

ORDINANCE NO. 2449

INTRODUCED BY: ALLEN-THOMAS, DAVIS, DOUGLAS, FORD, HURST, HUSEMAN, KIM, MADERA, NOBLE

AN ORDINANCE AUTHORIZING AN INCREASE IN SPENDING ON VEHICLE LEASES FOR THE YEAR 2023 AS PART OF THE CITY'S MASTER LEASE PROGRAM AGREEMENT WITH ENTERPRISE FLEET MANAGEMENT

WHEREAS, in November 2017, the City Council passed Ordinance 2143 which authorized the expenditure of \$3,548,125 for lease payments for vehicle leases for a period of five years and the City entered into a Master Equity Lease Agreement ("Agreement") with Enterprise Fleet Management for ongoing procurement of the City's fleet as existing vehicles were retired and replaced, or for fulfilling new and additional vehicle requests;

WHEREAS, during the 2021 calendar year, City staff identified the amount authorized by Ordinance 2143 would be insufficient to meet all required lease payments for the City's fleet and as a result in November 2021, City Council passed Ordinance 2358 which authorized an increase in expenditures for the Master Equity Lease Agreement;

WHEREAS, Section 2 of Ordinance 2358 provided that, "[w]ithout further approval of the City Council, the City Manager shall not authorize any Quote or Service Agreement, as reflected in Schedules, as defined in the Agreement, exceeding the maximum aggregate expenditure of \$5,968,985.79 for all Schedules.";

WHEREAS, Ordinance 2358 authorized expenditures through November 21, 2022, and the total cost for the leasing of vehicles necessary for City operations is currently projected to exceed the \$5,968,985.79 maximum amount previously authorized by the City Council;

WHEREAS, the City is currently engaged in a comprehensive evaluation of the fleet operation and Phase 1 of the evaluation was completed in early October 2022. City staff presented the findings of Phase 1 to City Council at the October 24, 2022 study session; and

WHEREAS, City staff has projected that an additional \$1,231,014.21 is needed to meet all required lease payments for the City's fleet through December 2023 and an Ordinance is necessary to authorize the City Manager to execute a Quote or Service Agreement, as reflected in Schedules, as defined in the Agreement, or an amendment to the Agreement, in order to meet the required lease payments for 2023.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COMMERCE CITY, COLORADO, AS FOLLOWS:

**SECTION 1. Findings.** The recitals to this ordinance are incorporated as findings of the City Council. This ordinance is found to be necessary for the preservation of the public health, safety, and welfare and in the public interest.

**SECTION 2. Authorization.** The City Manager is authorized to execute any Quote or Service Agreement, as reflected in Schedules, as defined in the Agreement, or an amendment to the Agreement, not to exceed the maximum aggregate expenditure of \$7,200,000 for all Schedules through December 31, 2023.

**SECTION 3. Repealer.** All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

**SECTION 4. Effective Date.** This ordinance shall be effective immediately upon passage on second and final reading.

INTRODUCED, PASSED ON FIRST READING AND PUBLIC NOTICE ORDERED THIS 5TH DAY OF DECEMBER 2022.

PASSED ON SECOND AND FINAL READING AND PUBLIC NOTICE ORDERED THIS 19TH DAY OF DECEMBER 2022.

CITY OF COMMERCE CITY, COLORADO

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Benjamin A. Huseman, Mayor

ATTEST

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Dylan A. Gibson, City Clerk