond repair (a "Totaled Vehicle"), Lessee agrees to pay Lessor no later than the due date of the next following monthly rent payment with respect to such Totaled Vehicle the total of (i) all rent and other amounts, if any, due at the time of such payment and allocable to the Totaled Vehicle plus (ii) the replacement value, as determined by Lessor in good faith, of the Totaled Vehicle immediately prior to the Casualty Occurrence. Upon such payment, this Agreement will terminate with respect to such Totaled Vehicle.

11. INSURANCE:

(a) Lessee agrees to purchase and maintain in force during the Term, insurance policies in at least the amounts listed below covering each Vehicle, to be written by an insurance company or companies satisfactory to Lessor, insuring Lessee and Lessor against any damage, claim, suit, action or liability:

(i) Commercial Automobile Liability, (including Uninsured/Underinsured Motorist Coverage and No-Fault Protection where required by law), for the limits listed below. (\$5,000,000 limits are required for Vehicles capable of transporting more than 8 passengers):

<u>State of Vehicle Registration</u>	<u>Coverage</u>
Connecticut, Massachusetts, Maine, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont	\$1,000,000 Combined Single Limit Bodily Injury and Property Damage - No Deductible
Florida	\$500,000 Combined Single Limit Bodily Injury and Property Damage or \$100,000 Bodily Injury Per Person, \$300,000 Per Occurrence and \$50,000 Property Damage (100/300/50) - No Deductible
All Other States	\$300,000 Combined Single Limit Bodily Injury and Property Damage or \$100,000 Bodily Injury Per Person, \$300,000 Per Occurrence and \$50,000 Property Damage (100/300/50) - No Deductible

(ii) Physical Damage Insurance (Collision & Comprehensive: Actual cash value of the applicable Vehicle. Maximum deductible of \$500 per occurrence - Collision and \$250 per occurrence - Comprehensive).

If the requirements of any governmental or regulatory agency exceed the minimums stated in this Agreement, Lessee must obtain and maintain the higher limits. Lessee agrees that each required policy of insurance will by appropriate endorsement or otherwise name Lessor as an additional insured and as a loss payee, as its interests may appear. Further, each such insurance policy must provide the following: (i) that the same may not be cancelled, changed or modified until after the insurer has given to Lessor or its assigns at least a thirty (30) day prior written notice of such proposed cancellation, change or modification, (ii) that no act or default of Lessee or any other person shall affect the right of Lessor to recover under such policy or policies of insurance in the event of any loss of or damage to any Vehicle and (iii) that the coverage is "primary coverage" for the protection of Lessee and Lessor notwithstanding any other coverage carried by Lessee or Lessor protecting against similar risks. Original certificates evidencing such coverage and naming Lessor as an additional insured and loss payee, shall be furnished to Lessor prior to the Delivery Date, and annually thereafter and/or as reasonably requested by Lessor from time to time. In the event of default, Lessee hereby appoints Lessor as Lessee's attorney-in-fact to receive payment of, to endorse all checks and other documents and to take any other actions necessary to pursue insurance claims and recover payments if Lessee fails to do so. Any expense of Lessor in adjusting or collecting insurance shall be borne by Lessee.

Lessee, its drivers, servants and agents agree to cooperate fully with Lessor and any insurance carriers in the investigation, defense and prosecution of all claims or suits arising from the use or operation of any Vehicle. If any claim is made or action commenced for death, personal injury or property damage resulting from the ownership, maintenance, use or operation of any Vehicle, Lessee will promptly notify Lessor of such action or claim and forward to Lessor a copy of every demand, notice, summons or other process received in connection with such claim or action.

