



# TOWN OF ERIE

645 Holbrook Street  
Erie, CO 80516

## Town Council

**Board Meeting Date: 9/14/2021**

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**File #:** 21-359, **Version:** 1

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**Subject:** Consent Agenda

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

**Department:** Public Works

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

**Fiscal Information:**

Cost as Recommended: \$ 285,072.33  
Balance Available: \$ 0  
Budget Line Item Number: See chart  
New Appropriation Required: Yes (2022 budget)

**Staff Recommendation:**

Resolution approving said lease agreements, authorize the appropriate Town officer to execute said lease agreements, 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 limits.

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.

The August 24, 2021 Board of Trustees meeting included the first group of vehicles; these remaining items were waiting on after-market cost quotes. Similar to the Toyotas, originally requested Chevrolet Tahoes are changed to Ford Interceptors as Chevrolet announced they will not be building Tahoes.

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

Division	Current Vehicle #	Current Yr/Make/Model	Replaced With
Facilities	New	N/A	2022 Ford Transit-150 Cargo Van
Investigations	741	2014 Jeep Cherokee	2022 Chevrolet Silverado 1500
Patrol	743, 752, 753	2015 Ford Explorer SUV 2018 Ford Explorer SUV (2)	2022 Ford Interceptor (3)
PD Command	739	2014 Ford Explorer SUV	2022 Ford Interceptor
Streets	150	2016 Ford F550	2022 Chevrolet 5500
Traffic	742, New (2)	2014 Ford Explorer SUV, N/A (2)	2022 Ford Interceptor (2), 2022 Chevrolet Silverado 1500

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
PW/ Facilities	2022 Ford Transit-150 Cargo Van	651.10	7,813.20	-	400-70-110-706000 400-70-110-706100
PD/Investigations	2022 Chevrolet Silverado 1500^	1,161.45	13,937.40	7,595.73	400-60-110-706000 400-60-110-706100
PD/Patrol	2022 Ford Interceptor (3)	3,593.58	43,122.96	43,496.61	400-60-110-706000 400-60-110-706100
PD/Command	2022 Ford Interceptor	1,197.86	14,374.32	14,498.87	400-60-110-706000 400-60-110-706100
PW/Streets	2021 Chevrolet Silverado 5500^	1,801.14	21,613.68	36,027.50	400-70-110-706000 400-70-110-706100

<b>PD/Traffic</b>	2022 Ford Interceptor (2), 2022 Chevrolet Silverado 1500^	2,395.72 1,226.66	28,748.64 14,719.92	28,997.74 10,125.76	400-60-110-706000 400-60-110-706100
	<b>Annual Lease Total</b>		<b>144,330.12</b>		
	<b>Aftermarket Down Payments</b>			<b>140,742.21</b>	
	<b>Total First Year Payment</b>		<b>285,072.33</b>		

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

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

^ The actual unit cost was estimated based on 2021 pricing. Actual costs may vary

#### 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 \$285,072.33 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 21-114
2. Quotes