

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2013-45

**A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT WITH FORD MOTOR CREDIT FOR THE PUBLIC SAFETY VEHICLE**

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WHEREAS, the Public Safety is in need of two patrol vehicles to replace two inoperable vehicles; and

WHEREAS, the inoperable vehicles were sold during the 2013 Mayor's sale; and

WHEREAS, three quotes were received from three Ford dealerships; and

WHEREAS, Kendall Ford of Wasilla was the lowest responsive bidder; and

WHEREAS, the total cost of the two Public Safety vehicles is \$72,406.20; and

WHEREAS, in the FY 2014 Patrol budget we had approved \$14,000 for the annual lease payment for a five year lease; and

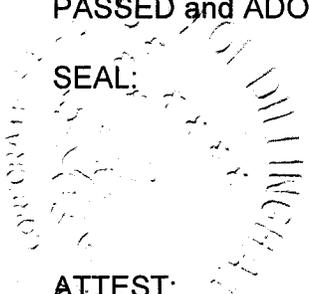
WHEREAS, the lease amount for 2 vehicles and equipment came out to \$14,481 with the Ford Motor Company Municipal lease program with monthly payment of \$1,206.77;

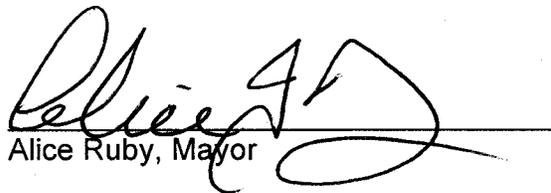
NOW, THEREFORE, BE IT RESOLVED that the Dillingham City Council approves the purchase of two new Ford Police Interceptors and Public Safety package;

BE IT FURTHER RESOLVED that the Dillingham City Council authorizes the City Manger to enter into a Municipal Lease Agreement with Ford Motor Credit for an estimated \$72,406.20 at 5.45% fixed interest, for a term of five (5) years, with an annual payment of \$14,481.24 and a purchase option of \$1.00 at the end of the lease.

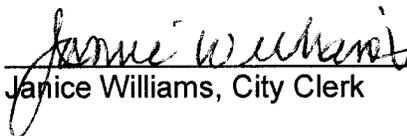
PASSED and ADOPTED by the Dillingham City Council on August 1, 2013.

SEAL:



  
Alice Ruby, Mayor

ATTEST:

  
Janice Williams, City Clerk

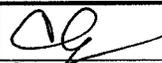
**Subject:** A resolution of the Dillingham City Council authorizing the City Manager to enter into a lease agreement with Ford Motor Credit for two public safety vehicles

Agenda of: August 1, 2013

Council Action:
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Manager: Recommend approval.

City Manager: Rose Loera  
Rose Loera

Route To:	Department / Individual	Initials	Remarks
X	Finance / Carol Shade		
X	City Clerk / Janice Williams		
X	Police Chief / Dan Pasquariello		

Fiscal Note: Yes X No \_\_\_\_\_ Funds Available: Yes X No \_\_\_\_\_

Other Attachment(s): None

**Summary Statement.**

Management is recommending that we move forward in purchasing 2 new patrol vehicles through a lease arrangement with Ford Motor Credit. The City currently has 2 vehicle leases with Ford Motor Credit which will be paid off in 2 years.

The cost for the vehicles and equipment installed is \$72,406 which does not include freight to Dillingham. We are asking to use the BBEDC CBG funds for freight as it was not budgeted. To air freight the vehicles it will be about \$6,000. The vehicles will not meet the barge deadline of early September. Air freighting them is approximately \$2,000 more than the barge.

Getting the vehicles here this fall should reduce our repair and maintenance costs over the winter from the other older vehicles that are being used.

We do have the yearly lease budgeted at \$14,000 in FY 14 which is a difference of about \$500 from the actual.

City of Dillingham  
Fiscal Note

Agenda Date: August 1, 2013

Request:

ORIGINATOR: Carol Shade

FISCAL ACTION (TO BE COMPLETED BY FINANCE)		FISCAL IMPACT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
AMOUNT REQUESTED: <p style="text-align: right;">\$ 72,406.20</p>		FUNDING SOURCE <p style="text-align: center;"><b>Public Safety Dept</b></p>	
FROM ACCOUNT 1000 7630 20 22 0000 0 \$ 72,406.20		Project <p style="text-align: center;"><b>Public Safety Vehicle</b></p>	
TO ACCOUNT:	VERIFIED BY: Carol Shade	Date:	8/25/2011

**EXPENDITURES**

OPERATING	FY14	FY15	FY16	FY17&FY18
Personnel				
Fringe Benefits				
Capital Equipment				
Vehicle Lease	14,481.24	14,481.24	14,481.24	28,962.48
Land/Buildings				
Miscellaneous				
<b>TOTAL OPERATING</b>	<b>\$ 14,481.24</b>	<b>\$ 14,481.24</b>	<b>\$ 14,481.24</b>	<b>\$ 28,962.48</b>

CAPITAL				
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REVENUE				
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**FUNDING**

General Fund	14,481.24	14,481.24	14,481.24	28,962.48
State/Federal Funds				
Other				
<b>TOTAL FUNDING</b>	<b>\$ 14,481.24</b>	<b>\$ 14,481.24</b>	<b>\$ 14,481.24</b>	<b>\$ 28,962.48</b>

**POSITIONS**

Full-Time				
Part-Time				
Temporary				

ANALYSIS: (Attach a separate page if necessary)

See Attached Resolution 2013-45

PREPARED BY: Carol Shade

July 26, 2013

DEPARTMENT: Finance Department

July 26, 2013