(b) Notwithstanding the provisions of Section 11(a) above: (i) if Section 4 of a Schedule includes a charge for physical damage management, Lessor agrees that (A) Lessee will not be required to obtain or maintain the minimum physical damage insurance (collision and comprehensive) required under Section 11(a) for the Vehicle(s) covered by such Schedule and (B) Lessor will assume the risk of physical damage (collision and comprehensive) to the Vehicle(s) covered by such Schedule; provided, however, that such physical damage management shall not apply to, and Lessee shall be and remain liable and responsible for, damage to a covered Vehicle caused by wear and tear or mechanical breakdown or failure, damage to or loss of any parts, accessories or components added to a covered Vehicle by Lessee without the prior written consent of Lessor and/or damage to or loss of any property and/or personal effects contained in a covered Vehicle. In the event of a Casualty Occurrence to a covered Vehicle, Lessor may, at its option, replace, rather than repair, the damaged Vehicle with an equivalent vehicle, which replacement vehicle will then constitute the "Vehicle" for purposes of this Agreement; and (ii) if Section 4 of a Schedule includes a charge for commercial automobile liability enrollment, Lessor agrees that it will, at its expense, obtain for and on behalf of Lessee (either by adding Lessee as an additional insured under a commercial automobile liability insurance policy insuring Lessor, obtaining insurance on behalf of Lessee or otherwise) the minimum commercial automobile liability insurance required under Section 11(a) for the Vehicle(s) covered by such Schedule. Lessor may at any time during the applicable Term terminate said obligation to provide physical damage management and/or commercial automobile liability enrollment and cancel such physical damage management and/or commercial automobile liability enrollment upon giving Lessee ten (10) days written notice. Upon such cancellation, insurance in the minimum amounts as set forth in 11(a) shall be obtained and maintained by Lessee at Lessee's expense. An adjustment will be made in monthly rental charges payable by Lessee to reflect such insurance change and Lessee agrees to furnish Lessor with satisfactory proof of insurance coverage within ten (10) days after mailing of the notice. In addition, Lessor may change the rates charged by Lessor under this Section 11(b) for physical damage management and/or commercial automobile liability enrollment upon giving Lessee thirty (30) days prior written notice.

12. INDEMNITY: Lessee agrees to defend and indemnify Lessor from and against any and all losses, damages, liabilities, suits, claims, demands, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) which Lessor may incur by reason of Lessee's breach or violation of, or failure to observe or perform, any term, provision or covenant of this Agreement, or as a result of any loss, damage, theft or destruction of any Vehicle or related to or arising out of or in connection with the use, operation or condition of any of the Vehicles. The provisions of this Section 12 shall survive any expiration or termination of this Agreement.

13. INSPECTION OF VEHICLES; ODOMETER DISCLOSURE; FINANCIAL STATEMENTS: Lessee agrees to accomplish, at its expense, all inspections of the Vehicles required by any governmental authority during the Term. Lessor will have the right to inspect any Vehicle at any reasonable time(s) during the Term and for this purpose to enter into or upon any building or place where any Vehicle is located. Lessee agrees to comply with all odometer disclosure laws, rules and regulations and to provide such written and signed disclosure information on such forms and in such manner as directed by Lessor. Providing false information or failure to complete the odometer disclosure form as required by law may result in fines and/or imprisonment. Lessee hereby agrees to promptly deliver to Lessor such financial statements and other financial information regarding Lessee as Lessor may from time to time reasonably request.

14. DEFAULT; REMEDIES: The following shall constitute events of default ("Events of Default") by Lessee under this Agreement: (a) if Lessee fails to pay when due any rent or other amount due under this Agreement; (b) if Lessee fails to perform, keep or observe any other term, provision or covenant contained in this Agreement; (c) any seizure or confiscation of any Vehicle or any other act (other than a Casualty Occurrence) otherwise rendering any Vehicle unsuitable for use (as determined by Lessor); (d) if any present or future guaranty in favor of Lessor of all or any portion of the obligations of Lessee under this Agreement shall at any time for any reason cease to be in full force and effect or shall be declared to be null and void by a court of competent jurisdiction, or if the validity or enforceability of any such guaranty shall be contested or denied by any guarantor, or if any guarantor shall deny that it, he or she has any further liability or obligation under any such guaranty or if any guarantor shall fail to comply with or observe any of the terms, provisions or conditions contained in any such guaranty; (e) the occurrence of a material adverse change in the financial condition or business of Lessee or any guarantor; or (f) if Lessee or any guarantor is in default under or fails to comply with any other present or future agreement with or in favor of Lessor,

Enterprise Rent-A-Car Company or any direct or indirect subsidiary of Enterprise Rent-A-Car Company. For purposes of this Section 14, the term "guarantor" shall mean any present or future guarantor of all or any portion of the obligations of Lessee under this Agreement.

