



Legislation Text

File #: Ord 2143, **Version:** 1

AN ORDINANCE AUTHORIZING THE LEASE OF VEHICLES AND THE EXECUTION BY THE CITY OF A MASTER EQUITY LEASE AGREEMENT WITH ENTERPRISE FM TRUST AND RELATED DOCUMENTS; AUTHORIZING THE CITY MANAGER TO EXECUTE RELATED SCHEDULES; SETTING FORTH PARAMETERS AND RESTRICTIONS; AND PROVIDING FOR OTHER RELATED MATTERS

Summary and Background Information : Information was presented to City Council at the budget retreat about moving towards a lease/purchase option for some city vehicles. Reasons considered for moving towards this program are as follows:

- Newer vehicles have better fuel economy and newest safety standards
- Cash flow - only pay for portion of vehicle we use
- Lower maintenance costs due to vehicles being replaced more timely
- Maximize price recovered when selling vehicles
- Standardization where possible
- No reduction in existing fleet staff - they will focus on equipment that isn't purchased under this model and maintenance of new leased vehicles which will be minimal

The ordinance establishes a maximum amount and requires each order to be authorized in advance by the city manager. Staff is working with Enterprise Fleet Management Staff on minor contract revisions that will not change the substance of the contract.

Staff Responsible (Department Head): Sheryl Carstens

Staff Member Presenting : Sheryl Carstens

Financial Impact : \$1,199,369 in 2018 budget, agreement should not exceed \$3,548,125 by 2022

Funding Source : Fleet Fund

Staff Recommendation : Approval of Ordinance as presented