Mayor – Sandy Sanders

City Administrator – Carl Geffken

City Clerk – Sherri Gard

Board of Directors

Ward 1 – Keith Lau
Ward 2 – Andre' Good
Ward 3 – Mike Lorenz
Ward 4 – George Catsavis
At Large Position 5 – Tracy Pennartz
At Large Position 6 – Kevin Settle
At Large Position 7 – Don Hutchings

AGENDA

Fort Smith Board of Directors
REGULAR MEETING
September 20, 2016 ~ 6:00 p.m.
Fort Smith Public Schools Service Center
3205 Jenny Lind Road

THIS MEETING IS BEING TELECAST LIVE ON THE GOVERNMENT ACCESS CHANNEL 214 AND ONLINE AT http://www.ustream.tv/channel/city-of-fort-smith-board-of-directors-meetings

INVOCATION & PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENTATION BY MEMBERS OF THE BOARD OF DIRECTORS OF ANY ITEMS OF BUSINESS NOT ALREADY ON THE AGENDA FOR THIS MEETING
(Section 2-37 of Ordinance No. 24-10)

APPROVE MINUTES OF THE SEPTEMBER 6, 2016 REGULAR MEETING

ITEMS OF BUSINESS:

1. Resolution amending Board Best Practices ~ *Pennartz/Settle placed on agenda at the September 13, 2016 study session* ~

2. Ordinance amending the 2016 Budget *(Utility Department)* ●

3. Resolution accepting the project as complete and authorizing final payment to Kraus Construction Company, LLC for construction of the Mill Creek Interceptor Improvements - Phase I *($162,433.18 / Utility Department / Budgeted – 2015 Revenue Bonds)* ● ♦

4. Consent Agenda

   A. Resolution authorizing partial payment to Forsgren, Inc. for the construction of Jenny Lind Road and Ingersoll Avenue Widening Project, AHTD Job 040471, City of Fort Smith Project No. 07-01-A *($1,750,014.13 / Engineering Department / Budgeted – Sales Tax Program)* ♦

B. Resolution accepting completion of and authorizing final payment for the construction of 2014 Drainage Improvements, Phase B1, Project No. 14-06-B1 *($64,635.21 / Engineering Department / Budgeted – Sales Tax Program)* ♦

C. Ordinance authorizing master lease agreement with Caterpillar Financial Services Corporation regarding lease of D8T bulldozer for the landfill and authorizing the Mayor and City Administrator to negotiate and execute all necessary documents regarding said agreement *($569,107.02 / Sanitation Department / Budgeted – Sanitation Sinking Fund) ~ Pennartz/Hutchings placed on agenda at the September 13, 2016 study session ~*

D. Ordinance authorizing master lease agreement with Caterpillar Financial Services Corporation regarding lease of 836K compactor for the landfill and authorizing the Mayor and City Administrator to negotiate and execute all necessary documents regarding said agreement *($638,404.56 / Sanitation Department / Budgeted – Sanitation Sinking Fund) ~ Pennartz/Hutchings placed on agenda at the September 13, 2016 study session ~*

E. Resolution accepting bid for the purchase of articulating dump trucks *($898,540.00 / Sanitation Department / Budgeted – Sanitation Operating Fund) ~ Pennartz/Hutchings placed on agenda at the September 13, 2016 study session ~*

F. Resolution accepting completion of and authorizing final payment to Forsgren, Inc. for the Landfill Road Reconstruction Project *(Methane Lane and Compost Drive) ($27,210.08 / Sanitation Department / Budgeted – Sinking Fund ~ Landfill Construction)*

G. Resolution authorizing the City Administrator to accept offer made by property owner for the acquisition of real property interests for the Lake Fort Smith Water Supply Project *($31,000.00 / Utility Department / Budgeted – Water and Sewer Capital Improvement Fund)*

OFFICIALS FORUM ~ presentation of information requiring no official action

(Section 2-36 of Ordinance No. 24-10)

- Mayor
- Directors
- City Administrator

ADJOURN

1

RESOLUTION NO. _____

A RESOLUTION AMENDING BOARD BEST PRACTICES

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

Section 6.4 of the Board Best Practices adopted by Resolution No. R-118-14 is hereby amended to read as follows:

6.4 Effective Decision Making Requires Finality
Effective decision making results in finality. While it's important to deliberate in many voices, the Board must govern with one voice.

This resolution adopted this 20th day of September, 2016.

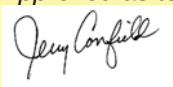
APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form:



_____
No publication required

Memo

To: Carl Geffken, City Administrator

From: Jeff Dingman, Deputy City Administrator

Date: 9/15/2016

Re: Amendment to Board Best Practices document

The agenda for the September 20, 2016 regular meeting of the Board of Directors includes the attached resolution amending the Board Best Practices document, which was first adopted by the Board of Directors in 2014. Such document originated from discussion at a 2013 board retreat, from which one of the derived goals was to consolidate appropriate procedures of governance for city boards and commissions, including specifically the Board of Directors.

The Resolution No. R-118-14 adopting the Board Best Practices document stipulates that the document be reviewed at least annually by the Board of Directors. Such review occurred at the September 13 study session. From the discussion, the board suggested removal of the words *and "moving on"* from Section 6.4, as indicated below:

> **6.4 Effective Decision Making Requires Finality**
>
> Effective decision making results in finality~~, and "moving on~~". While it's important to deliberate in many voices, the Board must govern with one voice.

The attached resolution effects such change. A clean copy of the Board Best Practices document, including the change, is also attached.

Please contact me if you have questions regarding this agenda item.

CITY OF FORT SMITH

BOARD BEST PRACTICES

Adopted by Resolution No. 118-14

September 2, 2014

Amended by Resolution No. ___-16

September 20, 2016

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INTRODUCTION

The responsibilities of modern government depend upon having procedures which help a community function effectively in the current atmosphere of complex laws, rules and regulations. This board best practices document is intended to refine and expand those initial rules of self-government. Creation of the document was identified by the City Board as a priority during a strategic planning retreat in summer 2013.

The board best practices document is a valuable resource for Fort Smith, the City's citizens, the City Board and City administration as all continue to work together for responsive, effective, and efficient local government. The members of the City Board and City administration should be familiar with the contents of this document and keep it close at hand.

Section 1: USE OF THIS DOCUMENT

This board best practices document is designed to provide guidance for the Board and City Administration. It is not to be considered as restrictions or expansions of Board authority. This document is not intended to be an amendment or substitute for state laws, city ordinances, case law, or other authority. Because this document is designed to assist the Board and not to provide substantive rules affecting constituents, it is expressly stated that this document does not constitute land use regulations, official controls, "appearance of fairness rules", public hearing rules or other substantive rules binding upon or to be used by or relied upon by members of the public.

Section 2: STATEMENT OF VALUES

It is hereby the practice of the City to establish the values stated in this Section 2 as core values of City governance. City leaders listen to the community in a way that fully represents the community's interests and goals. Board and staff should make the maximum effort to collaborate, seeking consensus as far as possible. Board members should individually, and collectively, demonstrate the ability to lead and reason together. City leaders exhibit respect for the professionalism and ethical conduct of the City Administrator and staff; and the City Administrator and staff exhibit the same respect and professionalism for the Mayor and City Board. Leaders strive to achieve sustainable outcomes in City policies and administration, with sustainable bottom lines for the community, environment, and for City finances and the local economy. Holding public office is synonymous with public trust. A public officer's relationship with the public is that of a fiduciary. The public expects the utmost of integrity, honesty, and fairness in their dealings with public officials.

Section 3: RESPONSIBILITIES OF MAYOR, VICE MAYOR, AND BOARD MEMBERS

The roles and responsibilities of the Mayor, Vice, Mayor, and Board members are as follows. These are in addition to those enumerated throughout the Fort Smith Municipal Code and Arkansas statutes 14-48-101 et. seq. In the event of a conflict, the state statutes and municipal code shall govern.

3.1 Mayor

- Acts as the official head of the city for all ceremonial purposes.
- Selects substitute for City representation when Mayor can't attend.

- Issues proclamations.
- Supervise the preparation of Board meeting agendas by the City Clerk.
- Chairs Board meetings.
- Maintains order, decorum, and the fair and equitable treatment of all speakers at board meetings.
- Keeps discussion and questions focused on the specific agenda item under consideration.
- Recognizes citizens who wish to comment at public meetings.
- Signs documents on behalf of the City.
- Has no vote at board meetings, but may veto actions passed by the board (except personnel items).
- Recognized by the Governor for purposes of military law.

3.2 Vice Mayor

The Vice Mayor is elected by the Board at the first regular Board meeting in January of odd-numbered years following the seating of board members elected in the preceding November General Election. The Vice Mayor serves a 2-year term, and may serve multiple terms without limitation. In the event of a vacancy, the board shall elect a new Vice Mayor to serve the remainder of the unexpired term. The Vice Mayor may be removed by a majority vote of the Board members.

- Performs the duties of Mayor if the Mayor is absent or otherwise unable to perform his/her duties.
- If presiding at a Board meeting, the Vice Mayor retains his/her right to vote on matters before the Board.
- Represents the City at ceremonial functions at the request of the Mayor.

3.3 Board Members' Responsibilities

All members of the Board of Directors have equal votes. No Board member has more power than any other Board member, and all should be treated with equal respect. Board members should:

- Fully participate in City Board meetings and other public forums while demonstrating respect, kindness, consideration, and courtesy to others.
- Prepare in advance of Board meetings and be familiar with topics on the agenda.
- Represent the City at ceremonial functions at the request of the Mayor.
- Be respectful of other people's time. Stay focused and act efficiently during public meetings.
- Serve as a model of leadership and civility to the community.
- Inspire public confidence in Fort Smith government.
- Keep the community informed on municipal affairs.
- Encourage communications between citizens and the Board.
- Ensure the diverse interests of the community are represented.
- Be mindful of limited resources and avoid requests for unnecessary information in recognition of the limitations of staff time and resources.

Section 4: CODE OF ETHICS

Board members should be mindful of the need for neutrality and impartiality, rendering equal service to all and to extend the same treatment each would want to receive himself/herself. They should abstain from deliberations and voting when and only when a conflict of interest exists in accordance with the City's business ethics policy, section II. Board members should make decisions based on the merits of the issue with attention to due process and citizen participation. They should be knowledgeable and develop an understanding of local, state and national governmental guidance, directives, regulations and ordinances pertaining to a Board member's office. Members of the board should maintain the utmost standards of personal integrity, truthfulness, honesty and fairness in carrying out public duties; avoid improprieties in roles as public servants including the appearance of impropriety; and never use city position or powers for improper personal gain. Board members should maintain and respect the confidentiality of private and confidential information. Avoid personal gain by the misuse of confidential information. Members of the board shouldn't condone any unethical or illegal activity.

Section 5: CODE OF CONDUCT

Practice civility and decorum in discussions and debate. Difficult questions, tough challenges to a particular point of view, and criticism of ideas and information are legitimate elements of a free democracy in action. However, participants shouldn't make belligerent, personal, derogatory, impertinent, slanderous, threatening, abusive or disparaging comments. Shouting or physical actions that could be construed as threatening won't be tolerated.

Section 6: BOARD DECISION-MAKING PROCESS

6.1 Board Meetings Will Be Efficient and Businesslike

The information exchange, review, deliberation and vetting of issues during prior study sessions enables Board business meetings to be expeditious for the benefit of those who have business pending before the Board. The presiding officer's role, especially at the regular meetings, is to keep the Board business focused and expeditious. Board members, staff, and citizens should discuss only the topic before the Board so as not to become distracted by irrelevant discussion.

6.2 Maintain a Policy Focus

The Board's major policy focus will be on the intended long-term impacts outside the operating organization, not on the administrative or programmatic means of attaining those effects. Ends policies should define what is to be accomplished in terms of benefits, recipients, and their relative priorities. The Board should emphasize strategic rather than short-term issues, policy rather than single events, and group rather than individual decisions. Members should make decisions and recommendations based upon research and facts involving staff and stakeholders which considers the goals, impacts and the best interest of the greatest number of those affected.

6.3 Staff Reports

The City Administrator and staff shall provide the Mayor and Board with briefing reports which clearly and concisely state the issue(s), identify options and provide analysis of the advantages, disadvantages, and likely outcomes of each option, and make recommendations.

6.4 Effective Decision Making Requires Finality

Effective decision making results in finality. While it's important to deliberate in many voices, the Board must govern with one voice.

6.5 Make No Promises on Behalf of the Board

Board members shall never overtly or implicitly promise a Board action, or to promise City staff will do something specific (issue a permit, fix a pothole, adjust a water bill, etc.). Only decisions of the Board acting as a body are binding.

Section 7: LEGAL COUNSEL AND LITIGATION

The City Attorney provides legal advice to the Board, City Administrator, and staff to the extent their interests coincide with the City's. The City Attorney should not be requested to provide research, advice, or counsel on matters unrelated to the City's direct legal interests. The Mayor and members of the Board are encouraged to make requests for legal advice through the City Administrator. This document doesn't prohibit the Mayor and Board members from having direct access to the City Attorney. Once an individual or organization has filed a legal proceeding against the City or threatened to do so, no Board member shall engage in discussions or other communications with such individual (or the officers or directors of the organization) or their legal counsel about the subject of the lawsuit without first disclosing the intent to do so to the Board.

Section 8: PUBLIC PARTICIPATION

Citizens are encouraged to participate at regular and special board meetings. Before the Board deliberates and votes on matters, citizens will have an opportunity to comment on the matters. A citizen wishing to comment on a matter which is not on a meeting agenda may do so at the town hall meeting. More specific procedures for public participation are in Section 2-37 of the Fort Smith Municipal Code.

Section 9: OPEN, TRANSPARENT GOVERNMENT

All meetings of the City Board must be open and public in accordance with the Arkansas Freedom of Information Act (Arkansas Statute 25-19-101 et. seq.). Deliberations and decisions of the board should be made so that the public has opportunity to view the performance of its elected officials. The Board may convene in executive session as provided by law. Members of the Board should avoid unintended meetings about city business which may occur in-person, by telephone, or interactive e-mail discussion.

Section 10: FILLING VACANCIES ON THE BOARD OF DIRECTORS BY APPOINTMENT

Once the Board has determined there is a vacant seat on the Board, the Board shall act in accordance with state law (Arkansas Statute 14-48-115) and as expeditiously as possible to fill the vacancy. If the Board shall fill the vacancy, the Board shall publicly solicit applications/statements of interest from qualified citizens. Based on the number of applications received, the Board shall establish a process for screening and interviewing applicants. The Board shall not be obligated to interview all applicants, particularly if there is a large number.

Section 11: EXECUTIVE SESSION DISCUSSIONS

Discussions held in executive session are to remain confidential and should never be discussed with anyone except those who were present during the executive session discussion. Any notes taken during executive session discussions should be treated with the same confidentiality. There shall be no audio or video recordings of executive sessions.

Section 12: ENDORSEMENT OF CANDIDATES

Board members shall have the right to endorse candidates for all Board seats and for other elected offices. It is prohibited for anyone to make endorsements of candidates during Board meetings or other official City meetings.

Section 13: BOARD MEETING AGENDA PROCESS

Items may be placed on board meeting agendas in accordance with the processes outlined in Section 2-31 of the Fort Smith Municipal Code. During a study session, two or more directors may place an item on the agenda for a regular Board meeting. After a study session but at least 48 hours before the meeting, four directors may place an item on the agenda for the next regular meeting. An item requiring immediate action may be placed on the meeting agenda only with the concurrence of all seven directors. An item placed on a meeting agenda may be removed by four or more directors by giving notice to the City Clerk prior to the date of the meeting.

Section 14: BOARD MEETING TYPES AND PROCEDURES

The Board of Directors conducts regular meetings, special meetings, study session meetings, executive sessions, town hall meetings, neighborhood ward meetings, retreats, budget review meetings, and brain storming meetings. The procedures for conducting meetings are outlined in Chapter 2, Article II of the Fort Smith Municipal Code.

