

COUNCIL COMMUNICATION

	Number:	26-275	Meeting:	August 3, 2026
	Agenda Item:	58	Roll Call:	
	Submitted by:	Nickolas Schaul, Finance Director		

AGENDA HEADING:

Public hearing and resolution taking action on the proposition to authorize a lease-purchase agreement with Ziegler Inc. for the lease – purchase of a tractor with boom mower for use in city operations.

SYNOPSIS:

Recommend approval to rent one (1) tractor with boom (long-arm) mower with the option to purchase the used equipment using FY-27 funds utilizing Sourcewell contract #040924-CAT.

Per Sourcewell contract #040924-CAT with Caterpillar Inc., 5212 N. O'Connor Blvd, Suite 1100, Irving, TX 75039; and local dealer Ziegler Caterpillar, 1500 Ziegler Drive NW, Suite 101, Altoona, IA 50009 (Derek Assman, Territory Manager); in the amount of \$45,000 for one (1) tractor with boom (long-arm) mower. The monthly rental will encompass up to five (5) months at a cost of \$9,000 per month plus a carrying charge of three percent (3%) over prime on the declining balance.

FISCAL IMPACT:

Amount: \$45,000.00 (rental only)

Funding Source: Fiscal Year (FY) 2026-2027 Recommended Operating Budget, Page 216, Road Use Tax Fund

Amount: \$43,875.00 (projected purchase expense with three percent (3%) carrying charge over prime). This amount may increase to \$47,498.07 if the full carrying charge of three percent (3%) over prime is realized if a purchase occurs.

Funding Source: Fiscal Year (FY) 2026-2027 Recommended Operating Budget, Page 216, Road Use Tax Fund

ADDITIONAL INFORMATION:

- If the item adequately fulfills Public Works requirements, recommend approval to utilize Sourcewell contract #040924-CAT referenced above to purchase the used tractor with boom (long-arm) mower for a sum equal to \$88,875.00 minus 100% of the rent paid for the equipment leading up to the purchase plus a carrying charge of three percent (3%) over prime on the declining balance.

- The estimated three percent (3%) carrying charge over prime is anticipated to be \$3,623.07.
- Public Works Department will use the one (1) tractor with boom (long-arm) mower to maintain city rights-of-way, alleys, and vacant lots.

PREVIOUS COUNCIL ACTION(S):

Date: June 8, 2026

Roll Call Number: [26-0671](#)

Action: [On](#) the proposition to authorize a lease-purchase agreement with Ziegler Inc. for the lease-purchase of a tractor with boom mower for use in City operations, not to exceed \$88,875 and providing for publication of notice thereof, (6-29-26). Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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