



Legislation Text

File #: BID 20-015, **Version:** 1

Awarding bid for lease purchase financing for a new 2021 Freightliner M2-160 Garbage Truck for the Sanitation Division.

Summary:

Bids were opened on Tuesday May 26, 2020 for the lease purchase financing for a 2021 Freightliner M2-160 Garbage Truck for the Sanitation Division. The City received 4 bids in response to the request for this financing. As requested, each bidder provided information for a 3-year term and 5-year term to compare options. The bid comparison is attached.

Bidder, Interest Rate, Monthly Payment, and Total Payment:

3-Year Term

US Bancorp @ 1.63%; \$5,462.83/month; Total = \$196,662

Signature Public Funding @ 2.25%; \$5,514.72/month; Total = \$198,530

Municipal Leasing Consultants @ 2.61%; \$5,505.19/month; Total = \$198,187

(*Fee of \$250 for escrow. Also, included an option for annual payments, which was not requested)

Ripple Creek Capital @ 3.38%; \$5,610.07; Total = \$201,963

5-Year Term

US Bancorp @ 1.85%; \$3,349.32/month; Total = \$200,959

Signature Public Funding @ 2.31%; \$3,387.97/month; Total = \$203,278

Municipal Leasing Consultants @ 2.61%; \$3,413.00/month; Total = \$204,780

(*Fee of \$250 for escrow. Also, included an option for annual payments, which was not requested)

Ripple Creek Capital @ 3.15%; \$3,459.27; Total = \$207,556

Fiscal/Budgetary Impact:

Based on the lowest cost option, the US Bancorp 3-year lease is the best option. The current fiscal year's cost would be \$16,388 for three months (July - September). These lease payments are budgeted in the General Fund, Account No. 010-402-49080 - Lease Purchase. In FY 2019-2020, the amount of \$30,250 was budgeted for this lease purchase, which is more than adequate to cover the funding for the current fiscal year. In FY 2020-2021, an amount of \$65,600 will be budgeted for this lease purchase financing.

Award bid for lease purchase financing of the 2021 Freightliner M2-160 Garbage Truck for the Sanitation Division to the US Bancorp for a 3-year term.