Section 15: TRAINING AND PROFESSIONAL DEVELOPMENT FOR BOARD MEMBERS

Board members are encouraged to attend training events that are beneficial to the performance of their elective duties. Such events may be found at conferences of the Arkansas Municipal League, the National League of Cities, and other similar organizations. Attendance at such events is subject to funding availability in the Board's budget.

Section 16: TRAVEL AUTHORIZATIONS

16.1 Need for Travel

The Mayor and Board members will sometimes find it necessary to travel to conduct city business. Travel paid with public funds shall be for purposes directly related to the conduct of official city business and for which the elected official's presence is necessary.

16.2 Authorized Expenses

Expenses for official travel shall be for purposes and uses only as permitted by the City's travel policy which may be found in Section III of the City's Human Resources Policies. Reimbursement amounts shall be in accordance with established allowances for meals, lodging, mileage, etc. Travel expenses for spouses or others accompanying the elected official shall be the sole responsibility of the elected official.

Section 17: RELATIONSHIP BETWEEN BOARD, CITY ADMINISTRATOR, AND STAFF

17.1 Cooperation

Cooperation and mutual respect are essential from each individual for the good of the community. Staff should not be intimidated or manipulated by a Board member's individual comments or actions.

17.2 Informal Communications Encouraged

Individual members of the Board are encouraged to interact informally and casually with City staff for the purpose of gathering information, following up on routine constituent service requests, obtaining progress reports on policies and programs, and providing information to staff. Such informal contacts can serve to promote better understanding of specific City functions and services.

17.3 Limit Contact to Specific City Staff

Questions of City staff and requests for additional background information should be directed only to the City Administrator, Deputy City Administrator, City Attorney, Internal Auditor, and department heads. Requests for information which require a substantial work effort should be made to the City Administrator or Deputy City Administrator rather than to the department head. Requests for follow-up, directions, or action to staff should be made only through the City Administrator or Deputy City Administrator. Requests of the Internal Auditor may be made directly to that official without the need to coordinate with the City Administrator. When in doubt about what staff contact is appropriate, Board members should ask the City Administrator or Deputy City Administrator for assistance.

17.4 Avoid Administrative Functions

Board members shall not attempt to influence City staff on employment decisions, awarding contracts, purchasing decisions, selecting consultants, or issuing City licenses and permits.

17.5 Solicitation of Political Support from City Employees

Board members shouldn't solicit any type of political support (financial contributions, display of posters or yard signs, name on list of supporters, etc.) from City employees. City employees may, as private citizens with constitutional rights, support political candidates. All political activities must occur away from City workplaces, without the use of any City resources, and never during an employee's work time.

Section 18: ORIENTATION OF NEW BOARD MEMBERS

The City Administrator shall provide each newly elected Board member with appropriate orientation services, preferably before the member takes office. Such orientation should include, but not necessarily be limited to, the following:

The Board Best Practices Document	Board Meeting Procedures
Agenda Preparation	Freedom of Information Act
Contacts/Making Requests of Staff	Code of Business Conduct

Tours of City Facilities

Section 19: COMMUNICATION WITH BOARDS, COMMISSIONS, AND COMMITTEES

Any comments by a City Board member at a board, commission, or committee meeting should be clearly made as individual opinion and not as a representation of the feelings of the entire City Board. It is inappropriate for a City Board member to contact a member of a board, commission, or committee to lobby on behalf of an individual, business, or developer. It is acceptable for City Board members to contact members of boards, commissions, or committees in order to seek clarification of a position taken by the board, commission, or committee.

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE 2016 BUDGET

BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS THAT:

WHEREAS, the Board of Directors approved the 2016 budget on December 1, 2015 by Ordinance No. 88-15: and

WHEREAS, the City of Fort Smith Utilities Department finds it necessary to revise its Water and Sewer Capital budget relative to the Consent Decree Bond Proceeds as noted in the attached schedule titled "2016 Utilities Capital Purchases-Bond Fund" and consisting of two (2) pages ("Schedule").

NOW, THEREFORE, the 2016 budget is hereby amended and reduced by $289,265 as detailed in the attached schedule.

PASSED AND APPROVED THIS_____DAY OF SEPTEMBER, 2016.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
No publication required

Interoffice Memorandum

TO: Carl Geffken, City Administrator

FROM: Alie Bahsoon, Purchasing Manager AB

SUBJECT: **Water & Sewer Capital Purchases**

DATE: September 15, 2016

The 2016 Budget earmarked the purchase of numerous vehicles for the Utilities Department. These purchases are budgeted for as Water and Sewer Capital relative to the Consent Decree Bond Proceeds.

Because many of the vehicles originally budgeted for do not meet the proper job application and are not suitable for construction sites and rough terrain, it was determined by staff that changes were necessary in order to meet the needs of staff.

This informational memorandum and the attached spreadsheet serve as notice to the board of the changes requested by staff prior to soliciting bids for this fleet purchase. As noted in the spreadsheet, you will find the original budgeted item and where appropriate, the requested replacement along with the budgetary impact for each program. The overall impact with these changes results in an anticipated savings of $289,265.

Should you have any questions or should require any additional information, please do not hesitate to let me know.

2016 Utilities Capital Purchases-Bond Fund

Original Budgeted Item	Qty.	Description	Budgeted Amount	Revised Budgeted Item	Anticipated Price	Over/(Under) Budget
Program 5501						
4 Door Sedan Gas/Electric Hybrid (Prius)	1	To replace Asset 492 (1999 Ford)	$28,285.00	4dr Compact Sedan	$17,380.00	
4 Door Sedan Gas/Electric Hybrid (Prius)	1	To replace Asset 839 (1999 Ford)	$28,285.00	4dr Large Sedan	$20,300.00	
4 Door Sedan Gas/Electric Hybrid (Prius)	1	Addition	$28,285.00	1/2T 8-Passenger Van	$25,500.00	
			$84,855.00		$63,180.00	($21,675.00)
Program 5521						
4 Door Sedan Gas/Electric Hybrid (Prius)	1	Addition	$28,285.00	4WD 5-Passenger Small SUV	$22,520.00	
Compact Utility Mini-Van	1	Addition	$27,750.00	Compact Utility Mini-Van 2-Passenger	$21,650.00	
			$56,035.00		$44,170.00	($11,865.00)
Program 5522						
4 Door Sedan Gas/Electric Hybrid (Prius)	1	Addition	$28,285.00	4dr Compact Sedan	$17,380.00	
4 Door Sedan Gas/Electric Hybrid (Prius)	1	Addition	$28,285.00	4dr Compact Sedan	$17,380.00	
4 Door Sedan Gas/Electric Hybrid (Prius)	1	Addition	$28,285.00	Compact Utility Mini-Van 2-Passenger	$21,650.00	
4 Door Sedan Gas/Electric Hybrid (Prius)	1	Addition	$28,285.00	4WD 5-Passenger Small SUV	$22,520.00	
			$113,140.00		$78,930.00	($34,210.00)
Program 5523						
Compact Utility Mini-Van	1	Addition	$27,750.00	Compact Utility Mini-Van 2-Passenger	$21,200.00	
4 Door Sedan Gas/Electric Hybrid (Prius)	1	Addition	$28,285.00	4 Door Sedan Gas/Electric Hybrid	$24,000.00	
4 Door Sedan Gas/Electric Hybrid (Prius)	3	Addition	$84,855.00	4WD 5-Passenger Small SUV (qty 3)	$63,030.00	
4 Door Sedan Gas/Electric Hybrid (Prius)	4	Addition	$113,140.00	AWD 5-Passenger Small SUV (qty 4)	$81,880.00	
			$254,030.00		$190,110.00	($63,920.00)
Program 5603						
1/2 Ton 2WD Full Size Regular Cab Pickup with Long Bed	1	To replace Asset 545 (1996 Ford)	$23,800.00	No change	$23,800.00	
1/2 Ton 2WD Full Size Regular Cab Pickup with Long Bed	1	Addition for Massard WWTP Supervisor	$23,800.00	No change	$23,800.00	
Tri-Axle Dump Truck - Massard WWTP	2	To replace Asset 525 (1999 GMC) & Asset 733 (2003 Intl.)	$220,000.00	No change	$220,000.00	
			$267,600.00		$267,600.00	$0.00
Program 5604						
1/2 Ton 4WD Full Size Pickup w/ Regular Cab & Short Bed-Lee Creek	1	To replace Asset 557 (2001 Dodge)	$24,850.00	No change	$24,850.00	
			$24,850.00		$24,850.00	$0.00
Program 5625						
Compact Utility Mini-Van	5	Addition	$122,170.00	No change	$122,170.00	
Utility Vehicle 4 WD	1	Addition	$31,325.00	No change	$31,325.00	
1/2 Ton 4WD Full Size Pickup w/ Regular Cab & Short Bed	2	Addition	$49,700.00	No change	$49,700.00	
4 Door Mid-Size Sedan Gas/Electric Hybrid	2	Addition	$56,000.00	No change	$56,000.00	
			$259,195.00		$259,195.00	$0.00
Program 5610						
4 Door Sedan Gas/Electric Hybrid (Prius)	1	Addition	$28,285.00	1/2 ton full size 4x2 Reg. Cab	$19,100.00	
4 Door Sedan Gas/Electric Hybrid (Prius)	1	To replace Asset 112 (2000 Chevrolet)	$28,285.00	1/2 ton full size 4x4 Reg. Cab	$20,970.00	
4 Door Sedan Gas/Electric Hybrid (Prius)	1	To replace Asset 113 (2000 Chevrolet)	$28,285.00	1/2 ton full size 4x4 Reg. Cab	$20,970.00	
1 Ton Cab/Chassis w/ Utility Bed	1	Addition	$55,000.00	1 ton 4x4 Reg. Cab dually w/crance-diesel	$70,350.00	
2 Ton Dump Bed Truck - Diesel	1	To replace Asset 509 (2003 Ford)	$80,000.00	No change	$80,000.00	
			$219,855.00		$211,390.00	($8,465.00)
Program 5611						
CCTV Camera Truck	1	Addition	$320,000.00	No change	$320,000.00	
Jet Vacuum truck	2	Addition	$980,000.00	Vacuum system config. changed from front to rear thus reducing the cost	$649,640.00	
1 Ton Cab/Chassis w/Sign & Barricade Bed - Diesel	1	Addition	$55,000.00	Additional parts needed	$68,000.00	
			$1,355,000.00		$1,037,640.00	($317,360.00)
Program 5612						
4 Door Sedan Gas/Electric Hybrid (Prius)	1	Addition	$28,285.00	4dr All wheel drive SUV	$24,285.00	
1/2 Ton 2WD Full Size Regular Cab Pickup w/ Short Bed	1	To replace Asset 940 (2006 Ford)	21,750.00	Underbudgeted	$23,000.00	
1 Ton Cab/Chassis w/ Utility Bed - Diesel	1	To replace Asset 959 (2006 GMC)	$55,000.00	Underbudgeted	$65,000.00	
5 Ton Cab/Chassis w/ Utility Bed - Diesel	1	To replace Asset 490 (2002 Ford)	$54,000.00	Underbudgeted	$82,000.00	
5 Ton Single Axle Dump Truck - Diesel	2	Addition	$108,000.00	Underbudgeted	$164,000.00	
1 Ton Cab/Chassis w/Flat Bed Dump - Diesel	1	Addition	$55,000.00	No change	$55,000.00	

2016 Utilities Capital Purchases-Bond Fund

Original Budgeted Item	Qty.	Description	Budgeted Amount	Revised Budgeted Item	Anticipated Price	Over/(Under) Budget
1 Ton Cab/Chassis w/Utility Bed - Diesel	2	Addition	$110,000.00	Underbudgeted	$128,000.00	
			$432,035.00		$541,285.00	$109,250.00
Program 5626						
4 Door Mid-Size Sedan Gas/Electric Hybrid	1	Addition	$31,200.00	No change	$31,200.00	
1/2 T 4WD Full-Size Pickup w/ Regular Cab & Short Bed	1	Addition	$24,850.00	No change	$24,850.00	
1 T Cab/Chassis Dual Wheel & Service Bed w/ Autocrane (Recessed Outriggers) - Diesel	2	To replace Asset 500 (2001 Chevrolet) & Asset 446 (2002 Ford F350)	$129,320.00	No change	$129,320.00	
1 Ton Cab/Chassis w/ Utility Bed - Diesel	3	Addition	$165,000.00	Add autocrane w/outriggers	$193,980.00	
Dodge 4500 Short Wheelbase or Equivalent Diesel	1	Addition	$55,000.00	Add autocrane w/outriggers	$65,000.00	
3/4 Ton Cab/Chassis w/ Utility Bed - Diesel	1	Replacement Year Make (Asset 972 - 124,170 miles)	$45,000.00	No change-underbudgeted	$55,000.00	
3/4 Ton Cab/Chassis w/ Utility Bed - Diesel	1	Addition	$45,000.00	No change-underbudgeted	$55,000.00	
1 Ton Cab/Chassis w/ Utility Bed - Diesel	2	Addition	$110,000.00	No change	$110,000.00	
			$605,370.00		$664,350.00	$58,980.00
		Grand total	$3,671,965.00		$3,382,700.00	($289,265.00)

RESOLUTION NO._____ 3

RESOLUTION ACCEPTING THE PROJECT AS COMPLETE AND AUTHORIZING FINAL PAYMENT TO KRAUS CONSTRUCTION COMPANY, LLC FOR CONSTRUCTION OF THE MILL CREEK INTERCEPTOR IMPROVEMENTS – PHASE I

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

SECTION 1: The construction of the Mill Creek Interceptor Improvements – Phase I, Project Number 12-09-C1, is accepted as complete.

SECTION 2: Final payment to Kraus Construction Company, LLC in the amount of $162,433.18, is hereby approved.

This Resolution adopted this _____ day of September 2016.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____npr

INTER-OFFICE MEMO

TO: Carl Geffkin, City Administrator **DATE:** September 20, 2016

FROM: Robert Roddy, Acting Director of Utilities RDR

SUBJECT: Mill Creek Interceptor Improvements – Phase 1
Project Number 12-09-C1

Kraus Construction Company has submitted final pay request in the amount of $162,433.18 for work completed on the Mill Creek Interceptor Improvements – Phase I, Project 12-09-C1. This project is designed to convey wet weather sewer flows to the new Mill Creek pump station and equalization tank. Approximately 700 linear feet of 36-inch interceptor sewer main was installed along with several sections of connecting sewer systems. The main was creating back-ups and overflows, especially during heavy rain events. A project summary sheet is attached for your review.

Kraus finished 41 days ahead of schedule and $404,116.82 under budget.

The attached Resolutions accepts the project as complete and authorizes the final payment of $162,433.18 to Kraus Construction Company. Should you or the members of the Board have any questions or need additional information, please let me know.

attachment

pc: Jeff Dingman

Project Summary

Project status: Complete

Project name: Mill Creek Interceptor Improvements - Phase I

Today's date: September 13, 2016

Project number: 12-09-C1

Staff contact name: Robert Roddy

Project Engineer: Hawkins-Weir Engineers, Inc.

Staff contact phone: 784-2231

Project contractor: Kraus Construction Company

Notice to proceed issued: November 2, 2015

Completion date: August 17, 2016

	Dollar Amount	Contract Time (Days)
Original contract	$3,529,499.00	330
Change orders:		
Total change orders	$0.00	
Adjusted contract	$3,529,499.00	
Payments to date (as negative):	-$2,962,949.00	84.0%
Amount of final request	-$162,433.18	2.6%
Liquidated damages	$0.00	
Amount of this payment	$0.00	
Retainage held	$0.00	
Contract balance remaining	$404,116.82	
Amount under original as a percentage	-11.4%	

Final comments:
Contractor completed contract 41 days ahead of schedule. Contract under run due to under running estimated material quantities.

