



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: City Utilities - Solid Waste

To: City Council

From: City Manager & Staff

Council Meeting Date: October 2, 2023

Re: Authorizing Amendment No. 1 to an agreement with Huntington Technology Finance Inc. for a Government Obligation Contract for a Solid Waste Route Management System

## Executive Summary

Staff has prepared for Council consideration a resolution authorizing the City Manager to execute Amendment No. 1 to an agreement with Huntington Technology Finance Inc. for a Government Obligation Contract for a Solid Waste Route Management system.

## Discussion

On August 1, 2022, City Council authorized the City Manager to execute two separate 5-year lease agreements for the implementation of a route management system for Solid Waste Collections. The first lease agreement is with Seon System Sales, Inc. (FleetMind Solutions) which provides the software maintenance and data usage for 51 collection vehicles. The second lease agreement is with Huntington Technology Finance Inc. for a Government Obligation Contract to provide the hardware for 51 collection vehicles. The Huntington Technology Finance Inc. lease agreement also included a lease schedule which specified the equipment that was to be installed in the 51 collection vehicles.

After the two lease agreements were executed, it was determined that the collection of curbside residential refuse would transition to an automated operation. The collection vehicles for an automated operation require different equipment than what was agreed upon by the original lease agreements and equipment schedules. Therefore, the route management equipment has only been installed on 40 of the 51 solid waste collection vehicles that were included in the original lease agreements. The route management equipment was not installed on the collection vehicles that are currently used for manual refuse collection operations.

The proposed Amendment No. 1 to the lease agreement with Huntington Technology Finance Inc. reduces the amount of equipment leased, reduces the cost of the lease and allows the City to initiate lease payments for the equipment that is currently installed and being utilized.

Staff anticipates that additional lease amendments with Seon System Sales, Inc. (FleetMind Solutions) and Huntington Technology Finance Inc. will be presented for council consideration in the near future that will provide additional route management equipment for the residential curbside automated collection vehicles.

Funding for the Huntington Technology Inc. lease agreement and the Seon System Sales, Inc. lease are included in the Solid Waste Utility operating budget.



## Fiscal Impact

Short-Term Impact: The monthly charge for the Huntington Technology Finance Inc. agreement will be reduced from \$11,359 to \$9,988.39.

Long-Term Impact: The total cost for the 5 year lease agreement will be reduced from \$647,098.64 to \$526,981.74

## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Reliable Infrastructure, Secondary Impact: Organizational Excellence, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

## Legislative History

Date	Action
08/01/2022	R114-22 Authorizing an agreement with Huntington Technology Finance, Inc. for the lease of equipment in support of a solid waste route management system; authorizing a solid waste route management software system licensing, support and data agreement with Seon System Sales, Inc., d/b/a Fleetmind Solutions, Inc.

## Suggested Council Action

Approval of the resolution.