



2026 Vehicle and Equipment Purchase Plan

STUDY SESSION – October 14, 2025

City Staff Representative:
Department:

Catrina Asher, Finance Director
Finance

Purpose

To propose plans to acquire the City's fleet and large equipment needs for 2026.

Background

The City purchases vehicles and equipment each year and all proposed purchases and related proposed financing are incorporated into the City's multiyear planning and the 2026 proposed budget.



Fleet Management Strategy

The City maintains a fleet of approximately 355 vehicles and pieces of equipment which require maintenance and periodic replacement.

Fleet Management Approach

- Formation of a Fleet Committee made up of Fleet, Finance, Budget and Department staff.
- Maintain vehicles in good working order.
- Replace vehicles at the most beneficial time, considering functionality, safety, and resale value.
- Finance purchases when it makes financial sense to do so.

Purchase and Finance Approach - Police and White Fleet

- 2025 – Partnered with Enterprise Fleet Management (EFM) to lease vehicles
 - Lease cost factors in residual value which can be applied to replacement.
 - Supports competitive procurement and timely sale/replacement of vehicles.
 - EFM reviews full listing to recommend most beneficial timing of replacements.
- 2026 – Continue partnership with Enterprise for eligible vehicles
 - Plan to use this model for all scheduled replacements of vehicles.
 - Total budget for 2026 EFM Contract is still under review.
 - Contracting plan – Execute a not-to-exceed contract for 2026 that incorporates 2025 and 2026 lease costs plus added room for unplanned replacements (e.g. totaled vehicles).

Purchase and Finance Approach - Snowplows

- 2017 – Snowplow Lease-Purchase
 - City purchased 6 snowplows through a lease-purchase agreement.
 - Financing term was 7 years at 2.09%. Payments were completed in 2024.
- 2026 – Replacement of current snowplows
 - Plan to replace total of 8 aging snowplows through a lease-purchase, similar to 2017.
 - Financing will be with our banking partner, Wells Fargo, in the form of a Lease-Purchase
 - Term will be 8 years, interest determined at time of delivery.
 - Total lease value will be approximately \$4.2M, annual cost estimated at \$650K.
 - Existing plows will be sold for approximately \$500K.
 - New fleet will have an expected life of 10 years.

Next Steps

- October 21 – City Council Meeting
 - Resolution – 2026 Snowplow Lease-Purchase Agreement
- Future TBD – City Council Meeting
 - Resolution – 2026 Enterprise Fleet Management Lease Agreement



Questions