



# MEMORANDUM

Council Agenda  
Item No. IX. B  
9/27/2022

## The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Lease Purchase Agreement for Equipment with The Clarence L. Boyd Company, Inc. (C238001), lease and maintenance of one John Deere motor grader, estimated cost \$27,469.09, September 27, 2022 through June 30, 2023; and assignment of payments to Prosperity Bank, to receive monthly lease payments for one motor grader.

**Location:**

Utilities Water Quality: 10401 W. Stanley Draper Dr., Oklahoma City, Oklahoma 73165

**Purpose:**

To lease one motor grader that will be used for earthmoving applications. The current lease expired September 1, 2022.

**Background:**

The Utilities Department, Water Quality Division, has a continuing need to lease equipment for maintaining the lake roads for residents and to access the lakes as required for maintenance. The lease will be obtained from The Clarence L. Boyd Company, Inc. in accordance with the terms and conditions of agreement (C228028) that was approved by the City Council on August 3, 2021 (Item No. IX. C).

This is a three-year lease with purchase options. However, the City is under no obligation to purchase the equipment at the end of the regular term. The equipment will also include an extended warranty.

The Clarence L. Boyd Company, Inc. requests Assignment of payments to Prosperity Bank. This assignment does not relieve The Clarence L. Boyd Company, Inc. from performing its other responsibilities as awarded in lease agreement (C228028), including maintenance of the equipment.

Staff requests Council approve an agreement of one motor grader from The Clarence L. Boyd Company, Inc., estimated cost \$27,469.09, September 27, 2022 through June 30, 2023; and assign monthly lease payments of \$2,497.19 to Prosperity Bank.

**Contract Price:**

(C238001)

The Clarence L. Boyd Company, Inc.

(1) John Deere Motor Graders

\$2,497.19/month

Serial Number: 1DW672GPVKF700892

**Estimated Cost:**

\$27,469.09

**Source of Funds:**

Water Utilities – Water City Operations – Utilities Property Maintenance – Trust Property Maint  
– Other Services & Charges (399-3001-3990507-06480-5289001)

**Review:**

Finance Department

**Recommendation:** Agreement be approved and Assignment of payment be approved.