Upon the occurrence of any Event of Default, Lessor, without notice to Lessee, will have the right to exercise concurrently or separately (and without any election of remedies being deemed made), the following remedies: (a) Lessor may demand and receive immediate possession of any or all of the Vehicles from Lessee, without releasing Lessee from its obligations under this Agreement; if Lessee fails to surrender possession of the Vehicles to Lessor on default (or termination or expiration of the Term), Lessor and its agents and independent contractors shall have the right to enter upon any premises where the Vehicles may be located and to remove and repossess the Vehicles; (b) Lessor may enforce performance by Lessee of its obligations under this Agreement; (c) Lessor may recover damages and expenses sustained by Lessor by reason of Lessee's default including, to the extent permitted by applicable law, all costs and expenses, including court costs and reasonable attorneys' fees and expenses, incurred by Lessor in attempting or effecting enforcement of its rights under this Agreement (whether or not litigation is commenced) and/or in connection with bankruptcy or insolvency proceedings; (d) upon written notice to Lessee, Lessor may terminate Lessee's rights under this Agreement; (e) with respect to each Vehicle, Lessor may recover from Lessee (i) either the Vehicle (in the condition required by Section 4) or the estimated undamaged wholesale value of the Vehicle (as determined by Lessor in good faith) plus (ii) all accrued and unpaid rent for such Vehicle for the period ending on, and all other amounts owed by Lessee with respect to such Vehicle as of, the date all of the amounts owed by Lessee to Lessor under this clause (e) (including the amounts owed under this subclause (i)) are paid in full (the "Payment Date") plus (iii) an amount equal to three (3) months rent plus (iv) Thirty Percent (30%) of the total future rent due under the applicable Schedule for the period commencing on the Payment Date and ending on the last day of the scheduled Term; and/or (f) Lessor may exercise any other right or remedy which may be available to Lessor under the Uniform Commercial Code, any other applicable law or in equity. A termination of this Agreement shall occur only upon written notice by Lessor to Lessee. Any termination shall not affect Lessee's obligation to pay all amounts due for periods prior to the effective date of such termination or Lessee's obligation to pay any indemnities under this Agreement. All remedies of Lessor under this Agreement or at law or in equity are cumulative.

15. ASSIGNMENTS: Lessor may from time to time assign, pledge or transfer this Agreement and any or all of its rights and obligations hereunder to an affiliate of Lessor. Lessee agrees, upon notice of any such assignment, pledge or transfer, to pay all amounts due or to become due under this Agreement to such assignee, pledgee or transferee. Each such assignee, pledgee or transferee will have all of the rights and obligations of Lessor that have been assigned to it under this Agreement. Lessee's rights and interest in and to the Vehicles are and will continue at all times to be subject and subordinate in all respects to any assignment, pledge or transfer now or hereafter executed by Lessor with or in favor of any such assignee, pledgee or transferee, provided that Lessee shall have the right of quiet enjoyment of the Vehicles so long as no Event of Default under this Agreement has occurred and is continuing.

Without the prior written consent of Lessor, Lessee may not assign, sublease, transfer or pledge this Agreement, any Vehicle, or any interest in this Agreement or in and to any Vehicle, or permit its rights under this Agreement or any Vehicle to be subject to any lien, charge or encumbrance. Lessee's interest in this Agreement is not assignable and cannot be assigned or transferred by operation of law. Lessee will not transfer or relinquish possession of any Vehicle (except for the sole purpose of repair or service of such Vehicle) without the prior written consent of Lessor.

16. MISCELLANEOUS: This Agreement contains the entire understanding of the parties. Any modification or amendment of this Agreement may be made only by an instrument in writing executed by both parties. Lessor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies under this Agreement and no waiver whatsoever shall be valid unless in writing and signed by Lessor and then only to the extent therein set forth. A waiver by Lessor of any right or remedy under this Agreement on any one occasion shall not be construed as a bar to any right or remedy, which Lessor would otherwise have on any future occasion. If any term or provision of this Agreement or any application of any such term or provision is invalid or unenforceable, the remainder of this Agreement and any other application of such term or provision will not be affected thereby. Giving of all notices under this Agreement will be sufficient if mailed by certified mail to a party at its address set forth below or at such other address as such party may provide in writing from time to time. Any such notice mailed to such address will be effective one (1) day after deposit in the United States mail, duly addressed, with certified mail, postage prepaid. Lessee will promptly notify Lessor of any change in Lessee's address. This Agreement may be executed in multiple counterparts (including telecopy counterparts), but the counterpart marked "ORIGINAL" by Lessor will be the original lease for purposes of applicable law. All of the representations, warranties, covenants, agreements and obligations of each Lessee under this Agreement (if more than one) are joint and several.

