



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: August 21, 2023

Re: Authorizing lease and maintenance agreements for two articulated dump trucks for use in sanitary landfill operations

Executive Summary

Staff has prepared for Council consideration a resolution authorizing the City Manager to execute lease and maintenance agreements with Caterpillar Financial Services Corporation and Fabick and Company that will provide five-year lease and maintenance agreements for two Caterpillar 745-04 articulated dump trucks.

Discussion

City Purchasing processed Request for Quotation 55/2023 for the lease of two articulated dump trucks that will be used in sanitary landfill operations. The articulated dump trucks are a critical piece of equipment in Landfill operations. The dump trucks are utilized to transport soil to the working face and other active areas in the landfill in order to supply daily and intermediate soil cover as required by state regulations.

Staff has reviewed the quotations submitted and chosen the Caterpillar Financial Services / Fabick and Company lease and maintenance proposal of \$15,413.07 per month per truck (\$184,956.84 per year per truck) as the lowest and best bid.

Staff is requesting approval to lease the trucks as leasing provides for less capital outlay and more rapid turnover of the trucks. This results in less down time of the trucks and reduces the overall lifetime maintenance and repair expenses.

This resolution authorizes the City Manager to execute four (4) separate agreements. Each articulated dump truck requires two agreements (one with Caterpillar Financial Services Corporation for the actual lease of the articulated dump truck and one agreement with Fabick and Company for maintenance of the articulated dump truck).

The total cost to lease the two articulated dump trucks is \$30,826.14 ($15,413.07 \times 2$) per month or \$369,913.68 ($\$184,956.84 \times 2$) per year. The cost for the maintenance agreement with Fabick and Company is included in the equipment lease with Caterpillar Financial Services Corporation.

Fiscal Impact

Short-Term Impact: The total cost to lease the two articulated dump trucks is \$30,826.14 per month, or \$369,913.68 annually. Funds for the lease of the two articulated dump trucks was included with the FY23 Solid Waste operating budget.



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Long-Term Impact: \$369,913.68 will need to be included in the FY24 – FY29 Solid Waste operating budget to cover the lease costs.

Vision & Strategic Plan Impact

Vision Impacts:

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

Strategic Plan Impacts:

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

Comprehensive Plan Impacts:

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

Legislative History

Date	Action
None	

Suggested Council Action

Approval of the resolution.