

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> July 1, 2024	<b>Budgeted Amount:</b> See Below
<b>Department:</b> Administration	<b>Prepared By:</b> Maryann Carl

**Subject**

Discussion and possible action to enter into a master equity lease agreement, maintenance agreement, and maintenance management and fleet rental agreement with Enterprise Fleet Management for six Police Pursuit vehicles and two Public Works vehicles.

**Discussion**

During Council Workshop on June 10<sup>th</sup> Jeff Koerner with Enterprise Fleet Management provided an overview of the City's current fleet and discussed how vehicle leasing through Enterprise could financially benefit the City. The lease agreement presented for approval allows Enterprise to secure vehicles for the City under this program.

The following vehicles are included:

**Police Department**

- 6 Dodge Durango Pursuit Vehicles (2024)

**Public Works/Utilities**

- 2 Silverado 2500 4x4 Crew Cab (2025)

**Police Department**

As discussed during the workshop, Enterprise is able to intercept the 2 PD vehicles ordered this year and wrap those into this lease agreement. Originally \$150,000 was budgeted in FY 24 for these 2 vehicles. Putting these two into the lease agreement, we will spend approximately \$55,696 for upfitting of these two vehicles and the first 3 months of lease payments. The remaining balance of \$94,304 will be used for upfitting on three of the four vehicles that will be delivered to the City at the beginning of FY 25. Cost of upfitting is approximately \$25,000 per vehicle, resulting in an estimated savings of \$19,304 this fiscal year.

Budget needs in FY 25 will include the upfitting of the last remaining vehicle at \$25,000, plus the lease cost for all 6 pursuit vehicles at \$68,351 for an overall budget amount in FY 25 of \$93,351.

**Public Works/Utilities**

The two PW trucks will be ordered by Enterprise and are anticipated to be delivered in late 2024. Maintenance for these two is included in the contract with an annual cost of \$23,979. Based on delivery, we expect to spend about \$19,980 in FY 25 for the lease. The accessories for these two trucks are not a part of the agreement and the full cost of \$26,000 will be incurred in FY 25. Total budget amount for FY 25 is \$45,980 and will be split between Public Works and Utilities.

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<b>Approved By</b>		
Finance Director	Maryann Carl	Date: 6/28/2024
City Administrator	Gary Palmer	Date: 6/28/2024