

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2013-47

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE CITY MANAGER TO PURCHASE CAPITAL EQUIPMENT FOR PUBLIC WORKS AND ENTER INTO A LEASE AGREEMENT FOR THE TRUCK

WHEREAS, in the FY 2014 budget the City Council approved the capital equipment purchases of a trackless snow blower, F350 flatbed truck and 2 full sets of loader tires; and

WHEREAS, all three items are necessary for safe and efficient winter plowing and clearing needs around the City; and

WHEREAS, the equipment needs to be purchased now and shipping arranged in order for them to be put on the last barge; and

WHEREAS, the City did solicit three quotes for all the items and the following was the most reasonable:

- trackless snow blower - \$134,610 from Yukon Equipment, Inc
- F350 flatbed truck - \$45,030 from Kendall Ford of Wasilla
- 8 loader tires - \$21,147; and

WHEREAS, the trackless snow blower and loader tires will be funded directly from the General Fund capital equipment line item; and

WHEREAS, the F350 Truck was budgeted in FY 14 as a lease payment of approximately \$7,040 within the Public Works operating budget; and

WHEREAS, the truck will be leased from Ford Credit Municipal Finance Department, over 5 years at an annual payment of \$9,006 with an interest rate of 6.45%;

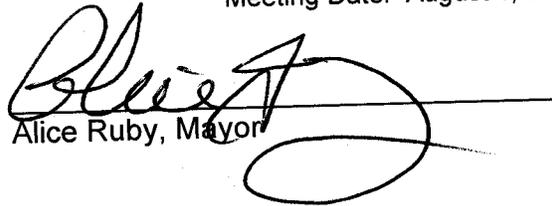
NOW THEREFORE, BE IT RESOLVED that Dillingham City Council approves the purchase of the Trackless Snowblower, F350 Flatbed Truck and 8 loader tires for a total expenditure of \$200,787;

BE IT FURTHER RESOLVED that the Dillingham City Council authorizes the City Manager to enter into a Municipal Lease Agreement with Ford Motor Credit for an estimated amount of \$37,478 at 6.45% fixed interest, for a term of five (5) years, with an annual payment of \$9,006 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.

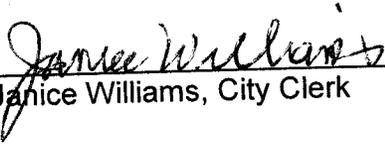
SEAL:

Meeting Date: August 1, 2013


Alice Ruby, Mayor



ATTEST:


Janice Williams, City Clerk

Subject: A resolution of the Dillingham City Council authorizing the City Manager to purchase capital equipment for the public works and enter into a lease agreement for the truck

Agenda of: August 1, 2013

Council Action:

Manager: Recommend approval

City Manager: Rose Loera
Rose Loera

Route To:	Department / Individual	Initials	Remarks
X	Finance / Carol Shade	CS	
X	City Clerk / Janice Williams	JW	
X	PW Foreman / Herman Shade		

Fiscal Note: Yes X No _____ Funds Available: Yes X No _____

Other Attachment(s): None

Summary Statement.

Management is recommending moving forward to purchase a trackless snow blower, F350 flatbed truck and 8 loader tires for the Public Works department.

The total cost of all this equipment is approximately \$200,787 which includes freight for all but the F350 truck. The freight for shipping the truck here will be requested from the BBEDC CBG funds.

It is necessary to get the vehicles here this fall to help with the snow plowing and clearing this winter and will make the work more efficient and safer for residents and City employees.

We do have the yearly lease budgeted for the truck at \$7,040 in FY 14 which is a difference of about \$2,000 from the actual. We have approximately \$157,000 in the Equipment Replacement fund to cover the cost of the direct purchases.

