

Public Hearing: March 8, 2004

F A C T S H E E T

TITLE: Lease for two (2) four-wheel street sweepers for sweeping of residential and arterial streets.

SPONSOR: Public Works & Utilities

OPPONENTS: Unknown

OTHER DEPARTMENTS AFFECTED:
None

STAFF RECOMMENDATION: For

APPLICANT: Public Works & Utilities

REASON FOR LEGISLATION: To accept and approve a three (3) year/5,000 hour lease agreement with a buy out option between the City of Lincoln and Elgin Sweeper Company to provide two (2) four-wheel street sweepers for sweeping of residential and arterial streets.

D I S C U S S I O N

In leasing this equipment we are only paying depreciation on what we consider to be the optimum useful life of the sweepers in our application. This also allows us the ability to consider the condition, product support and residual value at three (3) year/5,000 hours of operation, in evaluation of the buy out option. This results in limited depreciation liability, provides for enhanced equipment availability and reduces the need for major reconditioning.

POLICY OR PROGRAM CHANGE: None

COST OF TOTAL PROJECT: \$132,642.06 (\$66,321.03 each unit)

SOURCE OF FUNDS:

CITY: \$132,642.06

NON CITY: None

BENEFIT COST:

FACT SHEET PREPARED BY:

Jim Chiles, Street Maintenance Operations

REVIEWED BY:

Director of Public Works/Utilities