



City of Homer

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Office of the City Clerk

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Memorandum Agenda Changes/Supplemental Packet

TO: MAYOR WYTHE AND HOMER CITY COUNCIL

FROM: JO JOHNSON, MMC, CITY CLERK

DATE: JULY 27, 2015

SUBJECT: AGENDA CHANGES AND SUPPLEMENTAL PACKET

CONSENT AGENDA

Ordinance 15-28, An Ordinance of the Homer City Council Repealing and Reenacting Homer City Code Chapter 18.12, Municipal Property Sales, Regarding the Methods and Procedure for Disposing of Interests in Real Property Owned by the City. City Manager.

Written public comments

Page 3

Resolution 15-064, A Resolution of the City Council of Homer, Alaska, Supporting the Inclusion of City-Owned Property in Beluga Slough Into the Eastern Hemisphere Shorebird Reserve With the Exception of the Public Works Complex. Lewis.

Written public comments

Page 7

Resolution 15-065, A Resolution of the City Council of Homer, Alaska, Supporting Responsible Dog Ownership by Installing Dog Waste Bag Dispensers at Public Buildings, Trails and Parks, and Encouraging Other Agencies and Businesses to Do the Same, and by Purchasing Individual Dog Waste Bag Dispensers to Provide to the Public and Encourage Local Businesses to Stock Baggie Supplies and Dispensers. Roberts.

Written public comments

Page 13

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

Port and Harbor Advisory Commission Monthly Activities Report, by Commissioner Howard

Page 19

PUBLIC HEARINGS

Ordinance 15-23, An Ordinance of the Homer City Council Amending Homer City Code 21.40.070, Requirements, Regarding Standards for Impervious Coverage in the Bridge Creek Watershed Protection District. Planning.

Written public comments

Page 21

RECOMMENDATION:

Voice consensus to changes under Agenda Approval.

Fiscal Note: N/A

From: [Rika Mouw](mailto:Rika.Mouw)
To: beauburgess@ci.homer.ak.us; davidlewis@ci.homer.ak.us; [Francie Roberts](mailto:Francie.Roberts@ci.homer.ak.us); calcionareynolds@ci.homer.ak.us; bryanzak@ci.homer.ak.us; gusvandyke@ci.homer.ak.us; [Department Clerk](mailto:Department.Clerk@ci.homer.ak.us)
Subject: City land dispersals
Date: Monday, July 20, 2015 12:27:16 PM

Dear esteemed mayor and council members,

I have been agonizing over the Council's April 27th decision to liquidate City owned wetland parcels in the Beluga Wetland Complex. While you are going through the process of figuring out the method in which you will be dispersing City owned land, I hope you will slow down to consider whether liquidating the wetland parcels in that area makes sense in the larger financial picture.

It is hard to overstate the functional value the 5 wetland parcels are to the City. I took the time to photograph several study maps (contracted by the City through the Homer Soil and Water Conservation District) to more clearly make my point in urging you to keep these parcels in City ownership. Together, the City and Borough have the opportunity to keep water runoff and surface waters from further exacerbating coastal erosion and more costly flood control in this area. I urge you to consider the costs of having to build infrastructure to save coastal properties along that section of Kachemak Drive where there is considerable ongoing erosion from mostly surface water drainage. The parcels in question are particularly noteworthy in their value in coastal erosion protection. Kachemak Drive and its accompanying water and sewer infrastructure are already quite close to an actively eroding coast so it is with utmost importance to not increase the speed and volume of water already passing through this area.

There is significant winter and summer habitat in this area, but it is the natural flow of water, water retention and absorption and coastal erosion that is what the City should value most of all on a completely financial level. It is the City's responsibility and fiscal duty to protect its assets. Existing residential properties along this area, the property tax revenues coming from them and the City's new water and sewer lines are reason to protect this highly volatile area from further obvious vulnerabilities. It is critical to not disrupt this hydrological area. It would be irresponsible to privatize a public asset that truly protects both private and public assets at relatively no cost. If I were a coastal property owner along this section of Kachemak Drive, or a regular user of K-Drive, I would very concerned about the risk of loosing the use of land and critical infrastructure.

