

City Council Action Report

To: The Mayor and Members of the City Council
From: Brent Worthington, Finance Director
Subject: 2007 Master Lease Replacement Program for Fleet
Date: February 8, 2007

Recommended Action

Authorize the continuation of the Master Lease Agreement with Key Bank for the acquisition of vehicles under the Fleet Replacement Program started in 2002.

Authorize the City Manager to obtain vehicles and equipment through the approved master lease/purchase agreement and to issue purchase orders not to exceed the total approved in the 2007 budget of \$1,112,148.

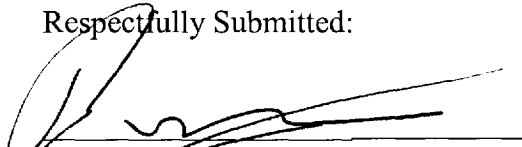
Background and Other Information:

- In 2002, City Council approved the use of a Master lease Agreement for the ongoing replacement of the City's fleet. This Master Lease allows the City to replace heavily used vehicles every 3 to 5 years, thereby increasing the efficiency of the fleet and reducing maintenance and repair expenses.
- The 2007 Budget (approved by City Council on November 9, 2006) includes amounts sufficient to fund all lease payments for the year.


Budget Information:

- Funds are included in the 2007 budget to make the lease payments on the 2004 lease, the 2005 lease, the 2006 lease and the proposed 2007 lease.
- The documents have a non-appropriation clause to comply with lease law for Colorado local government and TABOR.

Respectfully Submitted:


Brent Worthington
Finance Director

Approved for Submittal:


AJ Krieger
City Manager

COUNCIL ACTION TAKEN: _____