RESOLUTION _____

A RESOLUTION AUTHORIZING PARTIAL PAYMENT TO FORSGREN, INC., FOR THE CONSTRUCTION OF JENNY LIND ROAD AND INGERSOLL AVENUE WIDENING PROJECT AHTD JOB 040471, CITY OF FORT SMITH PROJECT NO. 07-01-A

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

Payment in the amount of $1,750,014.13 for Periodic Pay Estimate No. 6 to Forsgren, Inc., is hereby approved for the construction of Jenny Lind Road and Ingersoll Avenue Widening Project, AHTD Job 040471, City of Fort Smith Project No. 07-01-A.

This resolution adopted this _____ day of September, 2016.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to Form

_____

☐ No Publication Required

Memorandum

TO: Carl Geffken, City Administrator

FROM: Stan Snodgrass, P.E., Director of Engineering

DATE: September 14, 2016

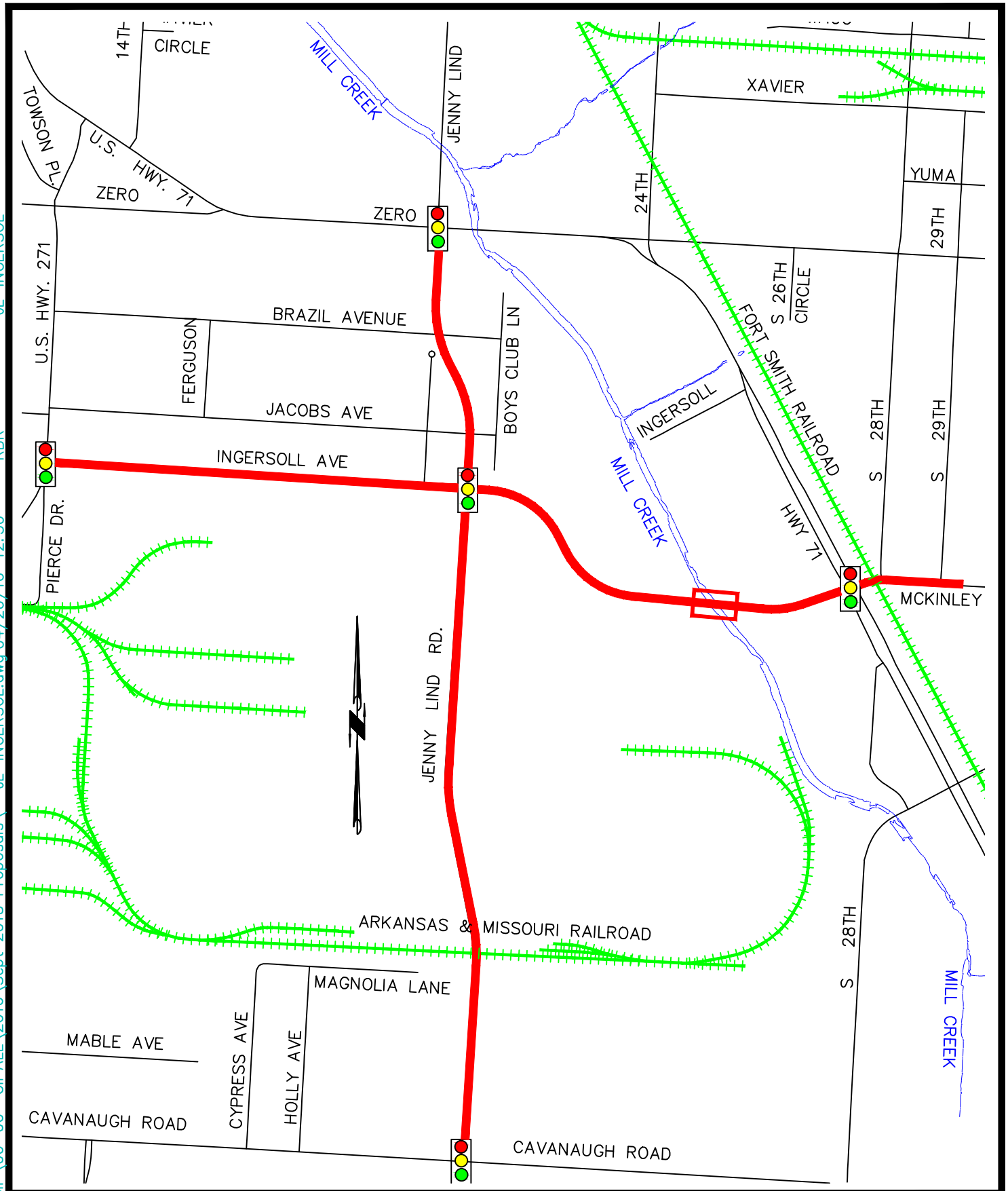
SUBJECT: Jenny Lind Road and Ingersoll Avenue Widening Project
AHTD Job 040471, City Project No. 07-01-A

This project includes widening and improvements to Jenny Lind Road between Zero and Cavanaugh Road, and Ingersoll Avenue from Hwy 271 to Jenny Lind Road. It also includes the extension of Ingersoll Avenue from Jenny Lind Road to Highway 71B. A location map showing the area of the proposed improvements is attached. A project summary sheet which provides more information is also attached.

Periodic pay estimate number 6 is in the amount of $1,750,014.13. A City Ordinance requires that all payments in excess of $750,000.00 be approved by the Board of Directors. A Resolution authorizing this payment is attached. I recommend that this payment be approved.

This project is also in alignment with the comprehensive plan policies FLU-1.4 (Ensure adequate, well-maintained infrastructure, public safety, and public facilities for all development and prevent development ahead of infrastructure and service provision), TI-5.1 (Continue to ensure that customers within Fort Smith have access to reliable water, sewer, drainage, solid waste services by reducing or eliminating deficiencies and gaps in infrastructure systems) and TI-5.2 (Ensure that utility and infrastructure systems can meet the city's long-term needs).

Attachments



2016 CAPITAL IMPROVEMENTS PROGRAM

JENNY LIND – INGERSOLL

ZERO STREET TO CAVANAUGH ROAD

The City of Fort Smith ARKANSAS

Project:	
Date:	APR. 2016
Scale:	NONE
Drawn By:	RBR

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City of Fort Smith

Project Status:	18% Complete	Project Name:	Jenny Lind Road. & Ingersoll Avenue Widening
Today's Date:	9/14/2016		
Staff Contact Name:	Stan Snodgrass	Project Number:	07-01-A
Staff Contact Phone:	784-2225	Project Engineer:	Crafton Tull & Associates, Inc.
Contract Time (no of days):	720	Project Contractor:	Forsgren, Inc.
Notice to Proceed Issued:	4/4/2016		

	Dollar Amount	Bid Date	Contract Completion Date
Original bid award	$28,830,649.66	2/9/2016	3/24/2018
Contract Revision:	$0.00		
Adjusted contract amount	$28,830,649.66		
Payments to date (as negative):	$3,308,390.75		
Amount of this payment	$1,750,014.13		
Contract balance remaining	$23,772,244.78		
Retainage held	$0.00		
Final payment	N/A		
Amount over original contract as a percentage	N/A		

Final Comments:

A City Ordinance requires that all payments in excess of $750,000.00 be approved by the Board of Directors.

4B

RESOLUTION _____

A RESOLUTION ACCEPTING COMPLETION OF AND AUTHORIZING FINAL PAYMENT FOR THE CONSTRUCTION OF 2014 DRAINAGE IMPROVEMENTS, PHASE B1
PROJECT NO. 14-06-B1

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: The City of Fort Smith hereby accepts the construction of 2014 Drainage Improvements, Phase B1, Project 14-06-B1 as complete.

SECTION 2: Final payment is hereby authorized in the amount of $64,635.21 to the contractor, Steve Beam Construction, Inc., for the 2014 Drainage Improvements, Phase B1.

This Resolution adopted this _____ day of September, 2016.

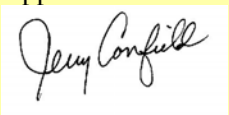
APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to Form



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☐ No Publication Required

Memorandum

TO: Carl Geffken, City Administrator

FROM: Stan Snodgrass, P.E., Director of Engineering

DATE: September 14, 2016

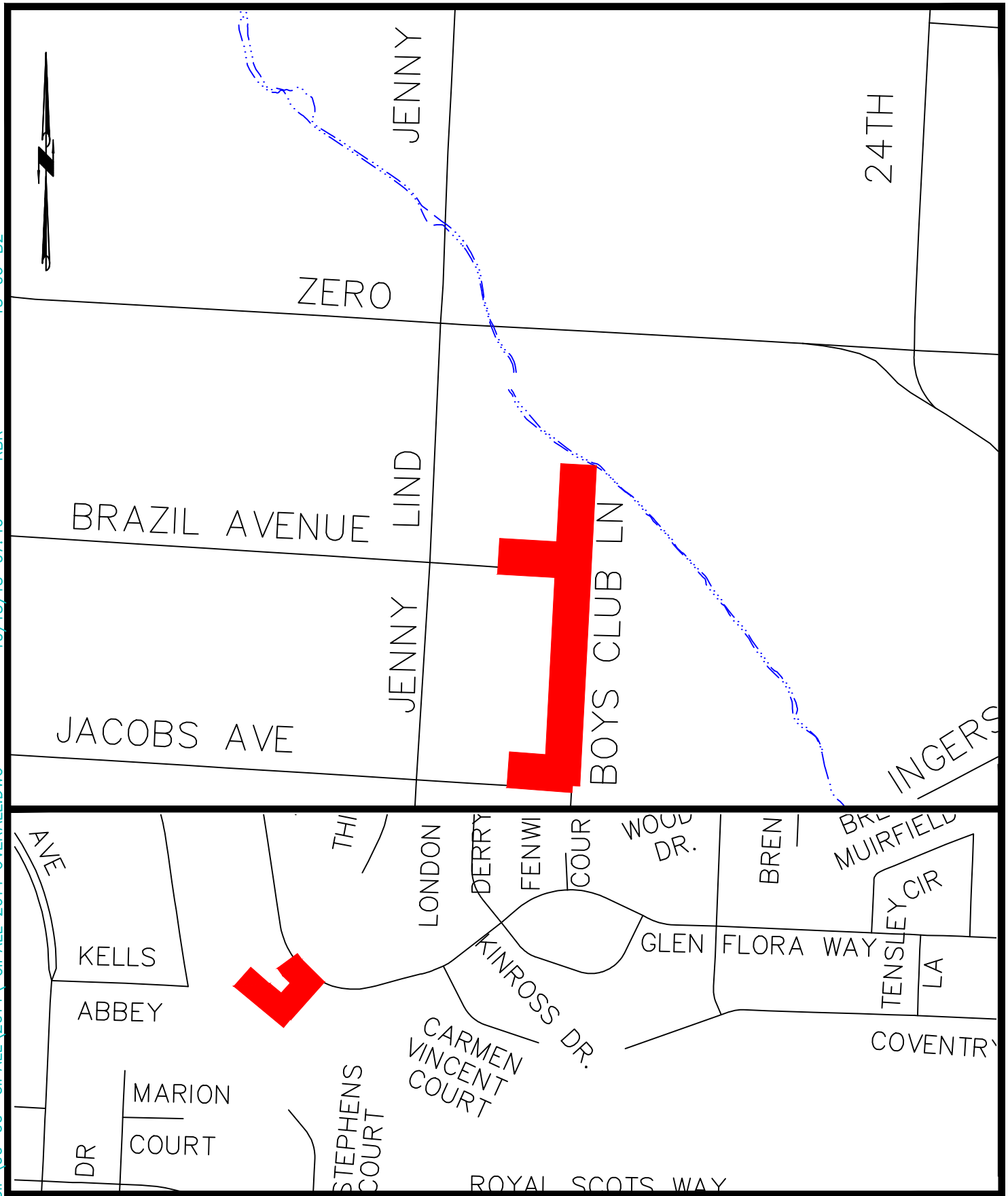
SUBJECT: 2014 Drainage Improvements, Phase B1
Project No. 14-06-B1

This project consisted of drainage improvements at two locations to alleviate neighborhood flooding concerns. The first location replaced an undersized earthen ditch located on Boys Club Lane with concrete storm drain pipe and channel improvements. The second location along Glen Flora Way added a concrete wall and storm drain to intercept runoff from the hillside. The locations of the improvements are shown on the attached exhibit. A project summary sheet is also attached.

This project was also in alignment with the comprehensive plan policies FLU-1.4 (Ensure adequate, well-maintained infrastructure, public safety, and public facilities for all development and prevent development ahead of infrastructure and service provision), TI-5.1 (Continue to ensure that customers within Fort Smith have access to reliable water, sewer, drainage, solid waste services by reducing or eliminating deficiencies and gaps in infrastructure systems), TI-5.2 (Ensure that utility and infrastructure systems can meet the city's long-term needs) and NCR-2.6 (Reduce stormwater runoff and flooding).

Attached is a Resolution to accept the project as complete and authorize final payment to the contractor. I recommend that the Resolution be accepted by the Board of Directors at the next regular meeting.

Attachments



2014 CAPITAL IMPROVEMENTS PROGRAM

DRAINAGE IMPROVEMENTS

The City of Fort Smith ARKANSAS

Project:	14-06-B1
Date:	DEC. 2015
Scale:	NONE
Drawn By:	JRC

G:\DRAWINGS\CIP\00-00 CIPALL\2014\ CIPALL 2014 OVERALL.DWG 10/15/15-07:46 RBR 13-06-B2

City of Fort Smith

Project Status	Complete	Project name:	2014 Drainage Improvements
Today's Date:	9/14/2016	Project number:	14-06-B1
Staff contact name:	Stan Snodgrass	Consultant engineer:	Morrison Shipley Engr.
Staff contact phone:	784-2225	Project contractor:	Steve Beam Construction
Contract time (no of days):	180		
Notice to proceed issued:	2/29/2016		

	Dollar Amount	Bid Date	Contract Completion Date
Original bid award	$616,720.00	12/15/2015	8/26/2016
Contract Revisions:			
Adjusted contract amount	$616,720.00		
Work Completed to Date	$523,798.01		
Payments to date (as negative)	$459,162.80		
Amount of this payment	$64,635.21		
Contract balance remaining	$92,921.99		
Retainage held	0%		
Final payment	$64,635.21		
Amount under original as a percentage	15.1%		

Final Comments:

The project was substantially complete on July 1, 2016 which is before the contract completion date of August 26, 2016. Approximately $32,000 of the remaining balance is a result of not having to relocate several underground utility lines. The costs for relocation of these lines were included in the contract, but these lines were determined to not be in conflict during excavation of the project. The remaining portion of the contract balance is due to the actual quantity of items installed being under the estimated plan quantities.

ORDINANCE NO.

AN ORDINANCE AUTHORIZING MASTER LEASE AGREEMENT WITH CATERPILLAR FINANCIAL SERVICES CORPORRATION REGARDING LEASE OF D8T BULLDOZER FOR THE LANDFILL AND AUTHORIZING THE MAYOR AND CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE ALL NECESSARY DOCUMENTS REGARDING SAID AGREEMENT

WHEREAS, the City of Fort Smith, Arkansas ("Municipality") is a political subdivision of the State of Arkansas (the "State") and is duly organized and existing pursuant to the Constitution and laws of the State;

WHEREAS, pursuant to applicable law described in Section 4 below, the Municipality is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interests in property and leases necessary to the functions or operations of the Municipality;

Whereas, the Governing Body of the Municipality hereby finds and determines that the execution of the Master Lease Agreement ("Lease") in a principal amount not exceeding the amount of $569,107.02 for the purpose of renting the property ("Equipment") described in the Lease is appropriate and necessary to the functions and operations of the Municipality: and,

WHEREAS, Caterpillar Financial Services Corporation ("Lessor") shall act as Lessor under said Lease.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

Section 1. The Mayor, his signature being attested by the City Clerk, is hereby authorized to execute the Master Lease Agreement with Lessor providing for the lease of a Caterpillar bulldozer, Model D8T used for solid waste handling and compacting waste at the landfill located at 5900 Commerce Road in the form, or substantially in the form, of the Master Lease Agreement presented to the Governing Body at the time of adoption of the Ordinance. The City Administrator is hereby authorized to negotiate such additional documents as are necessary to complete the Lease Agreement and the Mayor is hereby authorized to execute, his signature being attested by the City Clerk, any such necessary documents. All other related contracts, agreements and documents necessary and incidental to the Master Lease Agreement are hereby authorized.