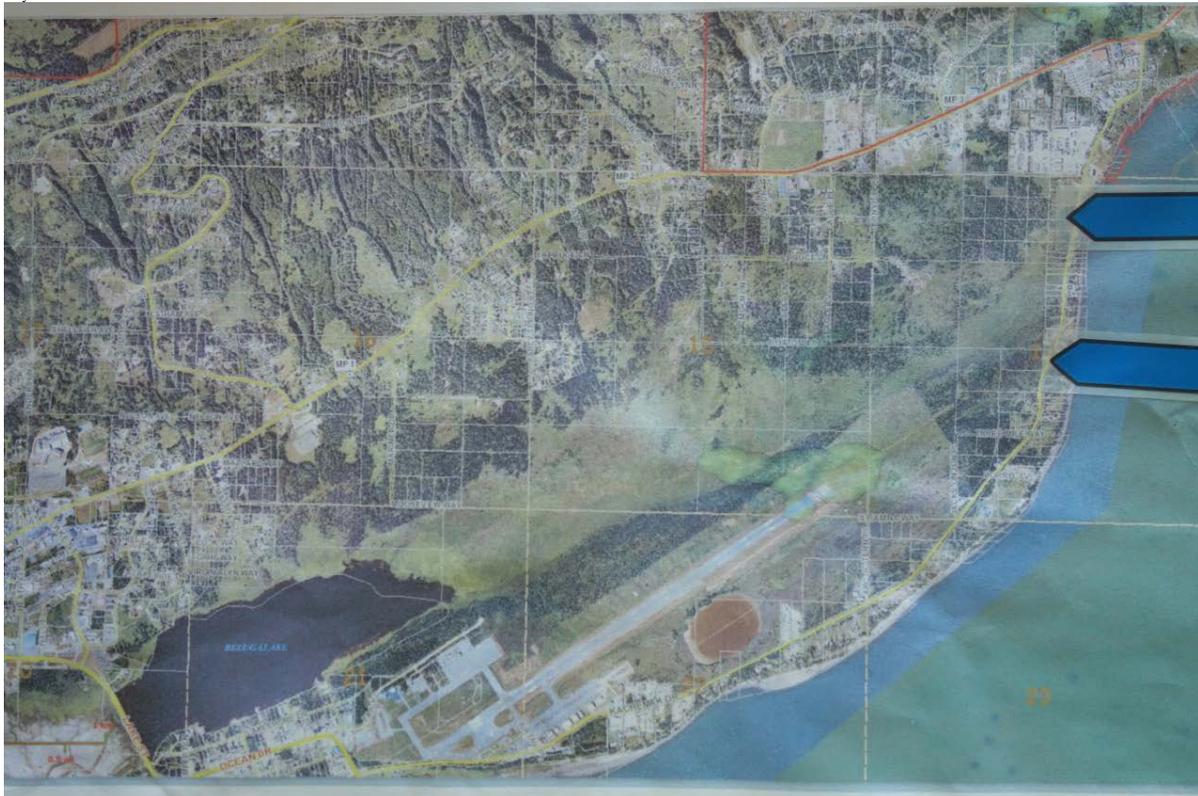
In 2011 there was report published and mentioned in the Homer News that addressed impacts of climate change. Homer was one of the study sights when addressing precipitation and storm events. In speaking about erosion, the report states, "Overall annual precipitation is projected to increase by 20-25% throughout the 21st century. The glacially deposited bluff common along Cook Inlet and Kachemak Bay are susceptible to erosion particularly during high tide storm when heavy rains saturate and liquefy unable soil and clay layers".

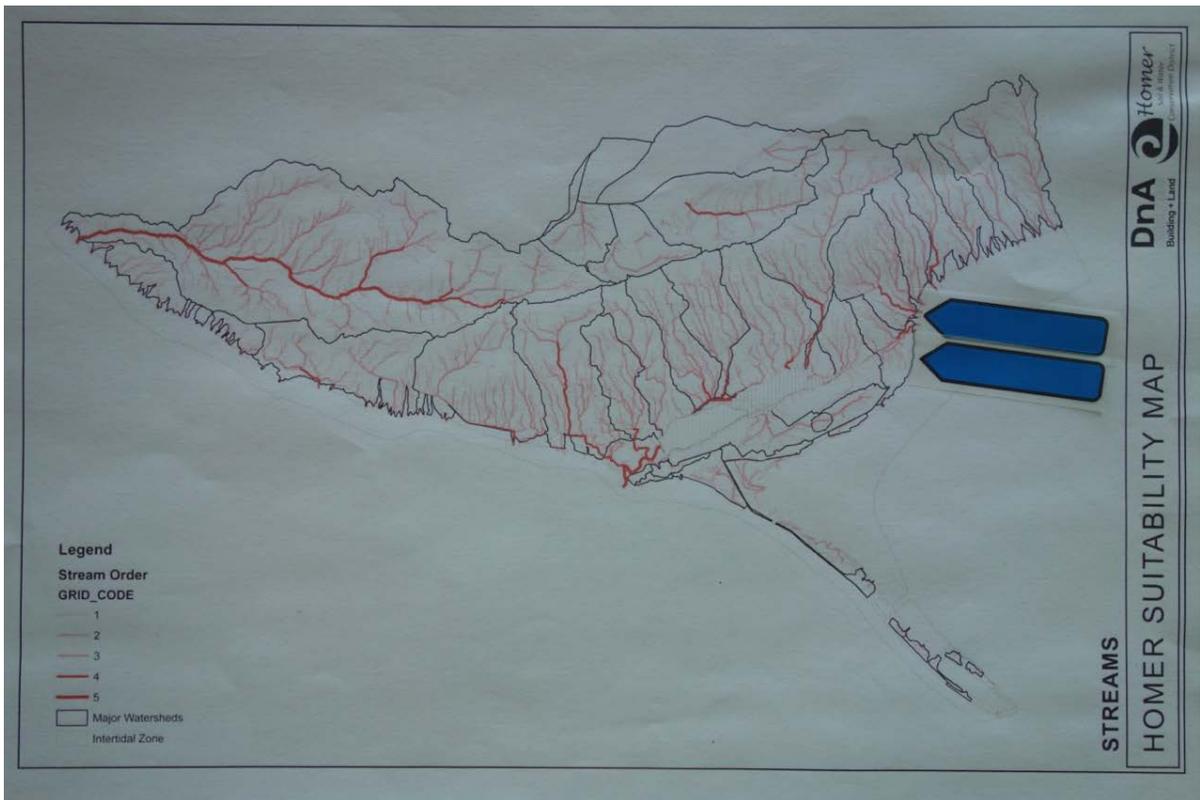
I truly feel the sale of City wetland parcels in this area would be pound foolish.....and actually quite costly in the future. As our leaders, I urge you to think beyond the idea of 'getting these parcels back on the tax rolls'.

