



# TOWN OF ERIE

645 Holbrook Street  
Erie, CO 80516

## Town Council

**Board Meeting Date: 8/24/2021**

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**File #:** 21-323, **Version:** 1

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**Subject: Consent Agenda**

A Resolution of the Board of Trustees of the Town of Erie Approving the Lease of Vehicles with Enterprise FM Trust

**Department:** Public Works

**Presenter:** Todd Fessenden, Public Works Director

**Fiscal Information:**

Cost as Recommended:	\$ 163,638.64
Balance Available:	\$ 0
Budget Line Item Number:	See chart
New Appropriation Required:	Yes

**Staff Recommendation:**

Resolution approving said lease agreement, authorize the appropriate Town officer to execute said lease agreement, and authorize staff to pay said lease payments.

**Summary and Background of Subject Matter:**

Staff is preparing the 2022 budget for the Board's review and approval. This budget will include leases of new and replacement Fleet vehicles. While generally these requests are submitted with the budget, this year the Town is looking to receive approval for the leases prior to the budget review and approval. Public Works staff has been working closely with all departments and the Finance Department as part of this process. With the highly volatile auto industry right now, which has been exacerbated by COVID production delays and micro-chip production issues, we are asking to place orders now for 2022 fleet. Staff is looking to be at the front of the production queue as the ordering windows are significantly shorter than normal.

Staff is working with Enterprise to replace the vehicles as listed below. Note that due to the unpredictable market, the replacement specified may change (i.e. Chevrolet to Ford or vice versa) due to availability and manufacturer production limitations.

An example of this is that staff originally requested seven of the SUV vehicles be replaced with Toyota Hybrid RAV4s. After the builds were complete (meaning all the options reviewed and selected to prepare the quote), Toyota stated they are not producing any electric or hybrid vehicles for 2022.

This also carried through for all manufacturers. With this, these requests were changed to Chevrolet Equinoxes. While we would like to move forward with more electric vehicles, it is advantageous to proceed with these alternative vehicles as they typically are more efficient and safer than older models, and the resale market is high at this time for the aforementioned reasons.

Part of this request is being presented at this meeting and the remaining items will be presented at the September 14, 2021, meeting. The remaining items are waiting on after-market cost quotes.

The Town is requesting to lease the following vehicles per the request forms submitted:

Division	Current Vehicle #	Current Yr/Make/Model Replaced With	
Building	604	1999 Jeep Cherokee	2022 Chevrolet Equinox
Building	605, 606, 607	2016 Chevrolet Equinox	2022 Chevrolet Equinox
Collections	151	2016 Chevrolet Silverado	2022 Chevrolet Silverado
Fleet	129, 145	2005 Chevrolet Colorado, 2014 Dodge Journey	2022 Chevrolet Equinox
Fleet	140, 402	2013 Chevrolet Silverado, 1999 Chevrolet S-10	2022 Chevrolet Silverado
Parks	Four new	N/A	2022 Chevrolet Silverado
Parks	328, 329, 330	2015 Chevrolet Silverado	2022 Chevrolet Silverado
Water	803	2006 Jeep Liberty Sport	2022 Chevrolet Equinox

For the vehicles that require a 50% down payment for the aftermarket options, the remaining cost for the aftermarket options are included in the lease payments.

Dept/Div	Vehicle	Monthly	Annual*	Down Payment**	Acct Number
P&D/Building	Chevrolet Equinox (4)	422.50	20,280.00	0.00	400-30-110-706000 400-30-110-706100
PW/Collections	Chevrolet Silverado 3500HD	896.38	10,756.56	0.00	510-70-730-706000 510-70-730-706100
PW/Fleet	Chevrolet Equinox (2)	440.30	10,567.20	0.00	400-70-110-706000 400-70-110-706100

<b>PW/Fleet</b>	Chevrolet Silverado 3500HD	633.32	7,599.84	0.00	400-70-110-706000 400-70-110-706100
<b>PW/Fleet</b>	Chevrolet Silverado (2)	633.32	15,199.68	0.00	400-70-110-706000 400-70-110-706100
<b>P&amp;R/Parks</b>	Chevrolet Silverado (4)	688.33	33,039.84	7,810.00	400-50-110-706000 400-50-110-706100
<b>P&amp;R/Parks</b>	2022 Chevrolet Silverado 3500HD w/plow (3)	744.59	26,805.24	26,715.00	400-50-110-706000 400-50-110-706100
<b>PW/W Treat</b>	Chevrolet Equinox	405.44	4,865.28	0.00	500-70-740-706000 500-70-740-706100
	<b>Annual Lease Total</b>		<b>129,113.64</b>		
	<b>Aftermarket Down Payments</b>			<b>34,525.00</b>	
	<b>Total First Year Payment</b>		<b>163,638.64</b>		

\* Annual cost is monthly lease \* 12 months \* number of units.

\*\* Down payment is after-market down payment needed \* number of units

#### Fiscal Impact:

With the approval of these leases, Staff will sign the quotes and start the ordering process. Note all vehicles will not be received until 2022 and payments for the leases started upon delivery; therefore, no money will be spent for these in 2021.

These are all five-year lease options. The first year's cost is \$163,638.64 which includes the first year of the lease and half of the after-market costs. The other half of the after-market costs are included in the lease payments.

#### Board Priority(s) Addressed:

- ✓ Well-Maintained Transportation Infrastructure
- ✓ Safe and Healthy Community
- ✓ Environmentally Sustainable
- ✓ Fiscally Responsible

#### Attachments:

1. Resolution 21-110
2. Quotes