

Introduced by:	Mayor
Date:	12/11/01
Hearing:	01/08/02
Action:	Enacted
Vote:	8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2001-19-26**

**AN ORDINANCE APPROPRIATING \$280,000 IN SUPPLEMENTAL FUNDING FROM
THE EQUIPMENT REPLACEMENT FUND BALANCE TO PURCHASE A NEW
REPLACEMENT BULLDOZER FOR THE SOLID WASTE DEPARTMENT**

WHEREAS, The Solid Waste Department owns and utilizes a 1989 850B John Deere Bulldozer for landfill operations; and

WHEREAS, the bulldozer has recently experienced excessive down time and a rapid escalation in repair and maintenance costs; and

WHEREAS, the cost to rent a replacement bulldozer from a rental company during periods of down time is approximately \$10,000 per month; and

WHEREAS, a new replacement bulldozer of similar capability is expected to have a useful life of ten years, a purchase price of approximately \$280,000 based on market information reviewed by staff, and an annualized Equipment Replacement Fund rental fee to the Solid Waste Department of \$28,000 or \$2,333.33 per month; and

WHEREAS, the Equipment Replacement Fund is scheduled to purchase a new replacement bulldozer for the Solid Waste Department in FY2003; and

WHEREAS, accelerating the scheduled purchase of the new replacement bulldozer will result in a savings in equipment and rental costs for the Solid Waste Department; and

WHEREAS, the Solid Waste Department has sufficient funding in the previously approved FY2002 operating budget to pay the increased equipment rental costs to the Equipment Replacement Fund; and

WHEREAS, the Equipment Replacement Fund balance has sufficient funds available to support purchase of the bulldozer during the current fiscal year.

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That \$280,000 is appropriated from the Equipment Replacement Fund balance to Account No. 705-00000-00000-18420 for the purchase of a new bulldozer for use by the Solid Waste Department.

SECTION 2. That the equipment purchased shall have a ten (10) year depreciable life with an annual rental fee to the Solid Waste Department of 10 percent of the actual purchase price, estimated at \$28,000 per year.

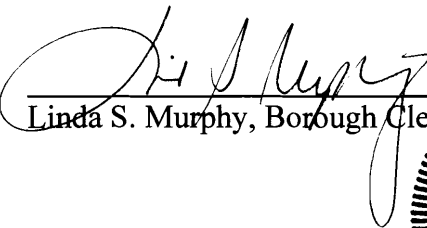
SECTION 3. That this ordinance shall take effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 8TH DAY OF JANUARY, 2002.



Timothy Navarre, Assembly President

ATTEST:



Linda S. Murphy, Borough Clerk