17. SUCCESSORS AND ASSIGNS; GOVERNING LAW: Subject to the provisions of Section 15, this Agreement will be binding upon Lessee and its heirs, executors, personal representatives, successors and assigns, and will inure to the benefit of Lessor and its successors and assigns. This Agreement will be governed by and construed in accordance with the substantive laws of the state where Lessor's office is located (as set forth below), which law will apply in the event of any conflict of law.

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Master Walkaway Lease Agreement as of the day and year first above written.

LESSEE: Oceanside Police Department

LESSOR: Enterprise Fleet Management

By: Frank S. McCoy
Title: Chief of Police

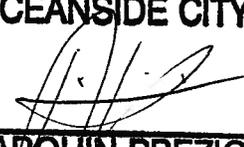
By: Greg Murphy
Title: Regional Sales Manager

Address: 3855 Mission Avenue
Oceanside, CA 92054

Address: 6330 Marindustry Drive
San Diego, CA 92121

Date Signed: _____

Date Signed: _____

APPROVED AS TO FORM
OCEANSIDE CITY ATTORNEY

TARQUIN PREZIOSI
Senior Deputy City Attorney

**SELF -INSURANCE ADDENDUM TO MASTER EQUITY LEASE AGREEMENT
(Physical Damage and Liability)**

This Addendum is made to the Master Equity Lease Agreement dated the tenth day of May, 2010, as amended (the "Agreement"), by and between Enterprise Rent-A-Car Company of Los Angeles, LLC, doing business as "Enterprise Fleet Management" ("Lessor"), and the lessee whose name is set forth on the signature line below ("Lessee").

This Addendum is attached to and made a part of the Agreement (including each Schedule to the Agreement). All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Agreement.

Notwithstanding the provisions of Section 11 of the Agreement, Lessee shall be permitted to assume and self-insure the risks set forth in Section 11 of the Agreement and shall not be required to purchase or maintain any insurance policy of any kind with respect to any Vehicle; provided, however, that if any Federal, state, local or other law, statute, rule, regulation or ordinance requires Lessee to maintain any amount of insurance with respect to any Vehicle, Lessee shall purchase and maintain such amount of Insurance in the form of an insurance policy which complies in all respects, other than the amount of insurance required, with Section 11 of the Agreement.

Notwithstanding the foregoing, if (1) Lessor, at any time in its good faith judgment, is not satisfied with the condition, prospects or performances, financial or otherwise, of Lessee or (2) any default or event of default occurs under the Agreement, than Lessor may, at its option, revoke this Addendum and terminate Lessee's right to self-insure by providing Lessee with at least thirty (30) days prior written notice thereof. Upon the termination of Lessee's right to self-insure, Lessee shall comply in all respects with Section 11 of the Agreement.

Except as amended hereby, all the terms and provisions of the Agreement shall remain in full force and effect. In the event of any conflict between this Addendum and the Agreement or any of the Schedules, the terms and provisions of this Addendum will govern and control.

LESSEE: Oceanside Police Department

LESSOR: Enterprise Fleet Management

By: Frank S. McCoy
Title: Chief of Police

By: Kevin J. Morrissey
Title: Vice President

Date Signed: _____

Date Signed: _____

**APPROVED AS TO FORM
OCEANSIDE CITY ATTORNEY**



**TARQUIN PREZIOSI
Senior Deputy City Attorney**

EXHIBIT C

**CITY OF OCEANSIDE
JUSTIFICATION FOR SOLE SOURCE/SOLE BRAND**

Date: 4/27/2010

Vendor: Enterprise Leasing Company

Item: Lease agreement for six unmarked police vehicles

Sole Source: Item is available from only one vendor. Item is one-of-a-kind item and is not sold through distributors. Manufacturer is a sole distributor.

Sole Brand: Various vendors can supply the specified model and brand and competitive bids will be solicited for the brand requested only.

Refer to the instructions on the back of this form for required criteria before completing this form.

JUSTIFICATION:

Enterprise was selected as sole source vendor because of their unique commercial leasing program that specializes in providing service to police departments. Enterprise actively seeks out lease business with police departments and allows for moderate vehicle modifications without penalty. Enterprise offers acquisition services for all foreign and domestic cars and they can coordinate the installation of any aftermarket modifications for police vehicles upon request. Enterprise also offers a maintenance program at a fixed cost per vehicle, should we choose to explore this option in the future. In addition, should the leased vehicles exceed the 36,000 mile warranty, Enterprise's volume business with manufacturers has resulted in a track record of successful negotiations to cover the cost of repairs outside of the warranty period to 60,000 miles if necessary.

