

Public Hearing: August 1, 2005

F A C T S H E E T

TITLE: Lease of a 90-horse power class backhoe loader for use by the Public Works & Utilities Water Division in construction and maintenance projects.

SPONSOR: Public Works & Utilities

OPPONENTS: Unknown

STAFF RECOMMENDATION: For

OTHER DEPARTMENTS AFFECTED:
None

APPLICANT: Public Works & Utilities

REASON FOR LEGISLATION: To accept and approve a five year/3,500 hour lease agreement with a buy out option between the City of Lincoln and Deere Credit Inc. to provide a 90-horse power class backhoe loader for use by the Public Works & Utilities Water Division in construction and maintenance projects.

D I S C U S S I O N

In leasing this equipment we are controlling our depreciation and maintenance liability through a fixed residual or buy out cost and maintenance contract. It also allows us to completely evaluate all factors associated with securing equipment at the lowest overall cost prior to making a purchase commitment.

POLICY OR PROGRAM CHANGE: None

COST OF TOTAL PROJECT: \$50,064.20

SOURCE OF FUNDS: Water Operating Budget
CITY: \$50,064.20

NON CITY: None

BENEFIT COST:

FACT SHEET PREPARED BY:

Jim Chiles, Street Maintenance Operations

REVIEWED BY:

Director of Public Works/Utilities