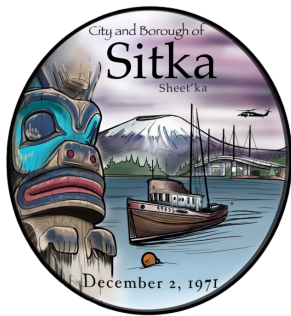


POSSIBLE MOTION

I MOVE TO authorize the sale of two pieces of equipment valued at over \$25,000 each, in accordance with Sitka General Code 18.10.020.




CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

From: *Mark Seavey*
Mark Seavey, Public Works Director (acting)

Date: May 21, 2025

Subject: Sale of Surplus Items over \$25K

Background

The Public Works Department held an auction (competitive bid) for surplus items no longer in service ending in April 2025. Two of the items require assembly approval in accordance with section 18.10.020 of the Sitka General Code prior to sale.

#247 1992 CAT 140 Grader (Streets) \$36K bid

#375 2006 MorBark 1000 Tub Grinder (Solid Waste) \$51K bid

Analysis

Equipment #247 is a 33 year-old grader that was replaced in 2022 by equipment #516, which is a 2022 CAT 150 Grader. Additionally, the Streets Division has a 2011 CAT 140 Grader. The Streets Division does not need a third grader and this one is taking up limited space at the Public Service Center Complex.

Equipment #375 is a 19 year-old tub grinder purchased by the Solid Waste Division for use at the Kimsham Landfill. Following closure of the landfill, attempts were made to re-purpose the grinder for tires and glass but these efforts yielded poor results and additional maintenance. The tub grinder has not been used in several years and will continue to decline in material condition. The MorBark multi-bagger was optional equipment purchased at the same time and is to be included with the sale of the tub grinder.

Fiscal Note

Equipment #247 Original (1992) Purchase Price ~\$130K (30 Years in service)

Equipment #375 Original (2006) Purchase Price ~\$190K (15 Years in service)

(Morbark Multi Bagger Original Purchase Price ~\$47K)

Recommendation

Upon discussion with all divisions, no feasible use for this equipment was identified. I recommend sale of the equipment so it may be restored and reused elsewhere. This supports initiatives of the administrator to remove excess/unused property and in a higher tier of the waste management hierarchy than scrapping/recycling.

Encl: Enclosure 1 (#247 Acquisition Data)

Enclosure 2 (#247 Photo)

Enclosure 3 (#375 Acquisition Data)

Enclosure 4 (#375 Photo)

Equip. No. 247

ACQUISITION DATA

Date Purchased 2-92
 Purchased from W.C. MACHINERY
 Original Capitalized Cost 129,902.⁰⁰

DISPOSITION DATA

Date Sold _____
 Sold to _____
 Amount _____

DESCRIPTION

Year & Make 1992 CAT
 Type GRADER model 140.G
 Motor No. 5MD01553
 Serial No. 8TD03999
 Title No. _____

PRINCIPAL USE

PW From _____ To _____ From _____ To _____
 From _____ To _____ From _____ To _____

DEPRECIATION DATA

Year	Total Dep. Start Year	Deprec. This Year	Deprec. to Date	Total Asset Cost	Net Book Value	Est. Salvage Value	Est. Remaining Dep. Value	Est. Remaining Life	Depreciation		Replacement Fund	
									Per Year	Per Month	Amt. Credited	Balance End Year
						<u>25000</u>						

COST AND EARNINGS DATA

Year	Fuel	Lubs	Repair Labor	Repair Parts	Ins.	Deprec.	Total Direct Cost	Over- head	Total Cost	Rental Earnings	Net



CITY OF SITKA

CITY AND BOROUGH OF SITKA

100 LINCOLN STREET
SITKA, ALASKA 99835PURCHASE
ORDER

Date: 12/19/05

PO No: 06-0017135

Vendor:

CONSTRUCTION MACHINERY INC.
ATTEN: juneau

2275 BRANDY LANE #1

JUNEAU

AK 99801

Mail Invoice To:

Accounts Payable
City and Borough of Sitka
100 Lincoln Street
Sitka, Alaska 99835
Ph 907-747-1828 Fax 907-747-0536

Ship To:

City and Borough of Sitka
Public Works Department
100 Lincoln Street
Sitka AK 99835
PHN 907-747-1804 FAX 907-747-3158

Ship Via:

** DELIVER BY: 3/15/2006

Quantity	Unit	Description	Unit Price	Total
1.00	EA	Furnish MORBARK 1000 Industrial Tub Grinder, FOB Sitka, Alaska. Per CBS Instructions to Bidders, Liquidated Damages in the amount of \$100 per calendar day shall be assessed against the vender for failure to deliver the equipment by March 15, 2006. 740-600-630-5212.000 90542 2106 \$189,900.00	189,900.00	189,900.00
<div style="position: relative; height: 150px;"> <div style="position: absolute; top: 10px; left: 10px; color: blue; font-size: 24px; font-family: cursive;"> Rec'd & posted 4-6-06 OK TO PAY B. Beggs </div> </div>				
Approved By: <i>[Signature]</i>			Total \$189,900.00	