Section 2. The principal amount of the payments to be made pursuant to the Lease shall not exceed the sum of $569,107.02 and shall bear no interest as set forth in the Lease.

Section 3. As provided in Amendment No. 78, the rental payments under the Lease in each fiscal year shall be charged against and paid from the general revenues of the Municipality for such fiscal year. For the purpose of making the rental payments there is hereby, and shall be, appropriated to pay the rental payments, an amount of general revenues of the City sufficient for

such purposes. The City Treasurer is hereby authorized and directed to withdraw from the General Fund and/or from such other sources as may be hereafter directed by the Governing Body, and at the times directed by the Governing Body, the amounts at the times necessary to make the rental payments under the Lease. The obligations of the Municipality under the Lease shall be secured by a security interest in the Equipment in favor of the Lessor.

Section 4. This Ordinance is adopted pursuant to the authorizations and according to the procedures provided by Arkansas Constitution, Amendment 78 and the Local Government Short-term Financing Obligations Act of 2001, Act No. 1808 of the 2001 Acts of Arkansas, codified as Chapter 78 of Title 14 of the Arkansas Code Annotated.

Passed and approved this _____day of September, 2016.

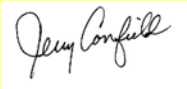
APPROVED:

_____
MAYOR

ATTEST:

_____
CITY CLERK

Approved as to form:



_____
No Publication Required

4C

Inter office Memorandum

TO: Carl Geffken, City Administrator

COPY TO: Mark Schlievert, Director of Sanitation

FROM: Alie Bahsoon, Purchasing Manager AB

SUBJECT: Lease of a Landfill Bulldozer

DATE: September 15, 2016

BID TAB: 6305-LD-BA

Attached you will find the bid tabulation for the purchase of a landfill bulldozer for use by the Department of Sanitation, Sanitary Landfill Division, Program 6305.

As indicated in the enclosed bid tabulation, Riggs Caterpillar of Fort Smith was the only vendor to submit a bid for a D8T 2016 Caterpillar bulldozer. As discussed and recommended by the board at the September 13th study session, the enclosed ordinance is being submitted for approval for a 3 year fair market value lease.

Funding for this bulldozer has been appropriated for in the 2016 Budget in the "Reserve for Sanitation Equipment-Sinking Fund Account" in the amount of $735,000.

This purchase fulfils all of the purchasing obligations as mandated by both state and local purchasing requirements and I am therefore recommending that the bid noted by enclosure on the attached bid tabulation, be accepted and approved by the Board.

Please let me know if you should have any questions.

Tabulation of Bids - City of Fort Smith Landfill Bulldozer - Bid Tab #6305-LD-BA		
Vendor	Riggs CAT Fort Smith, AR	
Year	2016	
Make	Caterpillar	
Model	D8T	
Delivery Terms	120-150 days	
Cost (Option 1)	$777,287	
Lease Options		
Option 2(a) Annual Payment	$189,702.34	✓
Interest Rate %	n/a	
Option 2(b) Annual Payment	$275,975.84	
Interest Rate %	3.2%	
Option 3		
Year 1 & 2 Annual Payments	$293,093.84	
Year 3 Payment	$240,080	
Interest Rate %	3.2%	

✓ Recommended Bid Award

D8T WH

Waste Handler

Engine		
Engine Model	Cat® C15 ACERT™	
Emissions	U.S. Tier 4 Interim/EU Stage IIIB	
Net Power – ISO 9249	231 kW	310 hp
Net Power – ISO 9249 (DIN)		314 hp

Weights		
Operating Weight – SU Blade WHA	38 887 kg	85,650 lb
Operating Weight – LGP WHA	41 436 kg	91,270 lb
Shipping Weight – WHA	32 758 kg	72,220 lb
Shipping Weight – LGP WHA	35 308 kg	77,840 lb

Caterpillar Financial Services Corporation

Finance Proposal

CUSTOMER

Name: City of Ft Smith - D8T- FMV

Address .....
City .....
State .....
Zip code .....
County .....

Good if:
Acknowledged by Sep-13-16
Funded by Sep-13-16

DEALER

J.A. RIGGS TRACTOR COMPANY
Sales person .....
Dealer contact .....
Telephone .....

Quote number 515-2333
Fax number .....
Quote date 07/15/2016
Quote time 9:38:47

FINANCE PROPOSAL

This is Caterpillar Financial Services Corporation's confirmation of the following finance proposal. This is a proposal only and is subject to credit approval, execution of documentation, and execution and approval of the application survey.

Financing type ..... LTR with FMV
Number of payments ..... 3 Annual
Payments ..... in Arrears

Purchase option ..... FMV
Equipment ..... Construction
Quoted by ..... weathtd
Report created by ..... weathtd

	Model	ADR Code	Ann. Hours	Qty	Amount Financed	Payment	Purchase Option
New	D8T	15.00	2500	1	777,637.25	189,702.34	FMV

Special Conditions:

D8T
Model Year - 2016, Industrial Environment; Major Attachments-LGP Low Ground Pressure, Cab, Waste Handling Package, Air Conditioning; Other Blades/Buckets/Rippers-8SU Blade

	Model	Insurance	Payment w/Insurance
New	D8T	12,076.26	201,778.60

The estimate for insurance is provided through Caterpillar Insurance Company (Provided by Westchester Insurance Company in Rhode Island) and is not an offer to contract for insurance.

CONDITIONS

Insurance: The customer must provide evidence of physical damage and liability insurance in an amount and from an insurance carrier satisfactory to CFSC. CFSC must be named on the policies, as loss payee and additional insured, as applicable, and a certificate of insurance, in form and substance acceptable to CFSC, must be provided to CFSC.

Taxes: All taxes are the responsibility of the customer and may or may not be included in the above payment amounts. Under the CAT Master Tax Lease and CAT Long Term Rental Agreement, a lessee is required to indemnify the lessor for loss of tax benefits.

Equipment: The equipment cannot be delivered until all documents are executed by CFSC. All equipment must reside in the United States at all times.

Approval: This proposal is subject to, among other things, final pricing, credit approval and document approval by CFSC.

The terms and conditions outlined herein are not all-inclusive and are based upon information provided to date. This proposal may be withdrawn or modified by Lessor at anytime. This proposal does not represent an offer or commitment by CFSC to enter into a transaction or to provide financing, and does not create any obligation for CFSC. A commitment to enter into the transaction described herein may only be extended by CFSC after this transaction has been approved by all appropriate credit and other authorities within CFSC.

Please indicate your acceptance of this proposal by executing this proposal and returning it to my attention along with the Proposal Fee at the address below. Please be sure to indicate which financing option you have accepted.

Caterpillar Financial Services Corporation
2120 West End Avenue, Nashville, TN 37203
(615)-341-1000

We appreciate the opportunity to provide you a proposal for this transaction.

Caterpillar Financial Services Corporation	City of Ft Smith - D8T- GOV	Date

July 15, 2016

CITY OF FORT SMITH
3900 KELLEY HWY
FORT SMITH, Arkansas 72904-5610

Attention: Terry
RE: 125036-02

Dear Terry Rankin,

We are pleased to quote the following for your purchase consideration.

One (1) New CATERPILLAR Model: D8T-T4 Track Type Tractors with all standard equipment in addition to the additional specifications listed below:

STOCK NUMBER:	**SERIAL NUMBER:**	**YEAR:**	**SMU:**	
SELL PRICE				$777,287.25
EXT WARRANTY				Included
CSA				Included
Taxable BALANCE				**$777,287.25**

F.O.B/TERMS: Fort Smith Landfill

WARRANTY

Standard Warranty:	12 Month/Unlimited Hours Full Machine
Extended Warranty:	36MO/7500HR PT HYD
CSA	CSA - 3 year/7500 hours

Thank you for your interest in Riggs CAT and Caterpillar products for your business needs. This quotation is valid for 30 days, after which time we reserve the right to re-quote. If there are any questions, please do not hesitate to contact me.

Sincerely,

James Carter
Machine Sales Representative Riggs CAT
CarterJ@jariggs.com
(479) 259-5374

Accepted by_____ **on** _____

_____
Signature

One (1) New CATERPILLAR Model: D8T-T4 Track Type Tractors with all standard equipment in addition to the additional specifications listed below:

Standard Equipment

POWERTRAIN

Fuel priming pump, electric
Starting aid, automatic ether
Torque divider
Transmission, electronically-controlled powershift, 3F/3R speed
Four planet, double-reduction planetary final drives
Transmission control module, electronic
Turbocharger
Water separator

UNDERCARRIAGE

Rollers and idlers, lifetime lubricated (Carrier roller ready)
Sprocket rim segments, replaceable
Suspension-type undercarriage
8-roller tubular track roller frame
Track adjusters, hydraulic
Track guide
24 inch (610 mm) PPR moderate service

POWERTRAIN

Sound attenuated exhaust system
Parking brake, electronic
Precleaner, strata-tube dust ejector
Prescreener
Shift management
Automatic directional and downshift
Controlled-throttle, load-compensated
Enhanced Autoshift
Coolant, extended life
Fan, suction, hydraulically driven

UNDERCARRIAGE

grouser with sealed and lubricated

ELECTRICAL

Ground level service center with hour meter

OPERATOR ENVIRONMENT

Rops mounted air conditioner
Armrest, adjustable
Advisor operator interface
Electronic monitoring system
Diagnostic service information
Operator preferences
Cab, ROPS/FOPS, sound suppressed
Deactivation switch, hydraulic controls
Access\ egress lighting
with shutdown timer
Decelerator pedal

UNDERCARRIAGE

track (44 section) Two-piece master links

HYDRAULICS

Hydraulics, independent steering and work tool pumps
Hydraulics, electronically controlled, load-sensing dozer lift and tilt
Electronically enabled quick drop valve

STARTERS, BATTERIES, & ALTERNATORS

Alternator, 150 amp
Batteries, heavy duty
Starting receptacle, auxiliary

ELECTRICAL

Alarm, back-up
Converter, 24V to 12V
Diagnostic connector
Horn, forward warning

OPERATOR ENVIRONMENT

Governor switch, electronic

OTHER STANDARD EQUIPMENT

Front pull device
Guards, bottom hinged
Grade control ready
HVAC box - corrosive resistant
Mounting, lift cylinders
Oil cooler, hydraulic
Product link
S.O.S. sampling ports
Steering, electronically controlled power differential
Vandalism protection for fluid compartments
Engine compartment service light
Six lights package

OPERATOR ENVIRONMENT

Heater and ventilation
Mirror, rearview
Radio-ready
Provision for wire passage in/out of cab
Interior LED courtesy lights
Seat, cloth, air-suspension
Seatbelt, retractable
Steering control, direction and speed control thumb switches with recall button
Wipers, intermittent

OTHER STANDARD EQUIPMENT

CD ROM Parts Book
Engine enclosures
Equalizer bar, pinned

POWERTRAIN

C15 ACERT Diesel Engine
Electronic Unit Injection
- After-treatment
- Equivalent to U.S. EPA Tier 4 Final
24-volt electric start
High performance single plane cooling system
Aftercooler, air-to-air (ATAAC)
Air filter, with electronic service indicator

MACHINE SPECIFICATIONS

D8T TRACTOR	379-0300
LANE 2 - AVAILABLE FROM PIRACICABA FACTORY	
LANE 3 - AVAILABLE FROM PIRACICABA FACTORY	
INSTRUCTION, DOMESTIC	379-0290
FILM, AFTERTREATMENT, ENGLISH	382-7710
WASTE HANDLING ARRANGEMENT	389-6174
RADIATOR, 6.35 FPI, DEBRIS	423-4626
FINAL DRIVE, LGP, GUARDED	384-4608
ENGINE, THERMAL SHIELD	379-0312
PRECLEANER, WITH SCREEN	437-7381
BRAKES, BASIC	394-6286
OIL DRAIN, STANDARD	380-2384
FRAME, LGP, POWERED BOTTOM GRD	390-9841
TRACK, 965MM / 38" ES,TRAP PPR	384-2987
NO CARRIER ROLLERS	385-4734
FAN, REVERSING, SINGLE TILT	386-7529
HYDRAULICS, RIPPER	379-0317
BATTERIES, HEAVY DUTY	384-8305
ALTERNATOR, 150 AMP, DUCTED	380-2940
HEATER, ENGINE COOLANT (120V)	424-3510
LIGHTS, PREMIUM	425-5363
CAB, ENHANCED DUAL PANE GLASS	384-8374
SEAT, HEATED & VENTILATED	393-7245
OPERATORS AR, QUICK OPENING	423-9556
VISIBILITY AR, SINGLE CAMERA	379-0320
CONTROL, BASIC, SINGLE TILT	379-0295
PRODUCT LINK, SATELLITE PL631	469-0870
FUEL SYSTEM, FAST FILL	385-8141
GUARD, BOTTOM POWERED	386-7008
BAR, REAR STRIKER	209-5100
FLUIDS, STANDARD	379-0292
ENGINE COOLANT, STD (-37C)	382-5934
CYLINDER ROD FLUID FILM PROTEC	0P-3940
MANUAL, ENGLISH	0P-0996
DRAINS, ECOLOGY, POWERTRAIN	256-9988
LIGHT, WARNING STROBE	384-8833
MOUNT, LIGHT, WARNING STROBE	384-8720
GUARD, FUEL TANK	387-3177
GUARD, FAST FUEL	388-3796
GUARD, FAN DEBRIS	238-9658
FAN SPEED, LOW, COLD WEATHER	450-7631
COUNTERWEIGHT, ADDITIONAL	238-1177
WINDOW SHADES	349-3004
CYLINDER, LIFT, STANDARD	428-7447
BLADE, 8SU LANDFILL WEAR PLATE	385-2622
PUSH ARMS, SINGLE TILT, STD	450-3357
8 LGP DOZER, SNGL TILT GUARD	456-2174

Fire Suppression - Automatic & Manual

NEW CAT® EQUIPMENT PROTECTION PLAN COVERED COMPONENTS

CATERPILLAR®

TODAY'S WORK. TOMORROW'S WORLD.™

3 yr / 7500 hrs

POWERTRAIN

Powertrain components produce, transmit or control engine horsepower for moving the machine. Coverage includes several major Powertrain component categories.

- Basic Engine
- Differential
- Differential Steering Components
- Drive Line/Drive Axle Components
- Engine Electronic Controls & Sensors
- Final Drives
- Fuel Injection Components
- Hydraulic Oil Coolers
- Hydraulic Drive Pumps & Motors
- Hydrostatic Hydraulic Propel Drive Motor
- Steering Brake Components (Internal)
- Steering Clutch Components
- Torque Converter /Divider
- Transfer Gear Group
- Transmission
- Transmission Oil Pump, Controls & Valves
- Unit Injector Hydraulic Pump
- Vibratory Motor & Pump

POWERTRAIN+HYDRAULICS

Coverage includes Powertrain components , as well as specified hydraulic system parts and components. Hydraulic components are associated with steering and implement control.

- Hydraulic Accumulators
- Hydraulic Cylinders
- Hydraulic Hoses & Lines
- Hydraulic Oil Filter Bases
- Hydraulic Pumps & Motors
- Hydraulic Quick-Couplers and Swivels
- Hydraulic Release, Drop & Change Valves
- Hydraulic Tanks
- Hydraulic Valves & Controls
- Steering and Implement Coolers & Pumps
- Swing Gear

- Basic Engine
- Differential
- Differential Steering Components
- Drive Line/Drive Axle Components
- Engine Electronic Controls & Sensors
- Final Drives
- Fuel Injection Components
- Hydraulic Oil Coolers
- Hydraulic Drive Pumps & Motors
- Hydrostatic Hydraulic Propel Drive Motor
- Steering Brake Components (Internal)
- Steering Clutch Components
- Torque Converter /Divider
- Transfer Gear Group
- Transmission
- Transmission Oil Pump, Controls & Valves
- Unit Injector Hydraulic Pump
- Vibratory Motor & Pump

PREMIER

Our most comprehensive coverage option, Premier coverage includes Powertrain+Hydraulics components, as well as additional electrical and structural components.

