**Agenda Item Attachment**

**January 15, 2019 City Council Meeting**

**Item: 16**

**Submitted by: City Manager**

**Reviewed by: Finance**

**Budgeted Item: Yes**

**For Action: Yes**

**Attachments: Dealer Invoice**

**\_\_\_\_\_**

**Item:**

Discussion and Action If Any to Approve Financing of John Deere 310L Backhoe balance of $86,219.02, as shown on the attached invoice from Doggett Machinery Services, through Texas Bank and Trust at 4.25% interest, amortized over a term of 36 months, and paid monthly. Honorable Leroy Hughes will be authorized to sign the documents on behalf of the City.

**Discussion:**

City Management requires approval for the Mayor to sign documents financing the purchase of the new John Deere backhoe which was previously approved in the current budget at $20K down and financing over 36 months. We have approximately $36K in the approved budget split between Water and Sewer Distribution/Collection which is for the down payment and estimated monthly payments (est $2,600/mth) for 6 months of the budget. The estimated cost of the equipment at budget time was approx. $100K. City Management solicited 5 sources for financing, and the Texas Bank & Trust was by far the lowest option at 4.5%.

**Recommended Motions:**

I Motion We Approve Financing of John Deere 310L Backhoe balance of $86219.02, as shown on the attached invoice from Doggett Machinery Services, through Texas Bank and Trust at 4.25% interest, amortized over a term of 36 months, and paid monthly. Honorable Leroy Hughes will be authorized to sign the documents on behalf of the City.