

**CITY OF MARSHALL  
EQUIPMENT REVIEW COMMITTEE  
M I N U T E S  
Wednesday, June 28, 2023**

MEMBERS PRESENT: Craig Schafer, Jim Lozinski, John Alcorn

STAFF PRESENT: Sharon Hanson, City Administrator; E.J. Moberg, Director of Administrative Services; and Steven Anderson, City Clerk.

Chairman Lozinski called the meeting to order at 2:00 PM

Chair asked for approval of the minutes from February 28, 2023. Motion by Schafer, seconded by Alcorn. All voted in favor.

**Enterprise Vehicle Leasing**

Moberg gave a presentation on the current state of leasing with Enterprise Fleet Management. Eighteen (18) out of Fifty-four (54) vehicles with the city are currently under lease. The average lease amount for the 18 vehicles came to \$37,000. Questions from members on what the management fee from Enterprise covered for their service. Fourteen (14) city owned vehicles have been sold so far with one (1) pending. Discussion moved to budgetary concerns for leased and non-leased vehicles. For cash flow purposes leasing would result in less levy fluctuations and smaller increases. Members questioned how often vehicles were being rotated and how often they should be rotated. It was suggested that vehicles be rotated every 10 years or 100,000 miles. Conversation continued with budgetary impacts from various CIP projects. Examples were given about aftermarket parts that needed to be installed onto vehicles and the increased time to outfit vehicles by staff or third-party vendors.

Schafer and Lozinski proposed establishing an ordinance or policy to guide staff and keep future councils disciplined on vehicle rotation and maintenance if the city moves away from Enterprise Fleet Management. Lozinski asked about talking to local banks to see if a leasing/bonding schedule would work.

Moberg posed a question to members how much the budget should be increased in the CIP to account for vehicle purchases and lease buyouts. It was suggested that an increase of \$250,000 in the CIP to purchase vehicles would sound reasonable.

Motion by Schafer, seconded by Lozinski to have a work session with council later in the fall. All voted in favor.

At 3:15 PM motion by Schafer, seconded by Alcorn to adjourn the meeting.

Respectfully submitted,

Steven Anderson  
City Clerk