- Brake Components
- Electrical
  - Drive Train Electronic Controls
    - Electric System
    - Implement Electronic Controls
    - Machine Electronic Controls
    - Protection Devices & Alarms
  - Wiring Harnesses
- Engine Attachments
  - Alternator
  - Starter
- External Hoses
- Muffler
- Radiator
- Structures
  - Guards
  - Operator's Compartment
  - Suspension
- Undercarriage Non-Moving Components

- Hydraulic Accumulators
- Hydraulic Cylinders
- Hydraulic Hoses & Lines
- Hydraulic Oil Filter Bases
- Hydraulic Pumps & Motors
- Hydraulic Quick-Couplers and Swivels
- Hydraulic Release, Drop & Change Valves
- Hydraulic Tanks
- Hydraulic Valves & Controls
- Steering and Implement Coolers & Pumps
- Swing Gear

- Basic Engine
- Differential
- Differential Steering Components
- Drive Line/Drive Axle Components
- Engine Electronic Controls & Sensors
- Final Drives
- Fuel Injection Components
- Hydraulic Oil Coolers
- Hydraulic Drive Pumps & Motors
- Hydrostatic Hydraulic Propel Drive Motor
- Steering Brake Components (Internal)
- Steering Clutch Components
- Torque Converter /Divider
- Transfer Gear Group
- Transmission
- Transmission Oil Pump, Controls & Valves
- Unit Injector Hydraulic Pump
- Vibratory Motor & Pump

New Cat® Equipment Protection Plans are designed specifically for new Cat machines and will enhance and sustain your entire ownership experience with comprehensive coverage and peace of mind. With three levels of coverage, you choose the option that best suits your needs and your budget - whether it's Powertrain, Powertrain+Hydraulics or Premier. Each will add valuable years and hours of operation past your standard warranty period, keeping major repair costs from negatively impacting your bottom line.

Note: This is a partial list of machine components that are protected by Equipment Protection Plans. The actual Dealer contract will govern.

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Responsible Environmental Management

Fort Smith Department of Sanitation

MEMORANDUM

TO: Mayor, City Administrator and Board of Directors

FROM: Mark R. Schlievert, Sanitation Director
City of Fort Smith

DATE: August 30, 2016

RE: Landfill Heavy Equipment

On July 15, 2016 a bid opening was held for Landfill Heavy Equipment, see attached bid tab. These RFB's were sent out with Three (3) different options as directed by the board:
Option 1 (Purchase)
Option 2a (3- year lease)
Option 2b (3- year lease with 3rd year ownership)
Option 3 (3- year lease with 3rd year balloon payment)

All bidders have some degree of non-compliance with the bid specification, but none that would disqualify their bids. Based on review of the bids, the sanitation department recommends that low bids be accepted for all equipment, except for the landfill compactor. Low bid for the lease of this equipment, option 2a, is Al-Jon Manufacturing at $208,476.72 per year. However, based on City Ordinance 50-15 Sec. 2-188 (1) (c) (ii), 5% local preference the low bid is J.A. Riggs at $212,801.52 which is with-in 3% of Al-Jon Manufacturing and therefore is considered low bid. As a further recommendation the sanitation department recommends that purchases or leases be structured in the following manner:

G.W. Van Keppel Company is the low bid for outright purchase of the off-road dump trucks at $449,270.00 each. The sanitation department requires two (2) of these trucks, therefore the total purchase price is $898,540.00. It is recommended that these two (2) trucks be purchased as they have an estimated life of five (5) years. G.W. Van Keppel Company bid a 2016 Terex TA400 machine with a delivery date of 60-days.

J.A. Riggs is the low bid for Landfill Compactor and it is recommended by the sanitation department that we enter into a three (3) year lease agreement with them (option 2a) for the annual cost of $212,801.52 at 0% interest rate. At the end of the three (3) year lease term the total cost is $638,404.56 vs. outright purchase cost of $866,100, thus saving $227,695.44. J.A. Riggs has bid a CAT 836K with a 90 day delivery.

Riggs Equipment was the only bidder for a Landfill Bull Dozer and it is recommended by the sanitation department that we enter into a three (3) year lease agreement with them (option 2a) for the annual cost of $189,702.34 at 0% interest rate. At the end of the three (3) year term the

total cost is $569,107.02 vs. outright purchase cost of $777,287.00 thus saving $208,179.98. Riggs Equipment bid a 2016 CAT D8T with a delivery date of 20 weeks (140-days).

The total first (1st) year cost of this equipment would be $1,301,043.86 and the remaining lease time of two (2) years for the bull dozer and landfill compactor would be $402,503.86/annually. There currently is a total of $735,000.00 in the Sanitary Landfill Budget (6305) for a replacement Landfill Bull Dozer and $513,000.00 in Residential Collection Budget (6302) for the replacement of an Automated Side Loader Truck ($278,000.00) and Rear Loader Truck ($235,000.00), for a total of $1,248,000.00 available for landfill equipment. There is an additional $40,000.00 for the sale of a 2002 Komatsu 6X6 off Road Dump Truck that can be added to the available fund for a total of $1,288,000.00. This figure is short by $13,043.86 which can be covered by moving this amount from GL-6305-231, thus providing 100% funding for the 1st year of this proposal.

It is also recommended that once this equipment is on-site that bids go out for a small grading dozer, estimated cost of $120,000.00 and a used smooth drum compactor, estimated cost of $40,000.00 for a total estimated cost of $160,000.00. This can be off-set by monies from the sale of old equipment, estimated at $350,000.00

LEASE PURCHASE

Equipment	Cost yr. 1	Cost yr. 2	Cost yr. 3
LF Bull Dozer	$189,702.34	$189,702.34	$189,702.34
LF Compactor	$212,801.52	$212,801.52	$212,801.52
Off Road Trucks (2)	$898,540.00	$00.00	$00.00
Totals	$1,301,043.86	$402,503.86	$402,503.86

FUNDING 1st

Source of Funding	Amount
6305 FY 2016 Budget for Bulldozer	$735,000.00
6302 FY Budget for 2 Trash Trucks	$513,000.00
6305 Sale of 2002 Komatsu 6X6	$40,000.00
6305 Transfer funds from GL 6305-231	$13,043.86
Total	$1,301,043.86

There is a large amount of equipment that needs to be replaced in the Sanitation Department. If this recommendation is approved it will get the department through until other options can be identified via Rate Study.

Attachments: as indicated

Tabulation of Bids - City of Fort Smith Landfill Compactor - Bid Tab #6305-LC-BA			
Vendor	**Al-jon Mfg. Ottumwa, IA**	**JA Riggs Fort Smith, AR**	**GW Van Keppel Springdale, AR**
Year	2016	2016	2016
Make	Al-jon	Caterpillar	Bomag
Model	600	836K	BC1172RB-4
Delivery Terms	90 days	90 days	45 days
Cost (Option 1)	$831,900	$866,100	$863,140
Lease Options			
Option 2(a) Annual Payment	$208,476.72	$212,801.52✓	$216,305.56
Interest Rate %	n/a	n/a	n/a
Option 2(b) Annual Payment	$286,792.98	$307,494.65	$294,017.69
Interest Rate %	2.74%	3.2%	2.16%
Option 3			
Year 1 & 2 Annual Payments	$304,675.75	$328,312.56	$316,117.11
Year 3 Payment	$249,570	$263,840	$258,942
Interest Rate %	2.74%	3.2%	2.74%

✓ Recommended Bid Award

Tabulation of Bids - City of Fort Smith Landfill Bulldozer - Bid Tab #6305-LD-BA		
Vendor	JA Riggs	
Year	2016	
Make	Caterpillar	
Model	D8T	
Delivery Terms	120-150 days	
Cost (Option 1)	$777,287	
Lease Options		
Option 2(a) Annual Payment	$189,702.34	✓
Interest Rate %	n/a	
Option 2(b) Annual Payment	$275,975.84	
Interest Rate %	3.2%	
Option 3		
Year 1 & 2 Annual Payments	$293,093.84	
Year 3 Payment	$240,080	
Interest Rate %	3.2%	

✓ Recommended Bid Award

Tabulation of Bids - City of Fort Smith

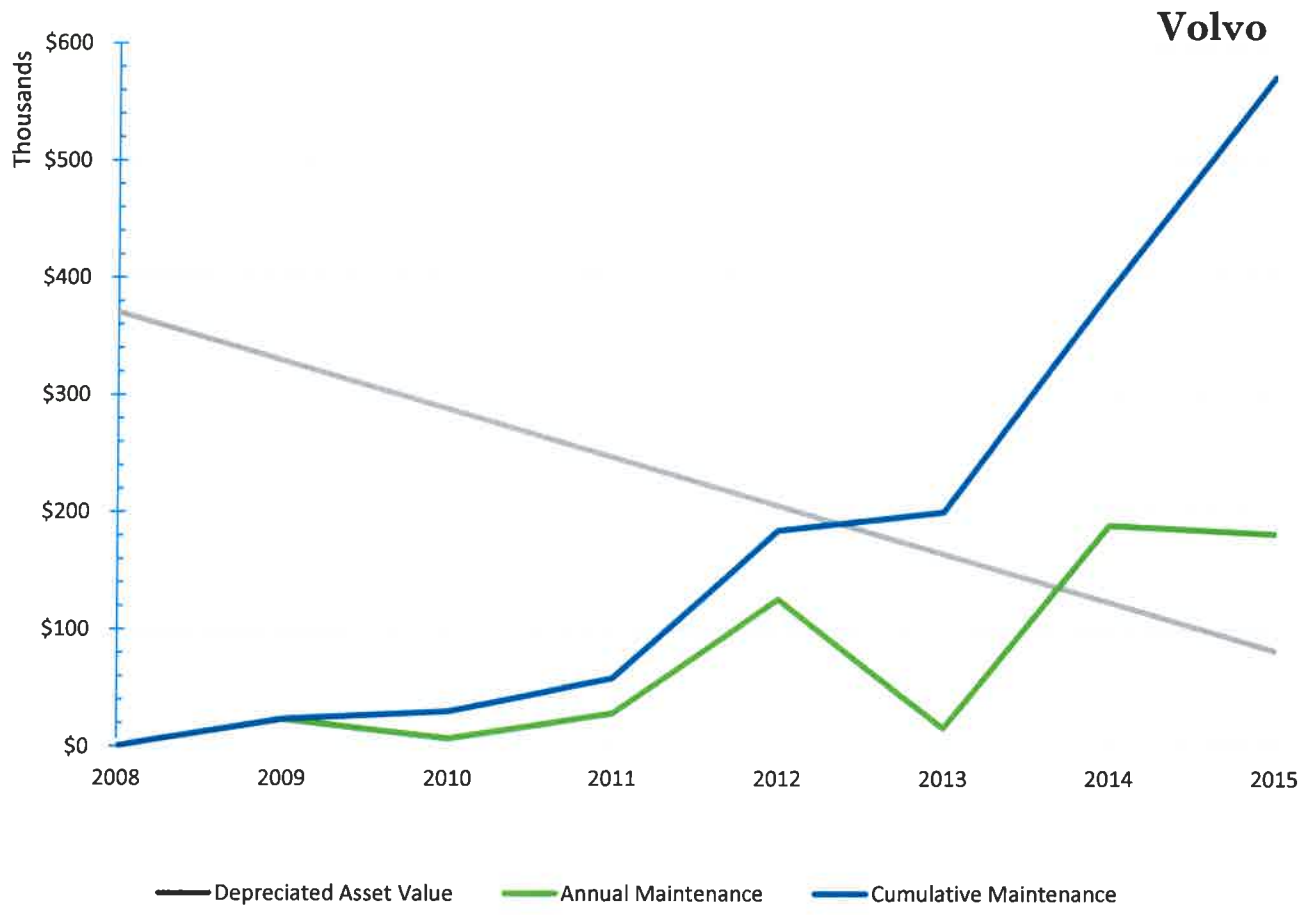
Off Road Articulating Dump Truck - Bid Tab #6305-AD-BA

Vendor	Stribling Equipment Fort Smith, AR	H & E Equipment Fort Smith, AR	JA Riggs Fort Smith, AR	Hugg & Hall Fort Smith, AR	GW Van Keppel Springdale, AR
Year	2016	2016	2016	2016	2016
Make	John Deere	Komatsu	Caterpillar	Volvo	Terex
Model	410E	HM400-5	745C	A40G	TA400
Delivery Terms	60-75 days	60-75 days	45-60 days	60 days	60 days
Cost (Option 1)	$615,000	$582,460	$581,900	$540,950	$449,270 ✓
Lease Options					
Option 2(a) Annual Payment	$159,439.55	$169,522.56	$145,140.29	$103,729.49	$121,475
Interest Rate %	3.9%	n/a	n/a	2.05%	n/a
Option 2(b) Annual Payment	$209,630.19		$206,634.74	$187,830.46	$153,035.37
Interest Rate %	2.25%		3.02%	2.05%	2.16%
Option 3					
Year 1 & 2 Annual Payments	$216,073.43		$223,227.66	$153,809.02	$164,541.02
Year 3 Payment	$196,100		$171,840	$258,000	$269,562
Interest Rate %	2.22%		3.2%	2.05%	2.74%

✓ Recommended Bid Award

Volvo 2008
Off Road Dump Truck $411,121

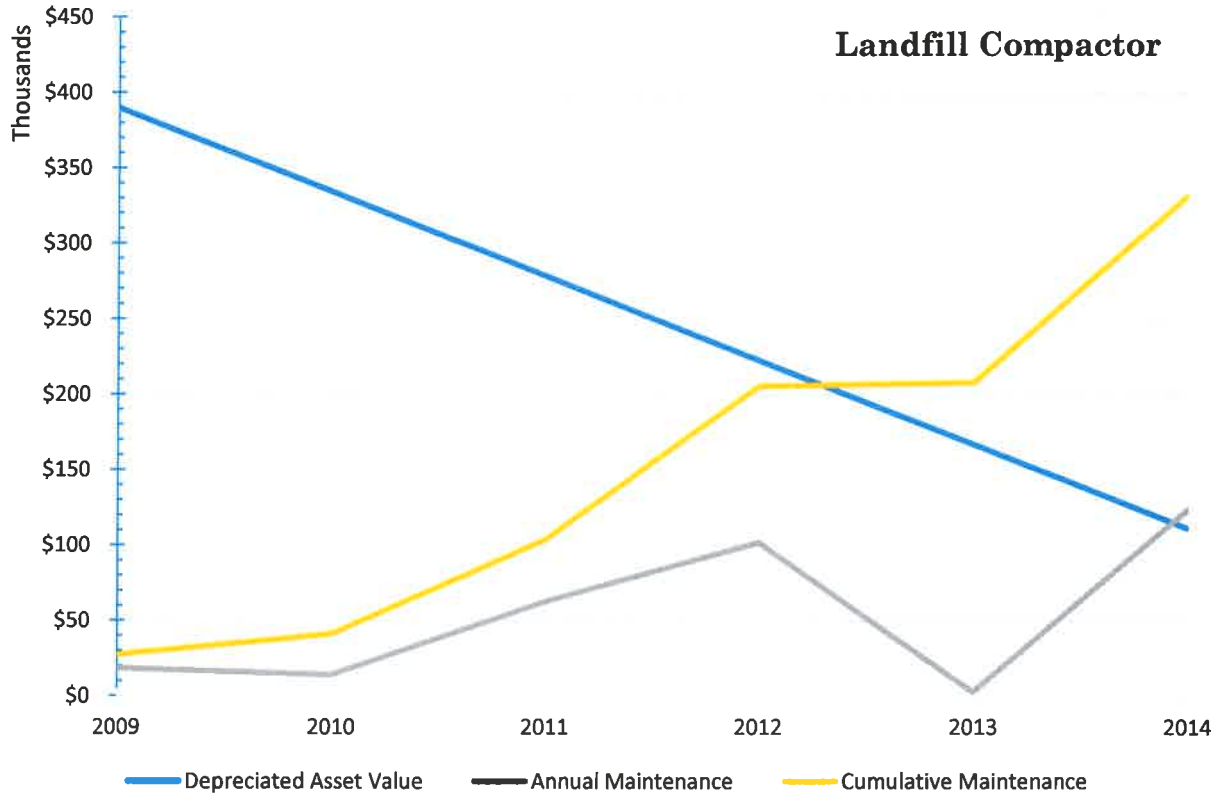
Year	Depreciated Asset Value	Annual Maintenance	Cumulative Maintenance
2008	370,009	465	465
2009	328,897	22,921	23,386
2010	287,785	6,825	30,212
2011	246,673	28,276	58,488
2012	205,561	126,114	184,602
2013	164,449	15,864	200,467
2014	123,337	189,117	389,584
2015	82,225	181,779	571,363



Depreciation Factor is Based on 10 yrs. with $0 value, $41,121 annually
Addition Useful Life Value is Where Maintenance Cost Crosses Depreciation Value Line
Average Construction Equipment is 10 yr. useful live based on 1,000 hrs./yr.
Landfill Equipment Averages 2,500 hrs./yr.

