

Montana Department of Transportation
Maintenance Division
Helena, MT 59620

MEMORANDUM

TO: All Motor Pool Users

FROM: Jonathon Swartz, Administrator
Maintenance Division

DATE: June 7, 2011

SUBJECT: FY2012 Motor Pool Rental Rates

The following Motor Pool rental rates are effective July 1, 2011. These rates are for Fiscal Year 2012.

<u>Class No.</u>	<u>Description</u>	<u>Assigned Rate</u>	<u>Tier (1) Usage Rate</u>	<u>Tier (2) Usage Rate</u>	<u>Tier (3) Usage Rate</u>
02	Small Utilities	\$1.265	\$0.155	\$0.178	\$0.201
03	Hybrid Small Utilities	\$1.685	\$0.101	\$0.116	\$0.132
04	Large Utilities	\$1.990	\$0.205	\$0.237	\$0.268
05	Hybrid Sedans	\$1.477	\$0.072	\$0.083	\$0.094
06	Mid-Size Compact Cars	\$1.278	\$0.134	\$0.153	\$0.172
07	Small Pickups	\$1.343	\$0.200	\$0.229	\$0.257
11	Large Pickups	\$1.352	\$0.222	\$0.253	\$0.285
12	Van, All Types	\$1.283	\$0.183	\$0.210	\$0.237

The dual rate structure will be charged as follows:

1. 8 hours assigned time will be charged for every day you have the vehicle in your possession regardless of the time you pick up or return the vehicle to Motor Pool.
2. The usage rate will be charged for every mile driven.
3. Assigned time plus usage will be your total rental rate charge.

Example - A Hybrid Sedan is rented July 11, 2011 and picked up at 10:30 AM. Unit is returned July 15, 2011 at 9:00AM. Unit is driven 300 miles. Rental charge will be as follows:

July 11 - July 15 = 5 days multiplied by 8 hours/day = 40 hours
40 hours multiplied by Assigned rate \$1.477 = \$59.08
Miles Driven = 300 miles multiplied by Usage rate \$0.072 = \$21.60
Total Rental Charge = \$59.08 + \$21.60 = \$80.68

The Motor Pool has received approval from the Legislature to implement tiered usage rates. Tier (1) is the current usage rate for FY 2012. Tier 2 and 3 will go into effect in the event that fuel prices increase above \$3.35 and \$3.85 per gallon. The State Motor Pool and OBPP will work in conjunction to determine when the next tier has been reached and to notify agencies in advance of any rate changes.

- Automatic comprehensive/collision coverage will be provided for all state agencies for the first 30 days of the lease at no cost to the agency.
- The leasing agency will be responsible for paying a deductible in the event that an accident may occur. The Risk Management & Tort Defense Division will bill agencies a \$250 deductible for each loss.
- In the event of an accident, the lessee must immediately notify the Motor Pool at (406)444-2705.
- Questions regarding the comprehensive/collision coverage must be directed to the Risk Management & Tort Defense Division.

All current Motor Pool leaseholders will be contacted and lease information will be brought up to date. If you have any questions concerning the rates contact Walt Kerttula at (406)444-6319.

C: Motor Pool Manager
Accounting Systems Design and Control
Collections
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