Historically, lease companies or car dealers are hesitant to contract with police departments because the necessary modifications and wear associated with police work can devalue the cars at the end of the lease. In addition, many lease companies who offer competitive pricing will not offer contracts to entities whose fleet requirements do not meet their fleet minimums. In the interest of time, Staff contacted car dealers and lease competitors directly to evaluate their services, prices and willingness to enter into a lease agreement for police vehicles. With a specific interest in acquiring three Ford Fusions and three Nissan Altimas, local dealers were contacted for lease information. Ford offered only a lease/purchase plan that was cost prohibitive, and Nissan offered a lease competitive with Enterprise but could not guarantee we would not be charged for the expenses associated with the modifications. Nissan was also limited to acquiring their brand only. Three large lease companies; Emkay, Domen and ARI were also contacted. Emkay would not contract for less than twenty cars, and Domen will not lease to police departments. ARI offered services similar to Enterprise at a slightly higher lease rate, but they could not guarantee we would not be responsible for modification damage.

CERTIFICATION:

I am aware of the City of Oceanside Municipal Code. Sections 28A.1, 28A.9, 28A.12 and Purchasing Administrative Directive Section V, Paragraph O for competitive bidding and the established criteria for justification for sole source/sole brand purchasing. As an approved department representative, I have gathered technical information and have made a concentrated effort to review comparable/equal equipment. This is documented in this justification. I hereby certify as to the validity of the information and feel confident this justification for sole source/sole brand meets the City's criteria and is accurate.

This form was completed by:

Leonard Mata

DEPARTMENT

APPROVAL: _____
Director for Authorized Representative/Date

Police/Administration/L. Mata/4688
Dept/Division Representative/Phone

PROCUREMENT

APPROVAL: _____
Procurement Officer/Date

CRITERIA FOR SOLE SOURCE/SOLE BRAND

A. FACTORS WHICH MAY BE APPLICABLE:

Respond specifically to each question below in preparing a justification.

1. If the product requested is one-of-a-kind item provide background information on how this was determined.
2. Provide information on why a particular product and/or vendor was chosen.
3. Provide information on other vendors that were contacted and why they can not provide the requested product. Is the selected vendor also the manufacturer?
4. If unique features are required to successfully perform the required function. Identify what those features are and why they are required. (Be specific)
5. Provide information on other models available and why they were rejected. Provide brand name, model, vendor name, date, and name of each person contacted.
6. To "match and intermember" is not normally an acceptable justification for sole brand. When you determine this is a justified factor which should be considered: the quantity, manufacturer, brand, model, property number of the existing equipment, and necessity for "interfacing" must be provided.

B. FACTORS WHICH SHOULD NOT BE CONSIDERED

The following factors should not be included in your sole source/sole brand justification.

1. Personal preference for a product or vendor.
2. Cost, vendor performance, local service, maintenance, and delivery (these are award factors in competitive bidding).
3. Features which exceed the minimum department requirement, e.g. heavy duty and quality.
4. Explanation for the actual need and basic use for the equipment, unless the information relates to a request for "unique features".
5. The statement "no substitutions" will not be considered without completion of the "Justification for Sole Source/Sole Brand" form.

EXHIBIT D



Fleet Management Division
6330 Marindustry Drive
San Diego, CA 92121
858-546-8200

Lieutenant Leonard Mata
Oceanside Police Department
3855 Mission Avenue
Oceanside, CA 92054

April 13, 2010

Re: Enterprise Fleet Management - Sole Source Provider

Lt. Mata,

Enterprise Fleet Management provides a total transportation solution to several municipalities throughout the United States. We provide a unique commercial leasing program with full maintenance that has no wear & tear penalties, no mileage penalties, allows for minimal to moderate vehicle modifications with no penalty, and includes all maintenance expenses (scheduled repairs, unscheduled repairs, & unscheduled replacements) excluding brakes and tires with zero deductible up to lease term or 100,000 miles. In addition to these unique characteristics of Enterprise's commercial lease with full maintenance, a local account management team is assigned to your department to track, monitor, and report back to you on all vehicle usage at no extra cost.

