



MARIPOSA COUNTY

Public Works • (209) 966-5356



RESOLUTION - ACTION REQUESTED 2015-221

MEETING: May 12, 2015

TO: The Board of Supervisors

FROM: Tony Stobbe, Public Works Director

RE: Approve a Lease/Purchase Agreement with TCF Equipment Finance for Baling System

RECOMMENDATION AND JUSTIFICATION:

Approve a Lease/Purchase Agreement with TCF Equipment Finance for the Lease of an International Baler, Model Tital-XHD-10 Horizontal Baler and a CYP-48323-P Wide Pit Conveyor with All Attachments and Accessories for the Solid Waste Division of the Public Works Department in the not to exceed amount of \$155,450; and authorize the Board of Supervisors Chair to Sign the Agreement.

The Solid Waste Division is an enterprise fund and has struggled to be self-supporting. Since August 2011, the Department has been identifying areas of inefficiencies and making Board supported changes that have allowed the Solid Waste Division to not require General Fund contributions. The purchase of the baling system is a continuation of these efforts. Purchasing the baling system will save approximately \$40,000-\$45,000 per year in shipping costs and increase the value of recyclable's by 20%-25%.

Staff has worked to determine the proper baling system that offers the best value and meets the needs of the program. During the same time period, the Department has investigated several different purchase options and found this to be the best for Mariposa County.

The Solid Waste Division will provide TCF Equipment Finance a total of seven (7) annual lease payments in the amount \$25,015 for a total purchase price of \$155,450.

The infrastructure needed for the operation of the baler consists of a concrete pad, a small pit for a pit conveyor and electrical connections. The cost of these items has been estimated at \$12,500. Support equipment for the baler consists of one forklift at a cost of \$49,921 and a yard ramp for a cost of \$16,500. The purchases and infrastructure improvements will place after July, 1, 2015, or in the next Fiscal Year 2015-16. Funding for these costs and the lease/purchase expense of the baler will be included in the Solid Waste and Recycling Fund in the Requested Budget for Fiscal Year 2015-16.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Board approved the purchase of the baler during the Final Budget Hearings for Fiscal Year 2014-15.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Do not approve this request. The Solid Waste Division will continue to operate inefficiently and fail to realize the additional revenue that baling would produce.

FINANCIAL IMPACT:

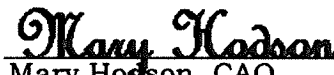
Funds will be budgeted in the Solid Waste Fund for the baler, the infrastructure costs and the accessories in the Fiscal Year 2015-16 Requested Budget. The annual lease payment will be included in the FY 15/16 and thereafter budgets.

ATTACHMENTS:

TCF Lease-Purchase Agreement (PDF)

CAO RECOMMENDATION

Requested Action Recommended



Mary Hooson, CAO 5/7/2015

RESULT: ADOPTED [UNANIMOUS]

MOVER: Rosemarie Smallcombe, District I Supervisor

SECONDER: John Carrier, District V Supervisor

AYES: Rosemarie Smallcombe, Merlin Jones, Marshall Long, John Carrier

EXCUSED: Kevin Cann