

# Council Report

**Report Date:** May 7, 2018  
**Meeting Date:** May 15, 2018

**To:** City Manager  
**From:** Matt Thomas, Director of Public Works Operations  
**Subject:** Lease Renewal/Residential Garbage Truck Storage

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## Purpose

To seek Council's approval to extend an existing lease with Noran Holdings for a three (3) year period beginning August 1, 2018 - July 31, 2021.

## Summary

The City of Quesnel has been leasing a truck bay for storage of our residential garbage truck since we purchased our fully automated truck in 2009.

## Recommendation

Proceed with the extension of the existing lease with Noran Holdings for the next three (3) years (August 1, 2018 – July 31, 2021) at an annual cost of \$7,800 plus utilities.

## Council Policy

The City of Quesnel's delegation bylaw requires Council's approval to enter into a lease agreement if the value of the lease is greater than \$5,000 per year.

## Financial Implications

The annual cost of the lease for the truck bay is \$7,800 and the annual utility costs (heat and hydro) are approximately \$2400 and are covered under the Residential Garbage Collection annual budget.

## Background

In 2009 the City purchased an automated residential garbage truck which replaced our manually loaded trucks. The automated truck is a sophisticated piece of equipment which should be stored inside in a heated bay. This requirement was endorsed by the supplier of the truck and is common practice within other municipalities that use this type of equipment.

Our current Public Works Facility does not have a heated bay large enough for this unit nor does it have the space to store the small inventory of the carts that are stored and ready for use. Since the purchase of our first truck, in 2009, we have leased this heated truck bay located at 2950 Highway 97 North.

## Concurrence

This matter has been discussed with the Director of Capital Works and Infrastructure and the Director of Corporate and Financial Services



## Options

1. Proceed with the extension of the existing lease with Noran Holdings Ltd. for a three (3) year term (August 1 2018- July 31, 2021) at an annual cost of \$7,800 plus utilities.
2. Park the residential garbage truck outside in the elements.
3. Investigate the option of leasing a different facility.