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City of Duluth

Legislation Text

File #: 18-0618R, Version: 1

RESOLUTION AUTHORIZING THE PURCHASE OF A 2018 PISTENBULLY NORDIC SNOW TRAIL GROOMER FROM KASSBOHRER ALL TERRAIN VEHICLES, INC., IN THE AMOUNT OF \$274,900

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to contract with Kassbohrer All Terrain Vehicles, Inc. for the purchase of a 2018 PistenBully Nordic Snow Trail Groomer in the amount of \$274,900, payable from 250-015-2018-5580, CE250-V1815 (Capital Equipment, Public Administration, Fiscal Year 2018, Capital Equipment, Snowgroomer).

FURTHER RESOLVED, pursuant to Resolution No. 17-0837R adopted December 4, 2017, the Council authorized the City to issue capital equipment notes in 2018 in an amount up to \$3,812,000 to purchase capital equipment, together with an additional amount to pay costs of issuance of the capital equipment. The Council declares its intent to finance such groomer through the issuance of capital equipment notes to be issued in 2018 and authorizes an additional \$274,900 of capital equipment notes to purchase the groomer.

FURTHER RESOLVED, this resolution constitutes a declaration of official intent under Treasury Regulations Section 1.150-2. The City reasonably expects to acquire such capital equipment prior to the issuance of the capital equipment notes and to reimburse expenditures incurred with respect to such capital equipment purchase program with the proceeds of the capital equipment notes.

STATEMENT OF PURPOSE: This resolution authorizes the purchase of a 2018 PistenBully Nordic Snow Trail Groomer with Cummins diesel engine.

The groomer is used to groom 42 kilometers of City-maintained cross country ski trails and the Chester Bowl alpine skiing and snowboarding area. The previous snow trail groomer is at the end of its lease and scheduled for replacement.

The City intends to convey the old groomer to Spirit Mountain to carry out daily grooming of the new fee-based Spirit Mountain Nordic Center which, unlike other cross country ski facilities, must be groomed every day.

The purchase will be paid for by the Parks Fund which was also the funding source for the Purchasing issued an invitation to bid on August 6, 2018. One bid was received from Kassbohrer All Terrain Vehicles, Inc. and was determined to be responsive.