2009 Al-Jon
Landfill Compactor

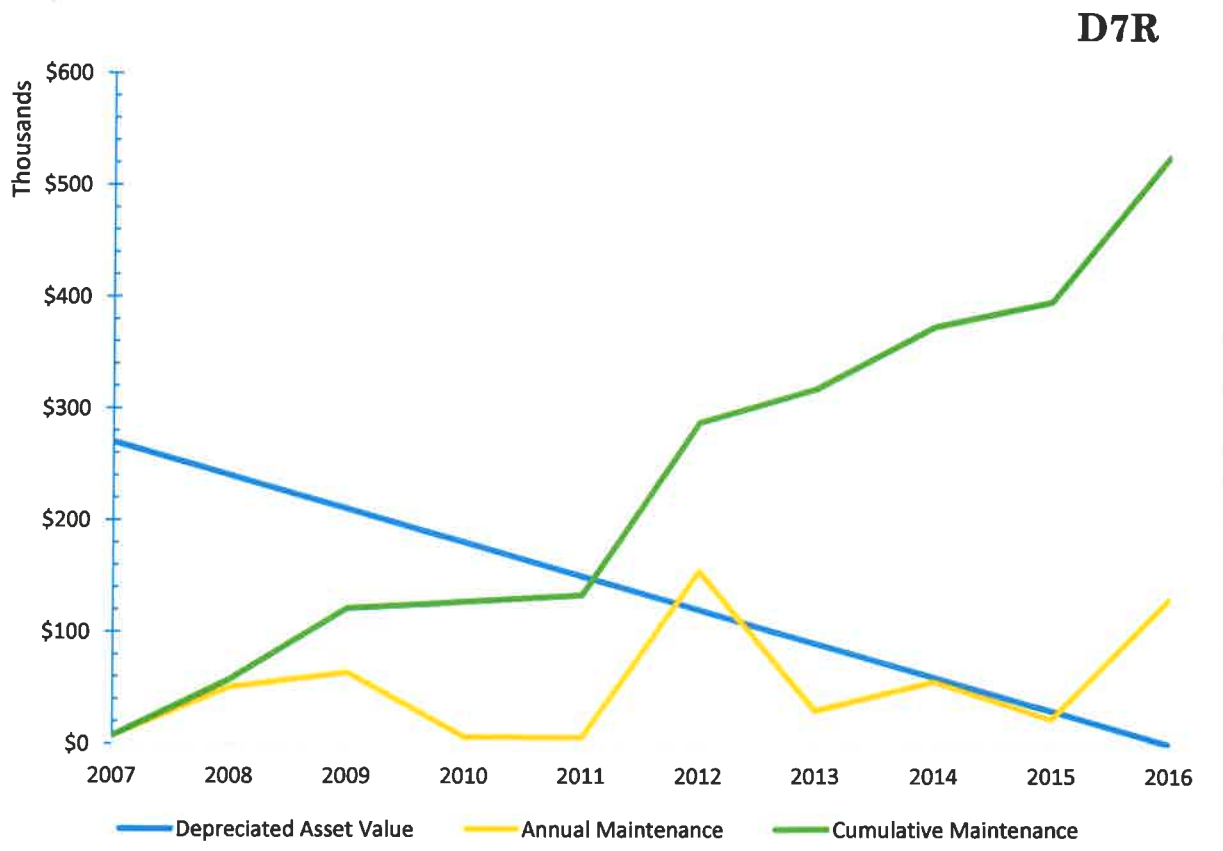
Year	Depreciated Asset Value	Annual Maintenance	Cumulative Maintenance
2009	445,414	8,783	8,783
2010	389,737	18,352	27,135
2011	334,060	13,797	40,932
2012	278,384	62,642	103,574
2013	222,707	101,795	205,369
2014	167,030	2,678	208,047
2015	111,353	123,223	331,270



Depreciation Factor is Based on 10 yrs. with $0 value
Addition Useful Life Value is Where Maintenance Cost Crosses Depreciation Value Line
Average Construction Equipment is 10 yr. useful live based on 1,000 hrs./yr.
Landfill Equipment Averages 2,500 hrs./yr.

2004 CAT D7R Dozer
$300,000

Year	Depreciated Asset Value	Annual Maintenance	Cumulative Maintenance
2007	270,000	7,227.12	7,227.12
2008	240,000	50,480.19	57,707.31
2009	210,000	63,518.79	121,226.10
2010	180,000	5,907.79	127,133.89
2011	150,000	5,783.50	132,917.39
2012	120,000	154,574.75	287,492.14
2013	90,000	29,938.24	317,430.38
2014	60,000	56,031.84	373,462.22
2015	30,000	22,105.58	395,567.80
2016	0	129,297.49	524,865.29



Depreciation Factor is Based on 8 yrs. with $0 value
Addition Useful Life Value is Where Maintenance Cost Crosses Depreciation Value Line
Construction Equipment is 10 yr. useful live based on 1,000 hrs./yr.
Landfill Equipment Averages 2,500 hrs./yr.

Responsible Environmental Management

Fort Smith Department of Sanitation

MEMORANDUM

TO: Mayor, City Administrator and Board of Directors
City of Fort Smith

FROM: Mark R. Schlievert, Director of Sanitation
City of Fort Smith

DATE: August 30, 2016

RE: Sanitation Department Deprecation Schedule

As requested please find attached a copy of The Sanitation Department's Equipment Deprecation Schedule. This deprecation schedule has some discrepancies in it, for example Item # 6307 Asset# 59 2000 MACK Roll-Off Truck. Purchase price was $97,938.00 with an annual deprecation rate of $9,794.00 over an 8 year deprecation factor with a salvage value after 7 years of $29,381.00. In fact this item over an 8 year deprecation factor should have an annual deprecation rate of $12,242.25 and $0 value after 8 years, at 7 years the salvage value should be $12,242.25. This is only one example of errors encountered with the schedule, I'm sure there are others.

The 3 items I have prepared graphs for are correct, according to this schedule. It should be noted that this deprecation schedule is set-up for contractor development construction schedule which is based on 10 year useful life. It has failed to indicate that this type of construction equipment is also based on 10,000 hours or 1,000 hours annually which is normal for this type of equipment.

Landfill equipment is different in that the same useful life of 10,000 hours remains true however, this equipment is utilized more during the year and will acquire 2,500 hours annually. This will reduce the useful life of this equipment to around 3 to 4 years vs. the 7 years as indicated in the deprecation schedule.

Attachments: as indicated

Department of Sanitation
2015 Depreciation Schedule

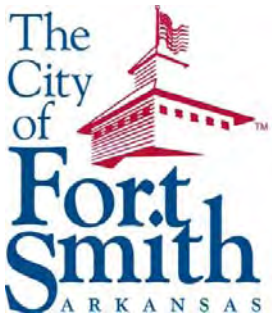
Program	Year	Make	Description	Original Cost	Salvage Value	Useful Life	Depreciation Factor	Annual Depreciation
6302	1999	CCC	Rear loader	97,771	29,331	7	8	$ 9,777
6302	1999	CCC	Rear loader	97,771	29,331	7	8	$ 9,777
6302	1999	CCC	Rear loader	97,771	29,331	7	8	$ 9,777
6302	2002	Peterbilt	Rear loader	81,449	24,435	7	8	$ 8,145
6302	2002	CCC	Rear loader	82,336	24,701	7	8	$ 8,234
6302	2003	CCC	Rear loader	97,771	29,331	7	8	$ 9,777
6302	2004		Rear loader	97,771	29,331	7	8	$ 9,777
6302	2004	CCC	Rear loader	79,970	23,991	7	10	$ 7,997
6302	2005	CCC	Rear loader	85,960	25,788	7	10	$ 8,596
6302	2005	CCC	Rear loader	85,960	25,788	7	10	$ 8,596
6302	2006	Mack	Side loader	206,000	61,800	7	10	$ 20,600
6302	2007	Autocar	Side loader	190,430	57,129	7	10	$ 19,043
6302	2008	Mack	Side loader	239,000	71,700	7	10	$ 23,900
6302	2008	Mack	Side loader	243,500	73,050	7	10	$ 24,350
6302	2009	Ford	3/4 ton pickup	32,268	9,680	5	5	$ 4,518
6302	2010	Mack	Knuckleboom Truck	158,909	47,673	7	10	$ 15,891
6303	2010	Mack	Knuckleboom Truck	169,890	50,967	7	8	$ 16,989
6302	2010	Mack	Side loader	245,000	73,500	7	8	$ 24,500
6302	2013	Mack	Side loader	252,443	75,733	7	10	$ 25,244
6302	2011	Mack	Side loader	243,105	72,932	7	10	$ 24,311
6302	2012	Hino	Rear loader	110,061	33,018	7	10	$ 11,006
6302	2013	Mack	Side loader	268,014	80,404	7	10	$ 26,801
6302	2013	Mack	Side loader	268,014	80,404	7	10	$ 26,801
6302	2015	Mack	Side loader	272,076	81,623	7	10	$ 27,208
6302	2014	Dodge	1/2 ton pickup	29,000	8,700	5	5	$ 4,060
6302	2015	Hino	Box Truck	78,820	23,646	7	10	$ 7,882
						Subtotal		**$ 393,557**
6303	1998	GMC	Box Setting Truck	31,158	9,347	7	5	$ 3,116
6303	2004	Cherolet	Full Size Sedan	17,976	5,393	5	5	$ 2,517
6303	2002	Int'l	Rear loader	77,055	23,117	7	10	$ 7,706
6303	2003	Mack	Front loader	157,985	47,395	7	8	$ 15,798
6303	2005	Mack	Front loader	171,690	51,507	7	10	$ 17,169
6303	2006	Int'l	Recycling Truck	149,314	44,794	7	10	$ 14,931
6303	2009	Mack	Front loader	208,270	62,481	7	10	$ 20,827
6303	2010	Mack	Rear loader	185,513	55,654	7	10	$ 18,551
6303	2011	Mack	Rear loader	188,708	56,612	7	10	$ 18,871
6303	2011	Mack	Front loader	225,945	67,783	7	10	$ 22,594
6303	2011	Mack	Front loader	218,370	65,511	7	8	$ 21,837
6303	2012	Int'l	Box Setting Truck	94,938	28,481	7	10	$ 9,494
6303	2012	Hino	Rear loader	110,061	33,018	7	10	$ 11,006
6303	2013	Mack	Front loader	234,587	70,376	7	10	$ 23,459
6303	2013	Ford	1/2 ton pickup	25,496	7,649	7	10	$ 2,550
						Subtotal		**$ 210,426**
6304	1994	Waldon	Street Sweeper	22,899	6,870	7	8	$ 2,290
6304	1996	Ford	Dump/Sand Truck	30,000	9,000	7	8	$ 3,000
6304	2003	Int'l	4X4 Service Truck	78,000	23,400	7	8	$ 7,800
6304	2004	Dodge	1/2 ton pickup	27,000	8,100	5	5	$ 3,780
6304	2004	Dodge	3/4 ton pickup	14,000	4,200	5	5	$ 1,960
6304	2006	Hyundai	Fork Lift	17,000	5,100	7	2	$ 1,700
6304	2007	Ford	3/4 ton pickup	27,000	8,100	5	5	$ 3,780
6304	2009	Ford	Service Truck	54,614	16,384	7	5	$ 5,461
6304	2011	Kubota	Utility Vehicle	12,581	3,774	7	5	$ 1,258
6304	2011	Freightliner	Lube Truck	146,527	43,958	7	10	$ 14,653
6304	2011	Storch	Elctromagnetic Sweeper	18,880	5,664	7	5	$ 1,888
6304	1991	Case	Backhoe	27,467	8,240	7		$ 2,747
6304	2006	GMC	3/4 ton pickup	27,000	8,100	7	5	$ 2,700
6304	1999	Grass Hopper	Lawn Mower	9,012	2,704	7		$ 901
6304	2013	Grass Hopper	Lawn Mower	14,536	4,361	7	7	$ 1,454
6304	1998	GMC	Service Truck	19,876	3,400	5	6	$ 3,400
						Subtotal		**$ 58,772**

