

## City of Bethel Action Memorandum

Action memorandum No.	18-77		
Date action introduced:	December 11, 2018	Introduced by:	Peter Williams, City Manager
Date action taken:	December 11, 2018	Approved	<input checked="" type="checkbox"/> Denied
Confirmed by:	KM		

**Action Title:** Direct Administration to order six (6) new water haul trucks pursuant to single source procurement approval by placing an order and down payment for the trucks, pursuing a final contract for delivery, and pursuing a financing package with Community Leasing Partners.

**Attachment(s):** (1) Community Leasing Partners proposal to finance the purchase of six water haul trucks; and (2) Price Quote and terms from Kenworth Alaska, Inc. for the purchase of six water haul trucks.

Department/Individual:	Initials:	Remarks:
Administration / Peter Williams	PW	
Finance / Cindy Sharp	CS	
Public Works / Bill Arnold	WA	
Legal / Patty Burley	PB	
Amount of fiscal impact:	Account information:	
	No fiscal impact at this time.	
\$250,000.00	Funds in City FY 2019 Budget.	51-81-690
\$291,941.08	Requires funding in FY 2020 Budget.	51-81-690

### Summary Statement

As outlined in AM #18-XX regarding the single source procurement of six (6) new water trucks, they need to be ordered as soon as possible to ensure delivery by October 2019.

Due to the loss of grant funding from the Avenues Project, the City has to pay the full cost of the trucks from the Water and Sewer Enterprise Fund.

Administration recommends the City place a \$250,000 down payment on the order and finance the balance of \$1,303,916 over a five (5) year period. This will have the smallest impact on the Water and Sewer Enterprise Fund per affected year, leaving funds available to pursue any emergencies that might arise or any future funding opportunities. Payment/funding options appear below:

	Option 1	Option 2	Option 3	Option 4
<b>Down Payment</b>	\$250,000	\$400,000	\$600,000	Pay all at once
<b>Annual Pmt (5 yrs)</b>	291,941	258,357	158,251	\$1,153,916
<b>Annual Pmt (7 yrs)</b>	216,475	191,572	117,048	
<b>Annual Pmt (10 yrs)</b>	160,393	141,942	101,371	

Note: Numbers rounded to nearest dollar.