

## CITY COUNCIL MEMORANDUM

### AGENDA ITEM

**Authorize lease with purchase option of a dozer for the Solid Waste Transfer Station.**

### ORIGINATING DEPARTMENT

**Fleet Services / Solid Waste**

### BACKGROUND INFORMATION

The Killeen landfill which is comprised of over 200 acres was closed in 1993. Even though it is no longer used, it still requires maintenance to remain in compliance with the Texas Commission on Environmental Quality (TCEQ) rules and regulations to prevent the ponding of water on the closed landfill cells.

Over the years, there have been nearly two million dollars of repairs made to bring the closed landfill into compliance. The past repairs were large scale repairs using a third party vendor. Now that the repairs and maintenance are on a smaller scale, it is more cost effective for CoK personnel to perform the on-going, required repairs. As a result, we are requesting to initiate a three-year dozer lease with a purchase option at the end of the lease.

### DISCUSSION/CONCLUSION

The City of Killeen is a member of several purchasing cooperatives that are in compliance with the Texas Local Government Code section 271.102. After considering three different dozer manufacturers, the dozer recommended by staff utilizing the lease/purchase option is the Komatsu D37EX-23 provided by Waukesha-Pearce Industries (WPI) of North Austin, utilizing the TASB BuyBoard Purchasing Cooperative.

Vendor	Make/Model	Mthly Cost	Purch Option	Total Cost 3-Yr + Purch
WPI	Komatsu D37EX-23	\$2,265.46	\$62,000.00	\$143,556.56

### FISCAL IMPACT

The funds required for this lease were appropriated within the FY 14-15, Solid Waste Hire of Equipment account 540-3475-439.44-10.

### RECOMMENDATION

Staff recommends the procurement of the dozer from WPI, through the TASB BuyBoard, on a three-year lease of \$2,265.46 per month, and the City Manager or designee is authorized to approve the purchase of the equipment at the end of the three-year lease period for \$62,000.00, if the purchase is approved in the FY 17-18 budget, and that the City Manager or designee is expressly authorized to execute any and all change orders within the amounts set by state and local law.