



LOADER & EXCAVATOR LEASE/PURCHASE

RS-17-038

April 4, 2017

Background and Conclusion

- Drainage Maintenance Division needs a wheel loader and compact excavator in place of returned track loader.
- Equipment is required for routine operations, construction projects, and upkeep of 457 acres of drainage channel.
- Monthly payment = \$3,566.49. \$158.87 more than previous monthly payment but will save \$549.46/mo. in rental costs.
- Will result in overall cost savings and efficiency improvement.
- Equipment provided by Romco Equipment Co. utilizing TASB BuyBoard Purchasing Cooperative pricing and financed through Bancorp South Equipment Finance.
- Funds available in the Drainage Maintenance Equipment Rental/Lease account (575-3448-434.44-10).



Volvo Construction Equipment



Volvo L60H Loader & ECR25D Excavator

Recommendation

- Staff recommends procurement of the equipment.
- 3-Year lease of \$3,566.49 per month.
- Initiate another lease at end of 3-year term or purchase equipment for \$76,771.20 if approved in the FY20 budget.