Department of Sanitation
2015 Depreciation Schedule

Program	Year	Make	Description	Original Cost	Salvage Value	Useful Life	Depreciation Factor	Annual Depreciation
6305	1986	Mack	Water Truck	45,900	13,770	7	8	$ 4,590
6305	1993	Champion	Grader	89,843	26,953	7	10	$ 8,984
6305	1996	Ford	1 ton pickup	16,761	5,028	5	8	$ 2,347
6305	1998	Komatsu	Excavator	279,974	83,992	7	10	$ 27,997
6305	1998	Erin	Compost - Starscreener	200,000	60,000	7	10	$ 20,000
6305	1999	Scarab	Windrow Turner	149,500	44,850	7	10	$ 14,950
6305	2000	Mack	Roll Off Truck	100,000	30,000	7	8	$ 10,000
6304	1998	Int'l	Pressure Washer Truck	43,616	13,085	7	8	$ 4,362
6305	2001	Ford	3/4 ton pickup	20,000	6,000	5	5	$ 2,800
6305	2001	Gorman	6" Water Pump	20,000	6,000	7	10	$ 2,000
6305	2001	John Deere	Dozer	92,678	27,803	7	8	$ 9,268
6305	2001	Kincaid	Hydroseeder	30,000	9,000	7	10	$ 3,000
6305	2001	Sullair	Air Compressor - Diesel	102,272	30,682	7	10	$ 10,227
6305	2002	CAT	Backhoe	75,000	22,500	7	8	$ 7,500
6305	2002	Komatsu	Haul Truck	200,000	60,000	7	8	$ 20,000
6305	2002	CAT	Skid Steer	30,000	9,000	7	8	$ 3,000
6305	2004	CAT	Dozer	300,000	90,000	7	8	$ 30,000
6305	2005	Genie	Light Unit	9,091	2,727	7	10	$ 909
6305	2005	Texas Bragg	20' Goose Neck Trailer	6,745	2,024	7	10	$ 675
6305	2005	Chevrolet	Bus	43,676	13,103	7	10	$ 4,368
6305	1997	Ford	Bus	47,664	14,299	7	10	$ 4,766
6302	2007	Ford	3/4 ton pickup	27,782	8,335	5	5	$ 3,889
6305	2007	Genie	Light Unit	9,730	2,919	7	10	$ 973
6305	2007	Ford	3/4 ton pickup	27,748	8,324	7	5	$ 2,775
6305	2008	Volvo	Articulating Dump Truck	411,121	123,336	7	10	$ 41,112
6305	2008	Volvo	Excavator	326,523	97,957	7	10	$ 32,652
6305	2009	Al-Jon	Landfill Compactor	556,768	167,030	7	10	$ 55,677
6305	2009	Ford	1/2 ton pickup	21,235	6,371	5	5	$ 2,973
6305	2010	Case	Farm Tractor	52,250	15,675	7	10	$ 5,225
6305	2010	Bush Hog	Flex Wing Rotary Cutter	12,750	3,825	7	8	$ 1,275
6305	2012	Vermeer	Brush Grinder	505,850	151,755	7	10	$ 50,585
6305	2008	CAT	Skid Steer	5,391	1,617	7		$ 539
6305	2013	CAT	Dozer	583,374	175,012	7	10	$ 58,337
6305	2013	Al-Jon	Landfill Compactor	920,775	276,233	7	10	$ 92,078
6305	2014	Int'l	Fuel Truck	124,750	37,425	10	10	$ 8,733
6305	2015	John Deere	4 Wheel Loader	239,900	71,970	7	10	$ 23,990
						Subtotal		**$ 572,555**
6307	2000	Mack	Roll Off Truck	97,938	29,381	7	8	$ 9,794
6307	2000	Mack	Roll Off Truck	97,938	29,381	7	8	$ 9,794
6307	2006	Mack	Roll Off Truck	111,765	33,530	7	10	$ 11,177
6307	2007	Mack	Roll Off Truck	103,682	31,105	7	10	$ 10,368
6307	2007	Mack	Roll Off Truck	126,815	38,045	7	10	$ 12,682
6307	2009	Mack	Roll Off Truck	142,149	42,645	7	10	$ 14,215
6307	2010	Mack	Roll Off Truck	149,935	44,981	7	8	$ 14,994
6307	2010	Mack	Roll Off Truck	158,334	47,500	7	8	$ 15,833
6307	2011	Mack	Roll Off Truck	157,109	47,133	7	10	$ 15,711
6307	2013	Mack	Roll Off Truck	163,253	48,976	7	10	$ 16,325
6307	2013	Mack	Roll Off Truck	163,253	48,976	7	10	$ 16,325
6307	2013	Mack	Roll Off Truck	165,572	49,672	7	10	$ 16,557
6307	2015	Mack	Roll Off Truck	185,866	55,760	7	10	$ 18,587
						Subtotal		**$ 182,361**
						Grand Total		**$ 1,417,670**

4C

Memo



To: Carl Geffken, City Administrator

From: Jennifer Walker, Finance Director

Date: 9/15/2016

Re: Updated Sanitation Depreciation Schedule

As a follow-up to the discussion and presented materials at the Study Session on September 13, please find attached an updated depreciation schedule that reflects the actual depreciation according to the accounting department records.

This schedule varies from the one previously presented in a few key areas. The previous schedule from the Sanitation Department was intended to be used as a planning tool for asset replacement within the department. Therefore, it reflected Original Purchase Price of equipment, because that is typically the replacement value of the equipment. However, the Accounting department also maintains in its fixed asset records a full book value that includes any increase in value due to major repair dollars. Those increased values are reflected on this updated schedule in the column Book Value.

Next, you will notice there is no Salvage Value column. This amount is assigned by the Sanitation Department and is strictly for planning purposes. The accounting department does not factor a salvage value into its depreciation schedule as most assets remain in use long after their useful life has expired.

Also, the Useful Life column has been removed. This was the assigned Useful life of the asset according to the Sanitation department. The department continues to evaluate these useful lives and will likely revise these figures over time. The Accounting Useful Life is found on this schedule in a column labeled "Depreciation Factor". The accounting department has used typical equipment useful lives in most cases. These may be far too long in some cases due to very heavy use of equipment on top of the landfill. However, from an accounting perspective, these have been reasonable according to annual audits and actual use of equipment.

Lastly, as this schedule is intended to help the Sanitation Department plan for heavy equipment replacement, smaller assets and Administrative assets assigned to program 6301 are not included on this particular schedule. The accounting department does, however, keep a full asset register in its fixed asset records.

Department of Sanitation
2015 Depreciation Schedule

Program	Year	Make	Description	Book Value**	Depreciation Factor	Annual*** Depreciation
6302	1999*	CCC	Rear loader	97,771	8	$ -
6302	1999*	CCC	Rear loader	97,771	8	$ -
6302	1999*	CCC	Rear loader	97,771	8	$ -
6302	2002*	Peterbilt	Rear loader	81,449	8	$ -
6302	2002*	CCC	Rear loader	82,336	8	$ -
6302	2003*	Sterling	Knuckleboom Truck	78,995	8	$ -
6302	2004*	CCC	Rear loader	79,970	10	$ -
6302	2004*	CCC	Rear loader	79,970	10	$ -
6302	2005*	CCC	Rear loader	85,960	10	$ -
6302	2005*	CCC	Rear loader	85,960	10	$ -
6302	2006	Mack	Side loader	244,383	10	$ 24,438
6302	2007	Autocar	Side loader	228,819	10	$ 22,882
6302	2008	Mack	Side loader	254,380	10	$ 25,438
6302	2008	Mack	Side loader	254,219	10	$ 25,422
6302	2009*	Ford	3/4 ton pickup	32,268	5	$ -
6302	2010	Mack	Knuckleboom Truck	158,909	10	$ 15,891
6303	2010	Mack	Knuckleboom Truck	169,890	8	$ 21,236
6302	2010	Mack	Side loader	245,000	8	$ 30,625
6302	2013	Mack	Side loader	252,443	10	$ 25,244
6302	2011	Mack	Side loader	243,105	10	$ 24,311
6302	2012	Hino	Rear loader	110,061	10	$ 11,006
6302	2013	Mack	Side loader	268,014	10	$ 26,801
6302	2013	Mack	Side loader	275,087	10	$ 27,509
6302	2015	Mack	Side loader	272,076	10	$ 27,208
6302	2014	Dodge	1/2 ton pickup	29,472	5	$ 5,894
6302	2015	Hino	Box Truck	78,820	10	$ 7,882
					Subtotal	$ 321,787
6303	1998*	GMC	Box Setting Truck	31,158	5	$ -
6303	2004	Cherolet	Full Size Sedan	pulled from auction	0	$ -
6303	2002*	Int'l	Rear loader	77,055	10	$ -
6303	2003*	Mack	Front loader	157,985	8	$ -
6303	2005	Mack	Front loader	171,690	10	$ -
6303	2006	Int'l	Recycling Truck	149,314	10	$ 14,931
6303	2009	Mack	Front loader	214,696	10	$ 21,470
6303	2010	Mack	Rear loader	185,513	10	$ 18,551
6303	2011	Mack	Rear loader	188,708	10	$ 18,871
6303	2011	Mack	Front loader	225,945	10	$ 22,594
6303	2011	Mack	Front loader	225,015	8	$ 28,127
6303	2012	Int'l	Box Setting Truck	94,938	10	$ 9,494
6303	2012	Hino	Rear loader	110,061	10	$ 11,006
6303	2013	Mack	Front loader	234,587	10	$ 23,459
6303	2013	Ford	1/2 ton pickup	25,496	5	$ 5,099
6303	2015	Mack	Rear loader	188,000	10	$ 18,800
					Subtotal	$ 192,402
6304	1994*	Waldon	Street Sweeper	22,899	8	$ -
6304	1996*	Ford	Dump/Sand Truck	30,000	8	$ -
6304	2003	Int'l	4X4 Service Truck	78,000	8	$ -
6304	2004	Dodge	1/2 ton pickup	27,000	5	$ -
6304	2004	Dodge	3/4 ton pickup	14,000	5	$ -
6304	2006	Hyundai	Fork Lift	17,000	2	$ -
6304	2007	Ford	3/4 ton pickup	27,000	5	$ -
6304	2009	Ford	Service Truck	54,614	5	$ -
6304	2011	Kubota	Utility Vehicle	18,879	5	$ 3,776
6304	2011	Freightliner	Lube Truck	140,127	10	$ 14,013
6304	2011	Storch	Elctromagnetic Sweeper	18,880	5	$ 3,776
6304	1991	Case	Backhoe	27,467	5	$ -
6304	2006	GMC	3/4 ton pickup	27,000	5	$ -
6304	1999	Grass Hopper	Lawn Mower	9,012	7	$ -
6304	2013	Grass Hopper	Lawn Mower	12,932	7	$ 1,847
					Subtotal	$ 23,412

Department of Sanitation
2015 Depreciation Schedule

Program	Year	Make	Description	Book Value**	Depreciation Factor	Annual*** Depreciation
6305	1986*	Mack	Water Truck	45,900	8	$ -
6305	1993*	Champion	Grader	89,843	10	$ -
6305	1996*	Ford	1 ton pickup	16,761	8	$ -
6305	1998*	Komatsu	Excavator	279,974	10	$ -
6305	1998*	Erin	Compost - Starscreener	200,000	10	$ -
6305	1999*	Scarab	Windrow Turner	149,500	10	$ -
6305	2000*	Billygoat	Trailer Mounted Vacuum	5,000	3	$ -
6305	2000*	Mack	Roll Off Truck	100,000	8	$ -
6304	1998*	Int'l	Pressure Washer Truck	43,616	8	$ -
6305	2001*	Ford	3/4 ton pickup	20,000	5	$ -
6305	2001*	Gorman	6" Water Pump	20,000	5	$ -
6305	2001*	John Deere	Dozer	92,678	8	$ -
6305	2001*	Kincaid	Hydroseeder	30,000	5	$ -
6305	2001*	Quincy	Air Compressor	2,000	5	$ -
6305	2001*	Sullair	Air Compressor - Diesel	102,272	5	$ -
6305	2002*	CAT	Backhoe	75,000	8	$ -
6305	2002*	Komatsu	Haul Truck	200,000	8	$ -
6305	2002*	CAT	Skid Steer	30,000	8	$ -
6305	2004	CAT	Dozer	300,000	8	$ -
6305	2005	Genie	Light Unit	9,091	10	$ -
6305	2005	Texas Bragg	20' Goose Neck Trailer	6,745	10	$ -
6305	2005	Chevrolet	Bus	TFR from another dept		$ -
6305	1997	Ford	Bus	TFR from another dept		$ -
6302	2007	Ford	3/4 ton pickup	27,782	5	$ -
6305	2007	Genie	Light Unit	9,730	10	$ 973
6305	2007	Ford	3/4 ton pickup	27,748	5	$ -
6305	2008	Volvo	Articulating Dump Truck	541,101	10	$ 54,110
6305	2008	Volvo	Excavator	368,668	10	$ 36,867
6305	2009	Al-Jon	Landfill Compactor	685,250	10	$ 68,525
6305	2009	Ford	1/2 ton pickup	21,235	5	$ -
6305	2010	Case	Farm Tractor	52,250	10	$ 5,225
6305	2010	Bush Hog	Flex Wing Rotary Cutter	34,000	8	$ 4,250
6305	2012	Vermeer	Brush Grinder	505,850	10	$ 50,585
6305	2008	CAT	Skid Steer	5,391	10	$ -
6305	2013	CAT	Dozer	603,099	10	$ 60,310
6305	2013	Al-Jon	Landfill Compactor	920,775	10	$ 92,078
6305	2014	Int'l	Fuel Truck	124,750	10	$ 12,475
					Subtotal	$ 385,397
6307	2000*	Mack	Roll Off Truck	97,938	8	$ -
6307	2000*	Mack	Roll Off Truck	97,938	8	$ -
6307	2006	Mack	Roll Off Truck	111,765	10	$ -
6307	2007	Mack	Roll Off Truck	103,682	10	$ 10,368
6307	2007	Mack	Roll Off Truck	164,265	10	$ 16,427
6307	2009	Mack	Roll Off Truck	142,149	10	$ 14,215
6307	2010	Mack	Roll Off Truck	149,935	8	$ 18,742
6307	2010	Mack	Roll Off Truck	158,334	8	$ 19,792
6307	2011	Mack	Roll Off Truck	157,109	10	$ 15,711
6307	2013	Mack	Roll Off Truck	163,253	10	$ 16,325
6307	2013	Mack	Roll Off Truck	163,253	10	$ 16,325
6307	2013	Mack	Roll Off Truck	165,572	10	$ 16,557
6307	2015	Mack	Roll Off Truck	165,572	10	$ 16,557
					Subtotal	$ 161,019
					Grand Total	1,084,018

Notes:
* Asset is fully depreciated, but is still in service.
** Book Value - some assets may have additional value on accounting books due to major repairs.
*** Annual Depreciation is provided by accounting department and may include additional repair value in calculation.
Note: This schedule does not include Admin assets assigned to Program 6301

ORDINANCE NO.

AN ORDINANCE AUTHORIZING MASTER LEASE AGREEMENT WITH CATERPILLAR FINANCIAL SERVICES CORPORRATION REGARDING LEASE OF 836K COMPACTOR FOR THE LANDFILL AND AUTHORIZING THE MAYOR AND CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE ALL NECESSARY DOCUMENTS REGARDING SAID AGREEMENT

WHEREAS, the City of Fort Smith, Arkansas ("Municipality") is a political subdivision of the State of Arkansas (the "State") and is duly organized and existing pursuant to the Constitution and laws of the State;

WHEREAS, pursuant to applicable law described in Section 4 below, the Municipality is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interests in property and leases necessary to the functions or operations of the Municipality;

Whereas, the Governing Body of the Municipality hereby finds and determines that the execution of the Master Lease Agreement ("Lease") in a principal amount not exceeding the amount of $638,404.56 for the purpose of renting the property ("Equipment") described in the Lease is appropriate and necessary to the functions and operations of the Municipality: and,

WHEREAS, Caterpillar Financial Services Corporation ("Lessor") shall act as Lessor under said Lease.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

Section 1. The Mayor, his signature being attested by the City Clerk, is hereby authorized to execute the Master Lease Agreement with Lessor providing for the lease of a Caterpillar compactor, Model 836K used for reducing yard waste and compacting waste at the landfill located at 5900 Commerce Road in the form, or substantially in the form, of the Master Lease Agreement presented to the Governing Body at the time of adoption of the Ordinance. The City Administrator is hereby authorized to negotiate such additional documents as are necessary to complete the Lease Agreement and the Mayor is hereby authorized to execute, his signature being attested by the City Clerk, any such necessary documents. All other related contracts, agreements and documents necessary and incidental to the Master Lease Agreement are hereby authorized.

Section 2. The principal amount of the payments to be made pursuant to the Lease shall not exceed the sum of $638,404.56 and shall bear no interest as set forth in the Lease.

Section 3. As provided in Amendment No. 78, the rental payments under the Lease in each fiscal year shall be charged against and paid from the general revenues of the Municipality for such fiscal year. For the purpose of making the rental payments there is hereby, and shall be, appropriated to pay the rental payments, an amount of general revenues of the City sufficient for

such purposes. The City Treasurer is hereby authorized and directed to withdraw from the General Fund and/or from such other sources as may be hereafter directed by the Governing Body, and at the times directed by the Governing Body, the amounts at the times necessary to make the rental payments under the Lease. The obligations of the Municipality under the Lease shall be secured by a security interest in the Equipment in favor of the Lessor.

Section 4. This Ordinance is adopted pursuant to the authorizations and according to the procedures provided by Arkansas Constitution, Amendment 78 and the Local Government Short-term Financing Obligations Act of 2001, Act No. 1808 of the 2001 Acts of Arkansas, codified as Chapter 78 of Title 14 of the Arkansas Code Annotated.

Passed and approved this _____day of September, 2016.

APPROVED:

_____
MAYOR

ATTEST:

_____
CITY CLERK

Approved as to form:

_____
No Publication Required

Inter office Memorandum

TO: Carl Geffken, City Administrator

COPY TO: Mark Schlievert, Director of Sanitation

FROM: Alie Bahsoon, Purchasing Manager AB

SUBJECT: Lease of a Landfill Compactor

DATE: September 15, 2016

BID TAB: 6305-LC-BA

Attached you will find the bid tabulation for the purchase of a landfill compactor for use by the Department of Sanitation, Sanitary Landfill Division, Program 6305.

