



Heavy Equipment Leasing, Pt. 2

Lease/Purchase Agreement And Award of Purchase



August 17, 2021

Background

- Introduced 7/20/21
- Type 1 pumper and ladder truck
- Vac-Con Sewer Jet and 12-yd dump
- Lease proposals received by 8 banks
- 10-Yr lease preferred
- Sourcewell pricing sought



Analysis

- Piggybacking
Sourcewell
- Municipal Maint.
Equip. of Redding
- PB Loader Corp. of
Fresno
- Delivery 4-6 mos.
- Bank of America NA
- 1.44% rate locked
- Performance bond
protects City
- Escrow account holds
lease proceeds



Vac-Con Sewer Jet

- 2022 Vac-Con model V350LHAN-P/850
- Kenworth T470, 4x2 43,000 GVWR chassis
- \$490,017 cost
- Similar vehicle shown



12-yd Dump Truck

- 2022 Freightliner M2 106 w/Cummins
- 52,000 GVWR chassis
- 15' 12-14 yard body
- \$150,500 cost
- Similar vehicle shown



BANA Lease Terms

- COYC owns equip.
- 1.44 % interest
- Semi-annual payments:
 - \$117,235 fire equip.
 - \$36,107 PW equip.
- 10-year financing
- Interest paid over 10-yrs:
 - \$168,705 fire equip
 - \$51,959 PW equip



Recommendation

- A. Adopt a Resolution authorizing a Master Equipment Lease/Purchase Agreement and separate schedules and agreements
- B. Adopt a Resolution to award the purchases
- C. Authorize appropriation of \$640,517.25 in the Vehicle Replacement Fund



Questions?