Enterprise Fleet Management is the sole source provider for this leasing program with full maintenance and has worked closely with the Oceanside Police Department to provide this customized solution. Our unique approach identifies opportunities within your existing fleet and offers customized solutions to reduce vehicle overhead and employee involvement.

Thank you,

A handwritten signature in black ink, appearing to read "John Gorman", with a horizontal line extending to the right.

John Gorman
Account Executive
Enterprise Fleet Management



Closed-End (Walkaway) Lease Rate Quote

Quote No: 1561486

Prepared For: Oceanside Police Department

Date 05/06/2010

AE/AM JG5

Unit #
 Year 2010
 Make Toyota
 Model Prius
 Series 15dr Hatchback

Vehicle Order Type Ordered
 Term 36
 State CA
 Customer No 387605

	Items Due on Delivery Indicated By*
\$ 0.00	• Capitalized Price Reduction
\$ 0.00	• Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00	• Initial Sales Tax
\$ 332.04	• Initial License Fee
\$ 0.00	• Registration Fee
\$ 85.00	• Other:Pricing Plan Delivery Charge
\$ 0.00	• Security Deposit
\$ 0.00	Extended Service Contract
\$ 379.66	Monthly Lease Charge (Based on interest Rate - Subject to a Floor)¹

Order Information

Driver Name
Exterior Color (0 P) Super White
Interior Color (0 I) Dark Gray w/Fabric Seat Trim
Lic. Plate Type Unknown
GVWR 0

Additional Fleet Management

Master Policy Enrollment Fees

\$ 0.00	Commercial Automobile Liability Enrollment
	Liability Limit <u>\$0.00</u>
\$ 0.00	Physical Damage Management
\$ 0.00	Full Maintenance Program Contract Miles <u>0</u>
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>

Comp/Coll Deductible 0/0

OverMileage Charge \$ 0.00 Per Mile

Tires 0 Loaner Vehicle Not Included

\$ 0.00 **Additional Services SubTotal**

\$ 33.22 Use Tax 8.7500 %

State CA

\$ 0.00 Monthly Property Tax

\$ 412.88 Total Monthly Rental including Additional Services

\$ 0.00 Service Charge Due at Lease Termination

Monthly Rental Includes 1,250 Miles Per Month

Miles In Excess Of 45,000 Will Be Charged At \$ 0.1000 Per Mile

(Quote is Subject to Customer's Credit Approval)

Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Closed - End (Walkaway) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Closed - End (Walkaway) Lease Agreement with respect to such vehicle.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Walkaway Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle.

LESSEE Oceanside Police Department

BY _____ TITLE _____ DATE _____

* INDICATES ITEMS TO BE BILLED ON DELIVERY.

¹ MONTHLY LEASE CHARGE WILL BE ADJUSTED TO REFLECT THE INTEREST RATE ON THE DELIVERY DATE (SUBJECT TO A FLOOR).

CAPITALIZED PRICE OF VEHICLE MAY BE ADJUSTED TO REFLECT FINAL MANUFACTURER'S INVOICE. LESSEE HEREBY ASSIGNS TO LESSOR ANY MANUFACTURER REBATES AND/OR MANUFACTURER INCENTIVES INTENDED FOR THE LESSEE, WHICH REBATES AND/OR INCENTIVES HAVE BEEN USED BY LESSOR TO REDUCE THE CAPITALIZED PRICE OF THE VEHICLE.



Closed-End (Walkaway) Lease Rate Quote

Quote No: 1561486

Vehicle Information

2010 Toyota Prius | 5dr Hatchback
Series ID: 1221

Pricing Summary:

	INVOICE	MSRP
Base Vehicle	\$ 20,330.00	\$ 21,400.00
Total Options	\$ 0.00	\$ 0.00
Destination Charge	\$ 750.00	\$ 750.00
Total Price	\$ 21,080.00	\$ 22,150.00

SELECTED OPTIONS

CODE	DESCRIPTION	INVOICE	MSRP
040_02	(0 P) Super White	NC	NC
10_04	(0 I) Dark Gray w/Fabric Seat Trim	NC	NC
FB	Fabric Seat Trim	STD	STD
PAINT	Monotone Paint Application	STD	STD
STDEN	Engine: 1.8L 4-Cylinder DOHC 16V VVT-i	STD	STD
STDRD	Radio: AM/FM CD Player	STD	STD
STDST	Front Bucket Seats	STD	STD
STDTN	Transmission: Continuously Variable Automatic	STD	STD
STDTR	Tires: P195/65R15	STD	STD
STDWL	Wheels: 15" x 6J Alloy Disc	STD	STD