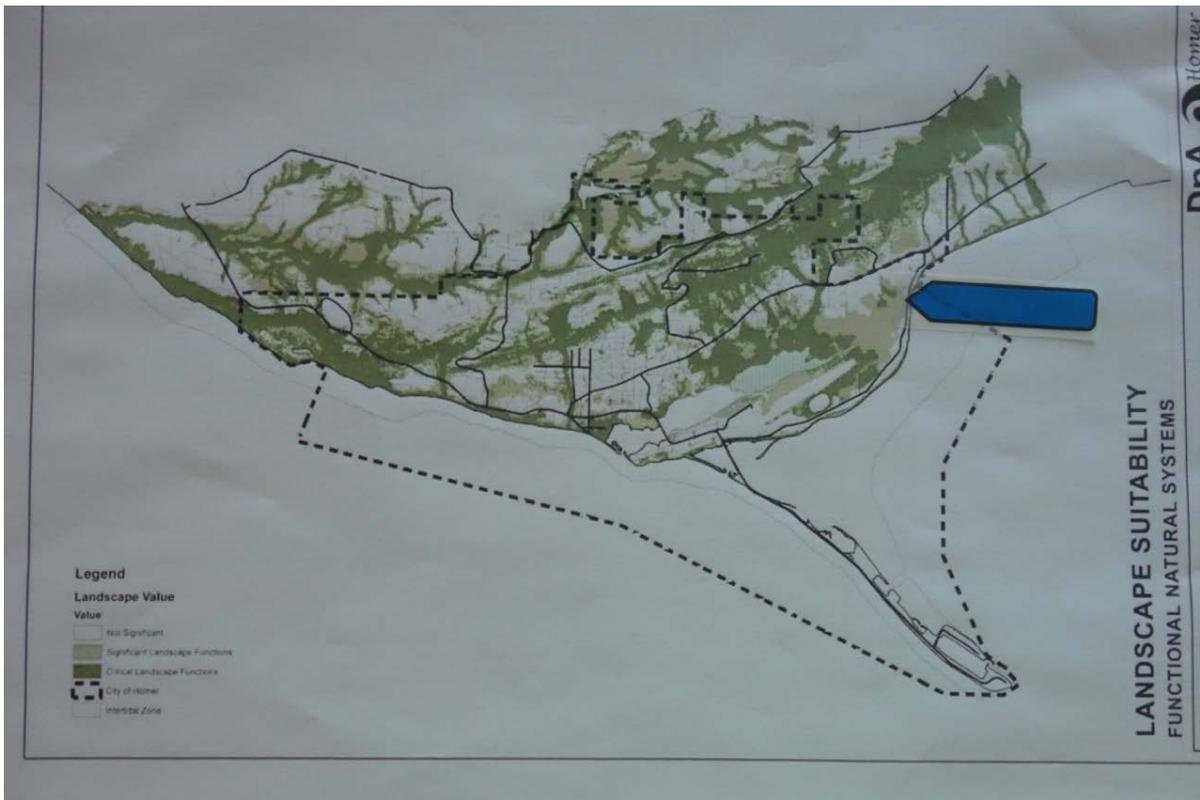
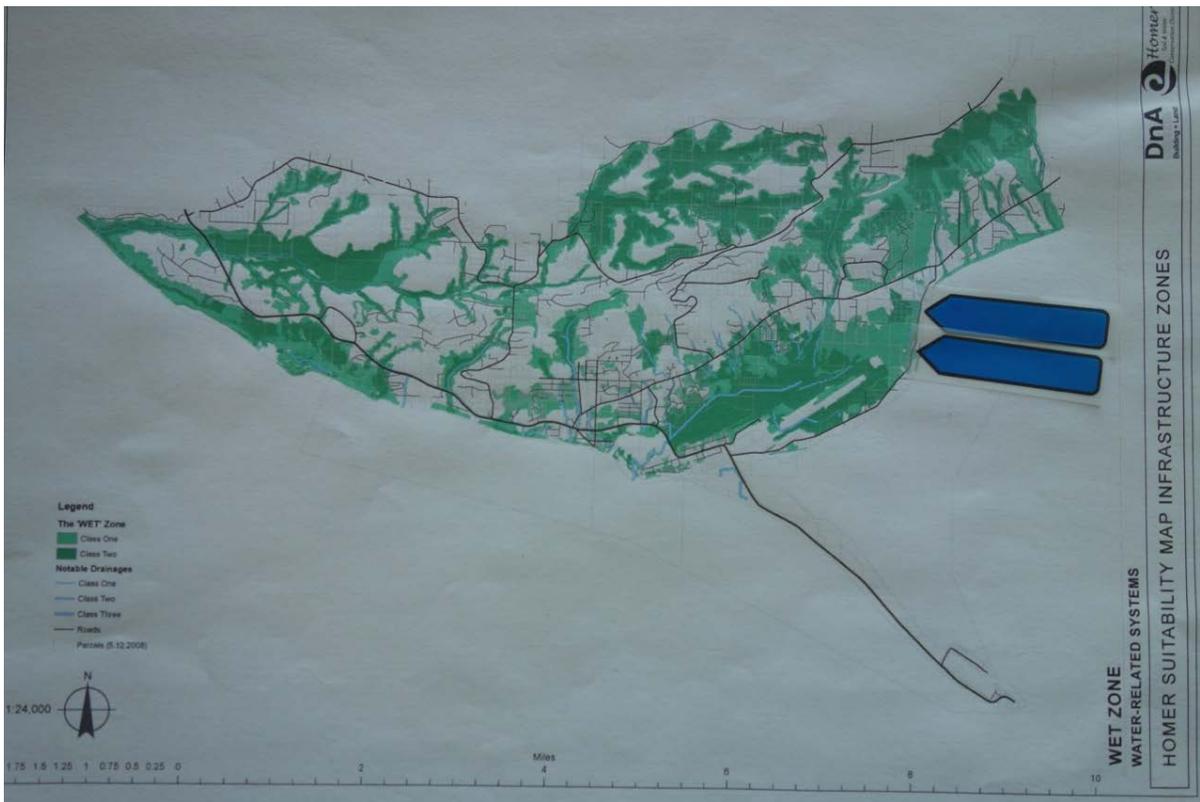
I hope you take a look at these study maps and give this serious thought. Yes, a conservation group, like Moose Habitat could purchase these parcels but within the 40 acre gridded area, which is also mostly Borough property, this is a City/Borough partnership that would be invaluable. The Borough saw the wisdom of placing an 80 acre wetland parcel to the north of the airport into a conservation district. I can see the same wisdom with this 40 acre grid of wetland as well. That would be a very wise investment into the future.

