



CITY OF ALEXANDRIA
**Department of Transportation
& Environmental Services**

Paratransit Vehicle Lease Authorization





Summary

- ▶ **Request:** Consider authorization to lease City-owned vehicles to service vendors to achieve cost savings and operational efficiencies for the DOT Paratransit Program.
- ▶ **Council Action:** Authorize the City Manager, or designee, to execute a vehicle lease agreement with City vendor, enabling the use of City-owned vehicles for the DOT program and related transportation services.
- ▶ **Key Elements of the Proposal:**
 - Lease 3 electric Ford Transit vans to vendor through end of current contract (Dec 2026).
 - Shift from vendor-owned to City-owned vehicles to reduce operational costs and improve asset oversight.
 - City maintains vehicles; vendor handles insurance, charging, cleaning, and coordinates maintenance.



Background

▶ DOT Paratransit Program:

- Operated by vendor, a long-standing vendor.
- Currently uses vendor-owned vehicles → higher costs (financing, depreciation, overhead).

▶ Current Practice:

- City rarely provides vehicles; lease requires Council approval.

▶ Rationale for Change:

- Leasing City-owned vehicles reduces costs and improves oversight.
- Supports cleaner, electric fleet and better rider experience.

▶ Pilot Initiative:

- 3 electric Ford Transit vans with wheelchair lifts.
- Lease to vendor through Dec 2026.
- Step toward fully City-owned fleet over 5 years.



Benefits

► **Operational Efficiencies:**

- Lowers vendor service rates by removing vehicle financing and depreciation costs.
- Shifts costs from operations to capital, improving long-term budget stability.

► **Program Quality:**

- Greater control over vehicle condition, age, and accessibility features.
- Cleaner, quieter, and more reliable service for riders.

► **Sustainability:**

- Supports transition to an all-electric fleet.
- Reduces emissions and advances City environmental goals.

► **Fiscal Impact:**

- Investment recovery in ~4 years.
- Once scaled to full fleet (15–18 vehicles), could reduce annual operating costs by up to 20%.



Recommendation

- ▶ **Authorize the City Manager, or designee, to execute a vehicle lease agreement with City vendor, enabling the use of City-owned vehicles for the DOT program and related transportation services.**