STANDARD EQUIPMENT

Body Exterior Features:

- 4 doors
- Liftgate rear cargo door
- Power remote folding side-view door mirrors
- Body-colored door handles
- Body-colored front and rear bumpers
- Front licence plate bracket
- Galvanized steel/alloy body material
- Black grille

Convenience Features:

- Automatic air conditioning with air filter
- Steering-wheel mounted A/C controls
- Mechanical fuel remote release
- Power windows with front and rear 1-touch down
- Power rearmost windows
- Keyfob (all doors) remote keyless entry
- Illuminated entry
- Integrated key/remote
- Auto-locking doors
- Steering wheel with manual tilting, manual telescoping
- Day-night rearview mirror
- Illuminated driver and passenger-side visor mirrors
- Front cupholder
- Full floor console with covered box
- Mini overhead console with storage
- Illuminated glove box

- Driver and passenger door bins
- Seatback storage pockets 1
- Covered bin instrument-panel storage
- Driver's footrest
- Retained accessory power
- 2 12V DC power outlets

Entertainment Features:

- AM/FM stereo with seek-scan, single in-dash CD player
- MP3 decoder
- Speed-sensitive volume
- Steering-wheel mounted audio controls
- 4 speakers
- Integrated roof antenna

Lighting, Visibility and Instrumentation Features:

- Delay-off projector beam halogen headlamps
- Variable intermittent wipers
- Rear window defroster
- Light-tinted windows
- Dome light with fade
- Front reading lights
- 2 door curb/courtesy lights
- Ignition switch light
- Variable instrument panel lighting
- Digital display
- Outside-temperature display
- Low-tire-pressure warning
- Trip computer
- Trip odometer
- In-dash clock
- Systems monitor
- Oil-pressure warning
- Water-temp. warning
- Battery warning
- Lights-on warning
- Key-in-ignition warning
- Low-fuel warning
- Door-ajar warning
- Trunk-ajar warning
- Brake-fluid warning

Safety and Security:

- Four-wheel ABS brakes
- 4 ABS channels
- Brake assist
- Four-wheel disc brakes
- Front ventilated disc brakes
- Compact spare tire
- Spare tire mounted inside under cargo
- Driver and passenger front-impact airbags
- Seat-mounted driver and passenger side-impact airbags
- Curtain 1st and 2nd row overhead airbag
- Knee airbag
- Front passenger airbag occupancy sensor

- Height adjustable front seatbelts
- Front seatbelt pre-tensioners
- 3 point rear center seatbelt
- Side-impact bars
- Tailgate/rear door lock included with power doors
- Rear child safety locks
- Ignition disable
- Panic alarm
- Stability control
- ABS and driveline traction control
- Manual adjustable front head restraints
- Anti-whiplash front head restraints
- 3 rear head restraints

Seats and Trim:

- Max. seating capacity of 5
- Front bucket seats
- 6-way driver seat adjustment
- Manual reclining driver and passenger seats
- Manual height-adjustable driver seat
- Manual driver and passenger fore/aft adjustment
- 4-way passenger seat adjustment
- Front center armrest with storage
- Rear 60-40 bench seat
- Rear seat fold-forward seatback
- Cloth front and rear seat upholstery
- Cloth door panel trim
- Full cloth headliner
- Carpet floor covering
- Metal-look instrument panel insert, door panel insert, console insert
- Metal-look shift knob
- Metal-look interior accents
- Carpet cargo space
- Plastic trunk lid/rear cargo door
- Cargo tie-downs
- Cargo light
- Concealed cargo storage

Standard Engine:

- Engine 98-hp, 1.8-liter I-4 (gas hybrid)

Standard Transmission:

- Transmission 2-speed CVT w/OD

SELECTED COLOR

- Exterior: 040 (0 P) Super White
- Interior: 10(0 I) Dark Gray w/Fabric Seat Trim