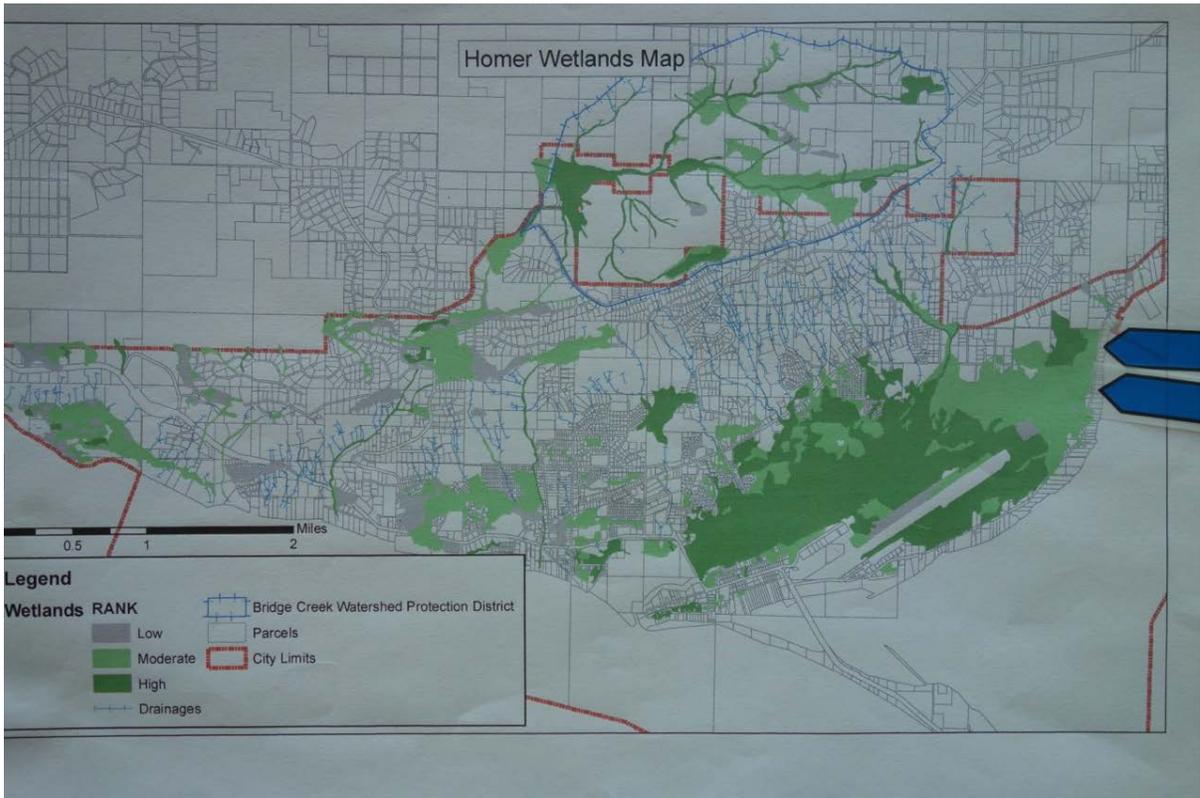
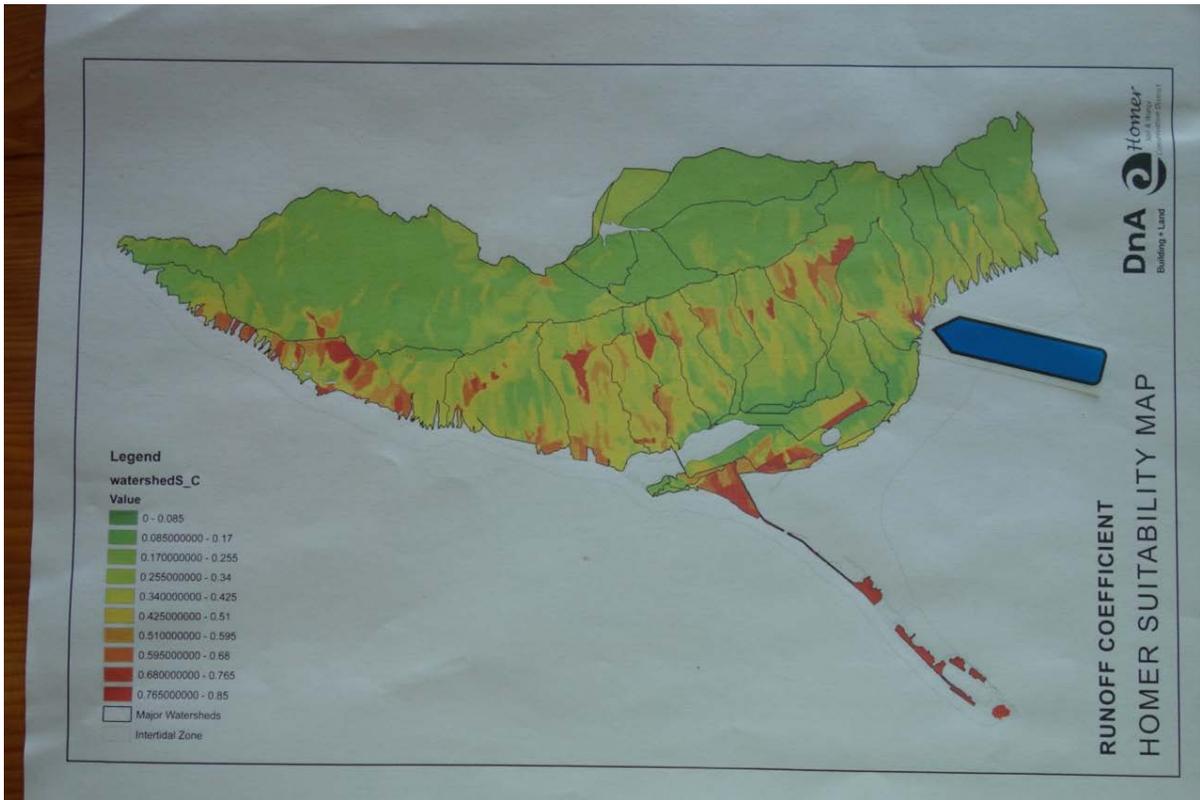
Thank you for your consideration.

