

Welcome!



**2019
MIDWEST GREEN TRANSPORTATION
FORUM & EXPO**

CREATING YOUR BLUEPRINT FOR SUCCESS IN ADVANCED FUELS & TRANSPORTATION

September 18 - 20, 2019 • Marriott Columbus University Area • Columbus, OH



Pre-Conference Training

Session 2:
Platforms to Streamline Purchasing:
Eliminate RFP's, Paperwork, and More

Franklin Ballroom
Wed, September 18th, 2019; 2:15 – 3:15 PM

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Nate Shadoin **Business Development Manager** **Mike Albert Fleet Solutions**

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ELECTRIC VEHICLES FOR FLEETS

BEST PRACTICES

SEPTEMBER 18, 2019

MIKE ALBERT AT A GLANCE

- Founded in 1957
- Family-Owned with Professional Executive Management
- Top Workplaces 2019
- 225 employees, average tenure of 13 years
- 40,000 vehicles under management, coast to coast and Canada
- Top 10 – US Fleet Management Industry
- Headquarters in Cincinnati
- Actively pursue Electric Vehicle fleet clients – Municipalities, Mobility Companies, Private Fleets.



Strategy

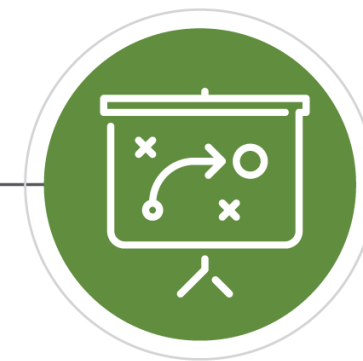
Reactive

- Transactional approach
- Always reacting to vehicle issues
- Reacting to OEM supply chain
- Not managing maintenance or fuel
- No actionable insights



Proactive

- Strategic approach
- Comprehensive planning
- Managing OEM supply chain
- Smarter decision based on real time data
- Easy access to insights and benchmarks





Capital Preservation

Reactive

- Apply one financial model to entire fleet
- Vehicle in fleet breaks – get it repaired



Proactive

- Tailor finance strategy to actual vehicle use
- Partner with knowledgeable team to ensure maintenance spend is the right spend based on useable life (lifecycle)
- Redeploy cash by recapitalizing vehicles