Closed-End (Walkaway) Lease Rate Quote

Quote No: 1555262

Prepared For: Oceanside Police Department

Date 04/28/2010

AE/AM JG5

Unit #

Year 2010

Make Nissan

Model Altima

Series 2.5 S (CVT) 4dr Sedan

Vehicle Order Type Ordered

Term 36

State CA

Customer No 367605

Items Due on Delivery Indicated By*	
\$ 0.00	* Capitalized Price Reduction
\$ 0.00	* Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00	* Initial Sales Tax
\$ 0.00	* Initial License Fee
\$ 0.00	* Registration Fee
\$ 85.00	Other:Pricing Plan Delivery Charge
\$ 0.00	* Security Deposit
\$ 0.00	Extended Service Contract
\$ 330.99	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor)¹

Order Information

Driver Name
Exterior Color
Interior Color
Lic. Plate Type Unknown
GVWR 0

Additional Fleet Management

Master Policy Enrollment Fees

\$ 0.00 Commercial Automobile Liability Enrollment
Liability Limit \$0.00

\$ 0.00 Physical Damage Management

Comp/Coll Deductible 0 / 0

\$ 0.00 Full Maintenance Program Contract Miles 0
Incl: # Brake Sets (1 set = 1 Axle) 0

OverMileage Charge \$ 0.00 Per Mile

Tires 0 Loaner Vehicle Not Included

\$ 0.00 Additional Services SubTotal

\$ 28.96 Use Tax 8.7500 %

State CA

\$ 0.00 Monthly Property Tax

\$ 359.95 Total Monthly Rental Including Additional Services

\$ 0.00 Service Charge Due at Lease Termination

Monthly Rental Includes 1,250 Miles Per Month

Miles in Excess Of 45,000 Will Be Charged At \$ 0.1200 Per Mile

(Quote is Subject to Customer's Credit Approval)

Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Closed - End (Walkaway) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Closed - End (Walkaway) Lease Agreement with respect to such vehicle.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Walkaway Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle.

LESSEE Oceanside Police Department

BY	TITLE	DATE
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* INDICATES ITEMS TO BE BILLED ON DELIVERY.

¹ MONTHLY LEASE CHARGE WILL BE ADJUSTED TO REFLECT THE INTEREST RATE ON THE DELIVERY DATE (SUBJECT TO A FLOOR).

CAPITALIZED PRICE OF VEHICLE MAY BE ADJUSTED TO REFLECT FINAL MANUFACTURER'S INVOICE. LESSEE HEREBY ASSIGNS TO LESSOR ANY MANUFACTURER REBATES AND/OR MANUFACTURER INCENTIVES INTENDED FOR THE LESSEE, WHICH REBATES AND/OR INCENTIVES HAVE BEEN USED BY LESSOR TO REDUCE THE CAPITALIZED PRICE OF THE VEHICLE.

STATEMENT OF POLICY AND PROCEDURES

Enterprise Fleet Services will use the information provided in this application for the sole purpose of fleet related services/programs.

Enterprise Fleet Services reserves the right to return this application if all sections are not completed or determined misleading.

Enterprise Fleet Services will conduct future inquiries either on an annual basis or as fleet size increases, and reserves the right to ask for additional or updated information as the need warrants.

CORPORATE RESOLUTION MOTOR VEHICLE LEASE(S)

RESOLVED, That this Corporation lease from Enterprise Fleet Services, hereinafter called Enterprise, from time to time, such motor vehicles upon such terms and conditions, as in the judgment of the Officer(s) or employee(s) hereinafter authorized, this Corporation may require.

RESOLVED FURTHER, that:

Name _____	_____	Title _____	or
Print Name	Signature		
Name _____	_____	Title _____	or
Print Name	Signature		
Name _____	_____	Title _____	or
Print Name	Signature		
Name _____	_____	Title _____	
Print Name	Signature		

are authorized and empowered on behalf of and in the name of this Corporation to execute Motor Vehicle Leases with Enterprise on such terms as may be agreed to by said person.

RESOLVED FURTHER, that Enterprise is authorized to act upon this resolution until written notice of its revocation is received by Enterprise.

I, _____ Secretary of _____, a Corporation in good standing in the State of _____, do hereby certify that the resolution appearing above is a true copy of a resolution of the Board of Directors of said Corporation duly passed and adopted at a meeting of said Board of Directors, which was duly called and held in all respects as required by law and the bylaws of said Corporation on the _____ day of _____, 20_____.

I further certify that said resolution has not been amended or revoked and is still in full force and effect.

Date _____ Printed Name _____

(SEAL) _____ Signature _____

_____ Title (Secretary of a Corporation)