Rika Mouw
City resident









From: [Rika Mouw](#)
To: [Jo Johnson](#)
Subject: Thank you Jo!
Date: Wednesday, July 22, 2015 3:18:49 PM

Dear City Council members and the Mayor,

I am so very happy to know there is a resolution to include City property in the Western Hemisphere Shorebird Reserve in front of you. I encourage you to pass this resolution especially since it is already land that is under conservation already. This is an especially important area since it really does provide necessary habitat for a population of birds that are facing diminishing rest stops and breeding grounds all over the world. Homer is an important spot and already attracts a great number of visitors to the area for this very reason. I feel very encouraged but the City's support in this endeavor and thank you in advance for supporting this designation in the Beluga Slough area. It is so important and so welcomed by so many. Please support this WHSRN designation. Lets put Homer on the map in an even greater way. There really is no reason not to!

appreciatively,
Rika Mouw
Homer City resident.

RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, SUPPORTING THE INCLUSION OF CITY OF OWNED PROPERTY IN BELUGA SLOUGH, EXCLUDING THE PUBLIC WORKS COMPLEX, IN THE WESTERN HEMISPHERE SHOREBIRD RESERVE.

WHEREAS, the Beluga Slough area attracts numerous shorebirds which are of interest to many residents of Homer as well as visitors; and

WHEREAS, the Western Hemisphere Shorebird Reserve Network (WHSRN) promotes awareness of shorebird areas at the international level; and

WHEREAS, there are no binding treaties or formal obligations involved with joining the WHSRN; and

WHEREAS, Nearly 40 acres of these lands were purchased with Exxon Valdez Oil Spill funds and are already in a conservation easement; and

WHEREAS, the City supported inclusion of Mariner Park Lagoon and Mud Bay into WHSRN in 1994 via resolution 94-32; and

To: Homer City Council
From: George Matz
Re: Resolution in support of WHSRN designation for Beluga Slough.
Date: July 19, 2015

The City of Homer has a history of being a good steward of its lands. With the current review

of its beach policy, the City Council has before it another opportunity to demonstrate leadership. This opportunity is to support the recommendation of the Parks and Recreation Advisory Commission to nominate city owned property in Beluga Slough as an addition to the existing Kachemak Bay Western Hemisphere Shorebird Reserve Network (WHSRN) site. The nomination would not include the public works complex. It's important to point out that acceptance of the nomination by the WHSRN Hemispheric Council entails no fees or regulatory authority, just recognition for shorebird conservation. This nomination would be identical to a previous action by the Homer City Council when, in April 1994, it nominated Mud Bay and Mariner Park Lagoon as WHSRN sites. For a detailed profile of the Kachemak Bay WHSRN site see <http://www.whsrn.org/site-profile/kachemak-bay>.

While the City Council is undoubtedly aware of the interest that many local residents and visitors have in our local shorebirds, particularly during spring migration (e.g. Kachemak Bay Shorebird Festival), it may not be familiar with WHSRN and what value this designation bestows to site partners. Essentially, WHSRN is a conservation strategy that seeks to protect key habitats throughout North and South America in order to sustain healthy populations of shorebirds. A Hemispheric Council made up of partner representatives is responsible for the overall direction and well-being of WHSRN and its progress in achieving its mission and vision. For more details see <http://www.whsrn.org/about-whsrn/organization-and-structure/hemispheric-council/terms-reference>. There are currently 90 sites in 13 countries, stretching from Alaska to Tierra del Fuego.

A WHSRN designation provides partners with international recognition for its site, thereby raising new public awareness/visitation and generating conservation funding opportunities. The Beluga Slough site would contribute to enhancing bird viewing opportunities for both residents and visitors as well as adding to educational opportunities for our schools as well as visiting students. Educational materials, trails, and kiosks that tie in the Bishop's Beach/Beluga Slough area to Mud Bay and Mariner Park Lagoon would provide an excellent opportunity to observe and enjoy our outstanding estuarine habitat that is noted for its biological productivity and being relatively pristine. In addition, based on recent initiatives to improve collaboration between WHSRN sites, benefits could include visitors from sites in other countries. In Homer's case, it might use its WHSRN site as a basis for attracting representatives from South American local governments and NGO's to see how to organize a shorebird festival. To learn more about this potential see <http://www.whsrn.org/current-whsrnews>.

The WHSRN nomination process is fairly simple (<http://www.whsrn.org/nomination-process>).