Fleet Planning

Reactive

- Buying a vehicle – whatever's available
- Lack of planning = 20% premium

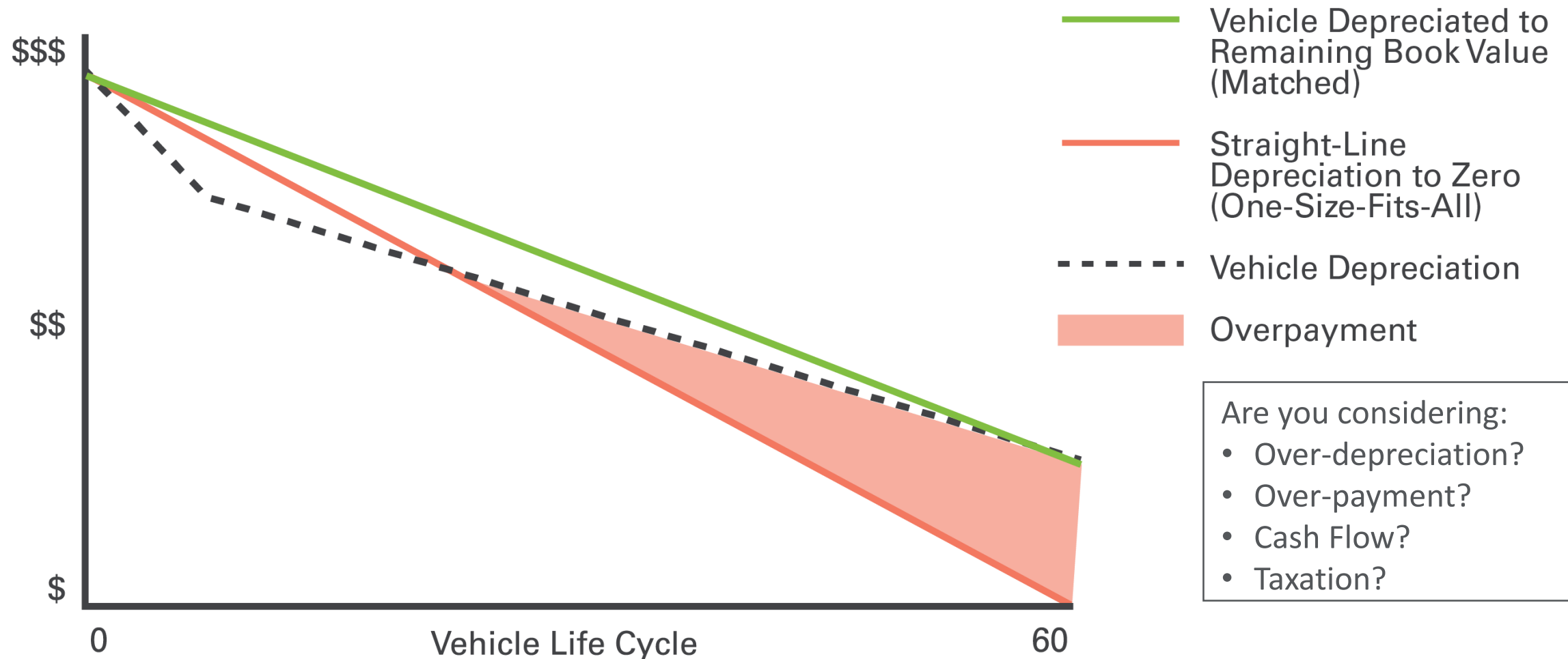
Proactive

- Ordering or accessing inventory of 'right spec'
- vehicle tailored to your business use / need
- Planning = lowest total cost





Lease Depreciation



EV FINANCING

- Acquire any make/model of electric vehicle.
- Monetize the federal tax credit (50%), Apply OEM incentive.
- Finance asset using either Open-End or Closed-End Lease.
- Terms range from 12-60 months.
- Buyout option (Open-End) or remarket vehicle at end of term.

Fed Tax Credit

- \$2500 to \$7500, based on battery pack size.
- GM and Tesla are in Phase Out Period.
- Phase Out begins when manufacturer reaches 200,000 vehicles.



Remarketing

By taking into account market timing, geographic market differences, seeking out the best outlets, personally representing vehicles at auctions, and performing value-added reconditioning, Mike Albert will help you maximize the highest net sales proceeds for each vehicle.

HOW TO GET STARTED?

- Utilize route analysis metrics like GPS to determine daily usage.
- Identify applications for usage:
 - Municipality Example – code enforcement, engineering, non-emergency.
 - Private Business Example – delivery, account management, defined routes, TaaC.
- Determine how vehicles will be charged.
- Identify vehicle options, balancing TCO, range, and spec.
- Develop an acquisition, financing, and cycle strategy.



Thank
You



Luis MacDonald President Autoflex Inc.

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**2019 Midwest Green Transportation
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Pre-Conference Training Session:
Platforms to Streamline Fleet
Acquisitions & Replacements**

Presented by: Luis MacDonald
September 18, 2019

AutoFlex **AFV**

Fleet Solutions

Who We Are

- Established in 1987
 - Commercial Vehicle Leasing
 - Strategic Fleet Management
 - Specializing in Alternative Fuel Vehicles and Infrastructure
 - Custom Up-fitting
 - GSA Schedule Contractors
 - GSA Schedule 751 (Commercial Leasing)
 - GSA Schedule 23V (New Technology)
 - Supplier Diversity (SDVOSB/DBE/MBE)
- State of Ohio Certified Fleet Supplier &
Veteran Friendly Enterprise (VBE) Program



Our Customer Portfolio

Federal Government Fleet:

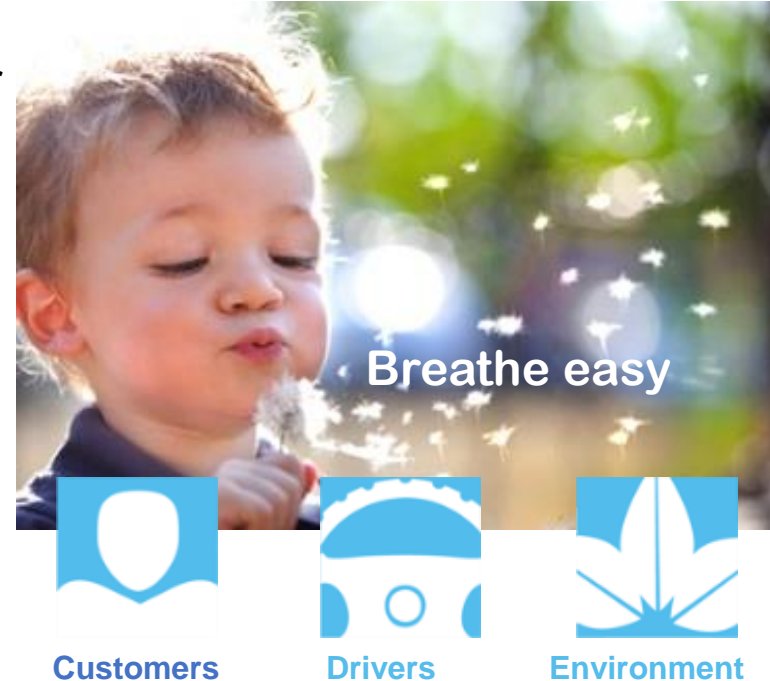
Approved GSA Schedule 751/23V Contractor
EV Charging Stations and Installs
Development of Hydrogen Storage Trailers
and Re-Fueling of Fuel Cell Vehicles
Non-Tactical Fleets
Executive Vehicles
Alternative Fueled Vehicles (AFV's)