The basic requirement is that the nomination come from the landowner. Also the site must meet certain biological criteria. Meeting these criteria is not expected to be a problem for the Beluga Slough site since the intent is to ask that it be considered as an addition to the previously approved Kachemak Bay site. WHSRN has already stated that this would be an acceptable nomination. Also, the land is already in a conservation easement and adjacent to the state managed Kachemak Bay Critical Habitat Area and the Kachemak Bay National Estuarine Research Reserve.

A key advantage that Beluga Slough has with respect to a WHSRN designation is its easy accessibility. It is right next to the Islands and Ocean Visitors Center which already has adequate parking as well as boardwalks. The basic infrastructure is already there.

I want to thank the City Council for considering this resolution and the Parks and Recreation Advisory Commission for proposing it.

On Jul 22, 2015, at 3:13 PM, Jo Johnson <JJohnson@ci.homer.ak.us> wrote:

Hi Rika,

I received your email and have heard this same complaint. Please send it to me at this address.

Thanks & have a good day,

Jo Johnson, MMC

City Clerk

City of Homer

491 E. Pioneer Avenue

Homer, Alaska 99603

907.235.3130

jjohnson@ci.homer.ak.us

PUBLIC RECORDS LAW DISCLOSURE:

Most e-mails from or to this address will be available for public inspection under Alaska public records law.

From: [Renee Krause](#)
To: [Jo Johnson](#)
Subject: FW: please help!
Date: Monday, July 27, 2015 10:07:22 AM

did you receive this?

-----Original Message-----

From: Lani Raymond [<mailto:lanir67@alaska.net>]
Sent: Monday, July 27, 2015 10:06 AM
To: Renee Krause
Subject: Fw: please help!

-----Original Message-----

From: Lani Raymond
Sent: Monday, July 27, 2015 7:17 AM
To: Renee Krause
Subject: please help!

Renee,

I tried sending this email to the City Clerk but it wouldn't go through (clerk@cityofhomer-ak.gov). Would you please help me get it in the lay down for the meeting tonight?

Lani Raymond

To: Homer City Council

From: Lani Raymond
41640 Gladys Ct
Homer

Date: July 25, 2015

RE: Homer Beach Policy

I would like to encourage the City Council to approve the inclusion of the City-owned property in the Western Hemisphere Shorebird Reserve Network (WHSRN), as it did for the Mariner Park Lagoon and Mud Bay in 1994, as stated in Resolution 15-064. A large part of the area proposed for this expansion is already in conservation easement, purchased with oil spill funds.

Shorebirds migrate in large numbers through Kachemak Bay and use beaches on the Spit and other areas, to rest and feed in order to be able physically to continue on their long journeys. I have participated in the spring Shorebird Monitoring for seven years and have learned even more how important our area is to these birds. The scope of this international migration is of great interest to Homer residents and visitors and in fact many visitors come to Homer primarily to see these birds, such as during the Shorebird Festival time at the peak of the spring migration. Less obvious, perhaps, are the many birders who come to witness parts of the fall migration, which occurs more slowly and occurs in waves instead of a brief period such as during the Festival. Homer is important to those birds!

And in addition, I hope the City Council will act on other issues that have come from the seven-month Parks and Rec. Commission review of beach use in Homer. This was a lengthy and comprehensive look at all the issues involved and very importantly, solicited an enormous amount of public input from all user groups and from

specialists such as the Chief of Police, Fish and Wildlife Service personnel, etc.; all of this information is available to the Council and to the public.

At the end of this process, some significant information came to light which will be important for the City Council to act on: vehicle use on the beach below mean high tide is prohibited by State regulations for Critical Habitat; vehicle use above mean high tide is on private property and is therefore also restricted. Thus, there is no legal corridor for driving on these beaches. There is no basis for the City to continue allowing vehicles on the beaches within the City, and it needs to take steps to remove or block existing access to the beach as driving there is illegal.

Vehicle use on the beaches has created or intensified many unsafe conditions for citizens and visitors on the beaches, has had a serious impact on habitat (such as on berm destruction and tide pool desecration), and has had a negative impact on migrating and nesting birds. That this vehicle use is illegal means that it can now be stopped.

Thank you for your consideration of this matter.

Lani Raymond

From: [Nina Faust](#)
To: [Jo Johnson](#)
Subject: Support Beach closure
Date: Monday, July 27, 2015 9:14:52 AM

P.O. Box 2994
Homer AK 99603

July 24, 2015

Homer City Council
Homer Alaska 99603

Dear Council Members:

I urge you to follow up on the recommendation from the Parks and Recreation Commission to close Bishops Beach to motorized vehicles. This matter has been discussed for many months and for many reasons, it appears to be the best option to address the many concerns.

There is no money to increase enforcement at this point. Consequently, without added enforcement, the problems created by motorized use will not only continue but with increasing population, will increase. It is illegal under state regulations to be driving in the critical habitat. It is trespass to drive through all the private properties. So it appears the best solution to resolves these legal issues and address the reckless driving, drug parties, destruction of the berms, littering from pallet parties, and so much more, closing the beach to motorized vehicles is the simplest solution.

I hope you will move forward with this, beginning with a resolution, followed by regulations to back the closure up in law.

Sincerely,

Nina Faust

From: [Nina Faust](#)
To: [Jo Johnson](#)
Subject: Resolution 15-065 Installing Dog Waste Bag Dispensers at Public Buildings, Trails and Parks
Date: Friday, July 24, 2015 10:04:33 PM

P.O. Box 2994
Homer AK 99603

July 24, 2015

Homer City Council
Homer Alaska 99603

Dear Council Members:

I strongly support Resolution 15-065 Installing Dog Waste Bag Dispensers at Public Buildings, Trails and Parks. I am now a dog owner and pick up his waste wherever I take him. This is in the best interest of public health so I hope you will support this resolution.

Sincerely,

Nina Faust

From: [Louise Ashmun](#)
To: [Department Clerk](#)
Subject: Comment for City Council concerning Beach Policy
Date: Monday, July 27, 2015 10:21:27 AM

To: Homer City Council
From: Louise Ashmun
Date: July 26, 2015

Re: Homer City Beach Policy

I have been following, with great interest and concern, the Park and Recreation Commission Beach Policy update efforts for the past seven months. Throughout these deliberations I supported the creation of new regulations to limit and control vehicle access on city beaches for environmental, safety, and aesthetic reasons. Near the end of the the P&R Commission process, it became clear that vehicle use on city beaches is prohibited by state regulation (critical habitat designation below the mean high tide line) and private property protections (ownership above the mean high tide line). The current configurations of city beach parking areas, particularly at Bishop's Beach, not only allows for vehicle access, but facilitates that access to the beach. From my perspective, that makes the City complicit in the current level of illegal vehicle use on the beach. Testimony during the P&R Commission process made it very clear that the current level of vehicle use on City beaches is destroying habitat (tide pools as well as vegetative), inhibiting dune development, creating unsafe vehicle/pedestrian interactions, impacting migratory as well nesting birds, contributing to the accumulation of trash on the beach, as well as exacerbating many other negative impacts to the beach and beach users. **Consequently, I am recommending that the City Council take the necessary steps to enforce the "no vehicle use" regulations on City beaches and block or remove the existing vehicle beach access points within the City.**

In addition, I highly recommend that the two resolutions, 15-064 and 15-065, be passed and implemented at the July 27th meeting.

Lastly, I am hopeful that the City Council will consider and decide to act on other issues in the recommended beach policy update that have come from this public process. In particular, I am hopeful that current and future beach policy provisions can be more clearly and prominently

explained in appropriate signage and then more rigorously enforced within the City.

Thank you for your consideration of my recommendations.

Louise Ashmun

Louise Ashmun
457 Mountain View Dr.
Homer, AK 99603
907 299 6360
leashmun@gmail.com

MEMORANDUM

Date: July 27, 2015

To: Mayor Wythe and City Council Members

From: Bob Howard, Commissioner responsible for the month of July reporting

Subject: Port and Harbor Advisory Commission Monthly Activities Report

The Port and Harbor Advisory Commission continues to work on a multitude of issues arising in the Harbor Enterprise, some are detailed below.

Harbor Moorage Fees: On June 24 the Commission adopted a rate increase resolution for your approval. It is scheduled for your August 10 agenda. The rate increase will, over a period of about ten years, place the Enterprise fund in a solid financial position. Further, the resolution directs the preparation of a new rate allocation program identified as a graduated linear rate structure. The new structure will increase moorage rates per linear foot as vessels become larger requiring more area for width and maneuvering. The new structure will be designed to achieve a more equitable allocation of harbor costs amongst its users.

During its July 22 meeting, the Commission approved a motion requesting the Harbor Master to hire a consultant to help develop the new rate program. We expect the Harbor Master will have this request before you as soon as practical.

Parking: In an effort to develop new and additional revenue sources for the Harbor Enterprise, the Commission is working on a fee parking program. Our first priority will be boat trailer parking in the area of the load and launch ramp. Staff is currently gathering data to help us in this effort. Recent counts reveal usage on peak days of about 270 units.

Though we will not complete this in time to set rates in the upcoming budget process, we should be ready to implement the initial program for the 2016 summer season. After the trailer parking program is complete, we will take on the larger challenge of developing a program for the balance of the parking areas.

Maritime Pavilion: Perhaps you have heard and seen some ideas for a "Maritime Pavilion" on the spit in the general location of the old harbor master office property. The Commissioners are generally in favor of this concept and encourage a master plan approach to public land surrounding and including the old office area. Such matters as the oil dumping station, trash containers and recycling bins along with the restrooms will need to be relocated and or certainly included in the overall use of the property. There is an interest by the Commissioners in the pavilion to be of "over slope" design in order to minimize the impact on the high valued real estate.

Deep Water Dock: Tonight you heard the R&M report for the deep water dock project. The deep water dock is performing well and revenue are on target. The Commissioners will be reviewing this report and preparing comments.

Beach Marine Repair Facility: Lastly, the Commission has reviewed the Marine Repair Facility Best Management Practices and requested the Vessel Haul Out Task Force to review and complete the necessary forms, schedules and fee rates. The Task Force is scheduled to meet on August 4.

The Commission appreciates the continued support the City Manager and Council has provided to help the Port of Homer be the best harbor in Alaska. We thank you.

Mayor Wythe & Homer City Council

Regarding Ordinance 15-23,
AMENDING HOMER CITY CODE 21.40.070, REQUIREMENTS, REGARDING STANDARDS FOR IMPERVIOUS
COVERAGE IN THE BRIDGE CREEK WATERSHED PROTECTION DISTRICT.

On Page 263, 264 of the packet, Line 41, Item c.

c. For the purpose of calculating impervious coverage for mitigation plans on lots smaller than two and one-half acres, driveways and walkways may be calculated as 70% impervious and structures as 90% impervious.

This section changes the code from having impervious structures calculated as 100% impervious to only being 90% impervious.

The rationale presented by the Public Works director is that engineering measurement standards calculate runoff volumes by the 90% measurement method. This is fine for calculating how much water ends up as run-off, but is an erroneous application of an engineering standard.

Simply put, a measurement of runoff volume is not a measurement of water quality impacts caused by impervious coverage.