State/Local Government Fleets:

State Department of Transportation Certified
Veteran Business Supplier Programs
Municipal Lease-Purchase Financing

Commercial Fleets:

Capital Leases
Closed End and Open-End Leasing



Swinging for the “Sweet Spot”:

1) *Timing* of your Acquisitions

2) *Timing* of your Replacements

3) *Timing* of your In-Service Costs

- Life-Cycle Cost Analysis based on projected 5 to 8+ years of Fleet In-Service costs and funding source amortizations are calculated and intended to be swinging at the optimum “Sweet Spot”.
- Questions: Is your projected 5-8+ year replacement “Sweet Spot” for New Technology fleet vehicles the same? Is it economically feasible - given that 3-5 years into your amortized funding source term your OEM Warranty has likely expired, Maintenance/Repair costs and Out-of-Service inconvenience costs are all increasing your Life-Cycle Cost\$?

Swinging for the optimum “Sweet Spot” should factor into your Lease vs Buy Decision

- If the “Sweet Spot” for your new technology fleet is actually 3-5 years ...
... why are we entering into 5-8+ year Lease-Purchase funding terms?
- Old School Debate:
“Buy what Appreciates -and- Lease what Depreciates”
- Debate Today:
“***Buy what has a proven history of life-cycle fleet costs***
- and -
Lease what has an unproven history of life-cycle fleet costs”
- If you agree that New Technology Fleets are in the early stages of market development and do not yet have a proven history of life-cycle costs ...
...then perhaps, your fleet should consider a Cost Comparison between Projected 5-8 + year fleet replacements and up to 5 year suggested “Sweet Spot”

Benefits of Commercial Leasing

- **Customization: (Pick the exact vehicle that you want)**
 - Color, Model, and Options
 - Add custom up-fitting for utility trucks or cargo vans.
 - Availability is never in question.
 - **Executive Vehicles:**
 - Black SUV's with Leather and Navigation systems.
 - **Expedited Delivery:**
 - Factory ordered vehicles delivered in 90 days.
 - Dealer Inventory Vehicles delivered within 7 days.
 - Agency plans delivery timeline around mission requirements.
 - **Fixed Monthly Payments:**
 - No Mileage fees
 - Preventative Maintenance Plans can be included
 - Fuel Card Plans Available
 - NO Incremental AFV Surcharges
 - **Control:**
 - Agency is in control of setting the requirements to best suit their needs
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Turn-Key Solutions



Vehicles

- Strategic Planning
- Recommendations
- Right Sizing
- Procurement
- Project Management



Customizing

- Up-Fitting
- Utility Bodies
- Armoring
- Rail Equipment
- AFV Conversions
- Logo/Graphics



Management

- Delivery Logistics
- GPS Install and Monitoring
- Fuel Card Management



Financing

- Vehicle Leasing
- Flexible Terms
- Short Term
- Lease to Own
- Off Balance Sheet
- Tax Incentives
- Rebates



Maintenance

- Maintenance Plans
 - Extended Service Plans
 - Accident Repair
 - Towing Services
 - 24/7 Driver Support
-

Tax Credits/Incentives



- AutoFlex is willing to incentivize Federal, State or Local Tax Credits, Rebates or Grant Funds.

- ❖ Federal - AFV Tax Credits

- ❖ State Incentive Programs

- ❖ Strategic Teaming Opportunities:

- First Ever Commercial Lease of 100% Electric Vehicles to the

- Federal Government that leveraged available tax credits and state incentives monetized to reduce lease payments



- Since we are a private company, we can often times claim tax credits and rebates that Government fleets can't.



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