The scientific standard which is used to calculate the water quality impacts of impervious coverage is not related to runoff volumes. The science which was used to establish the standards for the Bridge Creek Watershed Protection District used the common science standard of measuring impervious coverage and comparing it to water quality impacts. This scientific methodology is not at all related to the engineering practice of calculating runoff volumes. Science studies do not discount impervious coverage percentages.

Item c. also changes the calculations used to assess the impervious areas of driveways and walkways. Current ordinance allows those areas to be 100 % disregarded if a mitigation plan is approved. Changing the standard to counting these areas as 70% impervious will severely limit the allowable development area. The parcels under 2.5 acres in the BCWPD can hardly afford this new limit.

The primary residence of Planning Commissioner Tom Stroozas is located in the BCWPD and is on a lot smaller than two and one-half acres. He participated in the discussion and voted on this Ordinance recommendation. I feel that because this Ordinance change affects a small number of lots in a limited district, that he has a direct conflict of interest in this ordinance and that the decision of the Planning Commission is thereby invalid.

My recommendation is that the City Council deletes section c. in its entirety, and retains the current language of b. Impervious Coverage Calculations. 1. For the purpose(etc.)

Thank you for your consideration.

Bill Smith



CITY OF HOMER PUBLIC WORKS DEPARTMENT

Dan Gardner, PW Superintendent
3575 Heath St.
Homer, Alaska 99603

Telephone: (907)235-3170
Fax: (907)235-3145

EMAIL : dgardner@ci.homer.ak.us

Memorandum 15-125

To: Carey Meyer, PW Director
From: Dan Gardner, PW Superintendent D G
Date: July 14, 2015
Subject: Dump Truck Replacement

As you are aware, last week, while starting some planned work on our 1981 10-yard dump truck, it was discovered that the frame and assembly were rusted and coming apart to a degree that required us to remove the vehicle from service. At this time, there are no plans to bring it back into service. This vehicle is thirty-four years old. The frame has been repaired in the past to extend its life, but it is to the point that repair costs would outweigh the vehicle's value.

Attempts were made to obtain repair costs from shops in Anchorage, and none of them were interested. Most scoffed at the idea. One of them said that they wouldn't do the work, but if they were to, the labor alone would be almost \$50,000 for the frame rail replacement. And, there was doubt that the necessary frame rails would be available.

I view this vehicle as a must for our fleet. Without it, we have only the one dump truck. Although we don't use both vehicles every day, we use them both simultaneously quite often, and one backs up the other when one of the vehicles is down for repair or maintenance. In the winter, one has a sander unit on it, which leaves the other one for hauling snow, hauling waste excavation from repair work and hauling gravel. In the summer and fall, multiple operations of ditching, culvert replacements, water/sewer repairs, fire hydrant repairs, etc. requires the use of two trucks.

These types of trucks are not readily available for rent or lease, and when one can be found, they rent for about \$5400 per month. Over the past week, I have checked with several heavy equipment rental companies and none are available. Renting is not a realistic option due to cost and the fact that when the vehicle is needed, it is most likely not available. And, the cost to rent one for six months could at least purchase an older truck. Although an older truck of this value is not preferred, it would at least be something in the fleet.

Following are options that are being considered:

1. Repair the Truck – Not an option
2. Rent a truck as needed – Not a workable option

3. Purchase a used truck – \$35,000 to \$90,000. A reasonable truck can be obtained in this price range. To spend more than that begins to rival the cost of a new truck purchase with warranty, etc. Obviously, the low end of this estimate would purchase an older vehicle of the mid 1990s vintage. A vehicle in this price range may or may not include a dump body and/or the necessary hydraulic kits and electrical connections required to get the truck in service with oursander/trailer/dump body. With any used vehicle, there is a risk that expensive repairs could show up, and because of the age, the vehicle will need to be replaced sooner than a new truck.

Most used trucks need to be purchased in the lower 48. The downside to this is that the vehicle cannot be physically evaluated without the cost and time required to send personnel to the vehicle's location. Then, there is the cost to ship or pay a driver to bring the vehicle to Homer.

4. Purchase a new truck – \$124,000 to \$149,000
\$124,000 to \$129,000 new truck with hydraulics. We install our old dump body.
\$145,000 to \$149,000 new truck with new dump body and ready for use.

A new truck could be purchased through the State's purchase contract. Going through the State's contract saves us approximately \$27,000 when compared to normal retail for the same truck. If purchasing a new truck, it would be ideal to have a new dump body with high-lift gate installed, but we could install our old dump body on the new truck in order to save around \$20,000, if necessary. A new truck would take six months from the date of order to arrive in Anchorage. If funds could be approved right away, there is currently a truck available that is assembled and ready to ship. By the time this purchase possibly gets approved, it may no longer be available. It is safest to assume that a new truck would take six months to obtain. But, once the purchase is approved by council, negotiations could possibly produce a truck sooner than six months.

Purchasing used would require the full purchase price immediately. Purchasing new would allow making payments over five years. After a cash deposit of around \$13,000 to \$15,000 monthly payments would be \$2100 to \$2500 - half of what it costs to rent a truck for a month, were one even available. Although the initial cost of a used truck is less, monies will have to be laid out sooner for repairs, tires, etc., and there is no warranty. Purchasing new allows the city to take advantage of the \$27,000 savings to be had by purchasing through the State's contract. Many used trucks that we have been seeing cost the same or more than the amount the city would have to pay for a new truck.

Recommendation

Obtain approval to negotiate the purchase of a new dump truck with dump body with a maximum purchase amount of \$150,000. A lesser amount of \$129,000 could be approved if we opt to use our old dump body. If a new truck purchase cannot be approved, obtain approval to negotiate the purchase of a used truck with a state ~~24~~ maximum amount allowed.