As indicated in the enclosed bid tabulation, Al-jon Manufacturing was the lowest bidder; however, Riggs Caterpillar of Fort Smith requested the 5% local vendor preference (Ord. 50-15) and is therefore considered the lowest bidder for a 836K 2016 Caterpillar compactor. As discussed and recommended by the board at the September 13th study session, the enclosed ordinance is being submitted for approval for a 3 year fair market value lease. In an effort not to duplicate information, please find additional supporting documentation under Item 4C.

Funding for this compactor has been appropriated for in the 2016 Budget in the "Reserve for Sanitation Equipment-Sinking Fund Account" in the amount of $735,000.

This purchase fulfils all of the purchasing obligations as mandated by both state and local purchasing requirements and I am therefore recommending that the bid noted by enclosure on the attached bid tabulation, be accepted and approved by the Board.

Please let me know if you should have any questions.

Tabulation of Bids - City of Fort Smith Landfill Compactor - Bid Tab #6305-LC-BA			
Vendor	**Al-jon Mfg. Ottumwa, IA**	**Riggs CAT Fort Smith, AR**	**GW Van Keppel Springdale, AR**
Year	2016	2016	2016
Make	Al-jon	Caterpillar	Bomag
Model	600	836K	BC1172RB-4
Delivery Terms	90 days	90 days	45 days
Cost (Option 1)	$831,900	$866,100	$863,140
Lease Options			
Option 2(a) Annual Payment	$208,476.72	$212,801.52 ✓*	$216,305.56
Interest Rate %	n/a	n/a	n/a
Option 2(b) Annual Payment	$286,792.98	$307,494.65	$294,017.69
Interest Rate %	2.74%	3.2%	2.16%
Option 3			
Year 1 & 2 Annual Payments	$304,675.75	$328,312.56	$316,117.11
Year 3 Payment	$249,570	$263,840	$258,942
Interest Rate %	2.74%	3.2%	2.74%

✓Recommended Bid Award

*5% Local Vendor Preference

836K

Landfill Compactor

Engine

Engine Model	Cat® C18 ACERT™	
Emissions	Meets U.S. EPA Tier 4 Final/EU Stage IV/ Korea Tier 4 Final emission standards or meets U.S. EPA Tier 3/EU Stage IIIA equivalent emission standards	
Rated Power (Lab)	414 kW	555 hp
Rated Power (Net ISO 14396)	412 kW	553 hp
Gross (SAE J1349)	419 kW	562 hp

Operating Specifications

Maximum Operating Weight (Tier 4 Final/Stage IV/Korea Tier 4 Final) – Multiple Blade and Wheel Offerings	55 927 kg	123,319 lb
Maximum Operating Weight (Tier 3/Stage IIIA equivalent) – Multiple Blade and Wheel Offerings	55 617 kg	122,615 lb

Option #2
(no ownership by City)

Caterpillar Financial Services Corporation

Finance Proposal

CUSTOMER

Name: City of Ft Smith - 836K - 36 mth FMV

Address .....
City .....
State .....
Zip code .....
County .....

Good if:
Acknowledged by Sep-13-16
Funded by Sep-13-16

DEALER

J.A. RIGGS TRACTOR COMPANY
Sales person .....
Dealer contact .....
Telephone .....

Quote number 515-2342
Fax number .....
Quote date 07/15/2016
Quote time 9:29:39

FINANCE PROPOSAL

This is Caterpillar Financial Services Corporation's confirmation of the following finance proposal. This is a proposal only and is subject to credit approval, execution of documentation, and execution and approval of the application survey.

Financing type ..... LTR with FMV
Number of payments ..... 3 Annual
Payments ..... in Arrears

Purchase option ..... FMV
Equipment ..... Construction
Quoted by ..... gasawa
Report created by ..... gasawa

	Model	ADR Code	Ann. Hours	Qty	Amount Financed	Payment	Purchase Option
New	836K	15.00	2500	1	866,450.00	212,801.52	FMV

Special Conditions:

836K
Model Year - 2016, Industrial Environment; Major Attachments-Air Conditioning, Cab; Blades/Buckets/Rippers-Semi-U Blade

	Model	Insurance	Payment w/Insurance
New	836K	13,455.77	226,257.29

The estimate for insurance is provided through Caterpillar Insurance Company (Provided by Westchester Insurance Company in Rhode Island) and is not an offer to contract for insurance.

CONDITIONS

Insurance: The customer must provide evidence of physical damage and liability insurance in an amount and from an insurance carrier satisfactory to CFSC. CFSC must be named on the policies, as loss payee and additional insured, as applicable, and a certificate of insurance, in form and substance acceptable to CFSC, must be provided to CFSC.

Taxes: All taxes are the responsibility of the customer and may or may not be included in the above payment amounts. Under the CAT Master Tax Lease and CAT Long Term Rental Agreement, a lessee is required to indemnify the lessor for loss of tax benefits.

Equipment: The equipment cannot be delivered until all documents are executed by CFSC. All equipment must reside in the United States at all times.

Approval: This proposal is subject to, among other things, final pricing, credit approval and document approval by CFSC.

The terms and conditions outlined herein are not all-inclusive and are based upon information provided to date. This proposal may be withdrawn or modified by Lessor at anytime. This proposal does not represent an offer or commitment by CFSC to enter into a transaction or to provide financing, and does not create any obligation for CFSC. A commitment to enter into the transaction described herein may only be extended by CFSC after this transaction has been approved by all appropriate credit and other authorities within CFSC.

Please indicate your acceptance of this proposal by executing this proposal and returning it to my attention along with the Proposal Fee at the address below. Please be sure to indicate which financing option you have accepted.

Caterpillar Financial Services Corporation
2120 West End Avenue, Nashville, TN 37203
(615)-341-1000

We appreciate the opportunity to provide you a proposal for this transaction.

Caterpillar Financial Services Corporation

Finance Proposal

Proposed by:	Acknowledged by:	
Caterpillar Financial Services Corporation	City of Ft Smith - 836K - 36 mth FMV	Date

July 13, 2016

CITY OF FORT SMITH
SANITATION DEPARTMENT
5900 COMMERCE RD
FORT SMITH, Arkansas 72916-8370

Attention: TERRY RANKIN
RE: 124142-02

Dear Terry Rankin,

We are pleased to quote the following for your purchase consideration.

One (1) New CATERPILLAR Model: 836K Compactors with all standard equipment in addition to the additional specifications listed below:

STOCK NUMBER:	**SERIAL NUMBER:**	**YEAR:**	**SMU:**	
SELL PRICE				$866,100.00
EXT WARRANTY				Included
CSA				Included
Taxable BALANCE				**$866,100.00**

F.O.B/TERMS: Fort Smith Landfill

WARRANTY

Standard Warranty:	12 Months / Unlimited Hours Premier Warranty
Extended Warranty:	36MO/7500HR PT HYD
CSA	CSA - 3 year/7500 hours

Thank you for your interest in Riggs CAT and Caterpillar products for your business needs. This quotation is valid for 30 days, after which time we reserve the right to re-quote. If there are any questions, please do not hesitate to contact me.

Sincerely,

James Carter
Machine Sales Representative Riggs CAT
CarterJ@jariggs.com
(479) 259-5374

Accepted by_____ **on** _____

_____
Signature

One (1) New CATERPILLAR Model: 836K Compactors with all standard equipment in addition to the additional specifications listed below:

Standard Equipment

CONSIST NOTE

The standard equipment list includes all no-charge (NC) items from the Mandatory Attachment section.

POWERTRAIN

Advanced Productivity Electronic Control Shifting (APECS)
Air to air aftercooler
Brakes, full hyd., enclosed, wet multiple disc service brakes
Cat clean emission module (insulated)
Electro hydraulic parking brake
Engine, Cat C18 w/ACERT Technology US EPA T4/EU Stage IV Technology,
Fuel priming pump (electric)
Fuel to air cooler
Ground level engine shutoff
Guard, (3 pc) transmission
Heat Shield, turbo and exhaust manifold
Hydraulically driven demand fan
Integrated braking
Radiator, Next Generation Modular (NGMR)
Separated cooling system
Starting aid (ether) automatic
Throttle lock
Torque converter with lock up clutch (LUC)
Turbine precleaner, engine air intake
Transmission, planetary, with 2F/2R speed range control
Underhood ventilation system

ELECTRICAL

Alarm, back-up
Alternator (150-amp)
Batteries, maintenance-free (4-1000CCA)
Converter, 10/15 amp, 24V to 12V
Lighting system, halogen (front & rear)
lighting, access stairway
Starter, electric (heavy duty)
Starter lockout (ground level)
Starting receptacle for emergency start
Transmission lockout (ground level)

OPERATOR ENVIRONMENT

Air conditioner
Cab, sound-suppressed pressurized, Internal four-post rollover protective structure (ROPS/FOPS). Radio ready for (entertainment) includes antenna, speakers, converter (12-volt 10-15 amp) 12-volt power port for mobile phone or laptop connection
Camera, rear vision
Coat and hard hat hooks
Flip-up armrest
Heater and defroster
Horn, electric
Hydraulic controls (floor mounted)
Implement hydraulic lockout
Laminated glass
Light, (dome) cab
Lunchbox and beverage holders
Instrumentation, Gauges:
DEF fluid level
Engine coolant temperature
Fuel level
Hydraulic oil temperature
Speedometer/Tachometer
Torque convertor temperature
Instrumentation, Warning Indicators:
Action alert system, three category
Axle/Brake oil temp. (front)
Brake oil pressure
Electrical system, low voltage
Engine failure malfunction alert and action lamp
Mirrors, Rearview (externally mounted)
Parking brake status
Radio, CB (ready)
Seat, Cat Comfort (cloth) air suspension
Seat belt, retractable, 76mm (3") wide
STIC Control system with steering lock
Sun visor, front
Tinted glass
Transmission gear (indicator)
Vital Information Management System (VIMS) with graphical information display: external data port, customizable operator profiles
Wet-Arm Wipers/Washers (front and rear)
Intermittent Wipers (front and rear)

TIRES, RIMS, AND WHEELS

Wheels, Paddle & Plus Tip

GUARDS

Guards, axle (front and rear)
Guard, cab window
Guards, crankcase and powertrain, hydraulically powered
Guard, rear fan and grill

BLADES

Bulldozer arrangement is included in the standard equipment. Bulldozer blades are optional.

FLUIDS

Antifreeze, premixed 50% concentration of extended life coolant with freeze protection to -34C (-29F)

OTHER STANDARD EQUIPMENT

Auto Blade Positioner (ABP)
Counterweight
Demand fan/swing out (hyd. reversible)
Doors, service access (locking)
Ecology drains for engine, radiator, hydraulic tank
Electronic clutch pressure control & remote mounted pressure taps
Emergency platform egress
Engine, crankcase, 250 hour interval with CJ-4 oil
Fuel tank, 793 L (210 gal)
Hitch, drawbar with pin
Hoses, Cat XT(TM)
Hydraulic oil cooler
Hydraulic, steering and brake filtration/screening system
Oil sampling valves
Product Link
Stairways, fixed-L/R (rear access)
Steering, load sensing
Vandalism protection caplocks
Venturi stack

MACHINE SPECIFICATIONS

836K LF COMP HRC DCA10	488-6349
AVAILABLE FROM AURORA PRODUCT DISTRIBUTION CENTER	
Available for AM-North, ANZ, Japan, & South Korea.	
INCLUDES:	
347-5200 836K LANDFILL COMPACTOR HRC	347-5200
368-9306 AXLES, NO-SPIN FRONT & REAR	368-9306
377-9320 PRECLEANER, STANDARD	377-9320
373-9360 HYDRAULICS, STANDARD	373-9360
436-2290 HORN, ELECTRIC (STANDARD)	436-2290
345-0539 LIGHTS, STANDARD	345-0539
375-4687 CAB GLASS, STANDARD	375-4687
346-3864 MIRRORS, STANDARD	346-3864
383-2164 CAB PRECLEANER, NON-POWERED	383-2164
372-7504 SEAT, STANDARD	372-7504
381-4540 SEAT BELT, 3", 2-POINT, MINDER	381-4540
487-7868 PRODUCT LINK, CELLULAR PLE641	487-7868
433-3844 FUEL LINES, NON-HEATED	433-3844
347-5298 FUEL TANK, STANDARD	347-5298
347-5285 GUARD ACTUATION, STANDARD (2V)	347-5285
347-5115 NO SOUND SUPPRESSION	347-5115
347-5218 STAIRWAY, FIXED (LH & RH)	347-5218
347-5198 STRIKER BARS W/CLEANER FINGERS	347-5198
376-7129 LIGHT, WARNING (LED STROBE)	376-7129
378-8646 MIRROR, INTERNAL (PANORAMIC)	378-8646
376-1572 OIL CHANGE SYSTEM, HIGH SPEED	376-1572
WHEELS, COMBINATION TIPS	378-0419
BLADE, SEMI U	315-7877
Fire Suppression - Automatic & Manual	

NEW CAT® EQUIPMENT PROTECTION PLAN COVERED COMPONENTS

CATERPILLAR®

TODAY'S WORK. TOMORROW'S WORLD.™

3yr / 7,500 hrs

POWERTRAIN

Powertrain components produce, transmit or control engine horsepower for moving the machine. Coverage includes several major Powertrain component categories

- Basic Engine
- Differential
- Differential Steering Components
- Drive Line/Drive Axle Components
- Engine Electronic Controls & Sensors
- Final Drives
- Fuel Injection Components
- Hydraulic Oil Coolers
- Hydraulic Drive Pumps & Motors
- Hydrostatic Hydraulic Propel Drive Motor
- Steering Brake Components (Internal)
- Steering Clutch Components
- Torque Converter /Divider
- Transfer Gear Group
- Transmission
- Transmission Oil Pump, Controls & Valves
- Unit Injector Hydraulic Pump
- Vibratory Motor & Pump

POWERTRAIN+HYDRAULICS

Coverage includes Powertrain components , as well as specified hydraulic system parts and components. Hydraulic components are associated with steering and implement control.

- Hydraulic Accumulators
- Hydraulic Cylinders
- Hydraulic Hoses & Lines
- Hydraulic Oil Filter Bases
- Hydraulic Pumps & Motors
- Hydraulic Quick-Couplers and Swivels
- Hydraulic Release, Drop & Change Valves
- Hydraulic Tanks
- Hydraulic Valves & Controls
- Steering and Implement Coolers & Pumps
- Swing Gear

- Basic Engine
- Differential
- Differential Steering Components
- Drive Line/Drive Axle Components
- Engine Electronic Controls & Sensors
- Final Drives
- Fuel Injection Components
- Hydraulic Oil Coolers
- Hydraulic Drive Pumps & Motors
- Hydrostatic Hydraulic Propel Drive Motor
- Steering Brake Components (Internal)
- Steering Clutch Components
- Torque Converter /Divider
- Transfer Gear Group
- Transmission
- Transmission Oil Pump, Controls & Valves
- Unit Injector Hydraulic Pump
- Vibratory Motor & Pump

PREMIER

Our most comprehensive coverage option, Premier coverage includes Powertrain+Hydraulics components, as well as additional electrical and structural components.

- Brake Components
- Electrical
  - Drive Train Electronic Controls
    - Electric System
    - Implement Electronic Controls
    - Machine Electronic Controls
    - Protection Devices & Alarms
  - Wiring Harnesses
- Engine Attachments
  - Alternator
  - Starter
- External Hoses
- Muffler
- Radiator
- Structures
  - Guards
  - Operator's Compartment
  - Suspension
- Undercarriage Non-Moving Components

- Hydraulic Accumulators
- Hydraulic Cylinders
- Hydraulic Hoses & Lines
- Hydraulic Oil Filter Bases
- Hydraulic Pumps & Motors
- Hydraulic Quick-Couplers and Swivels
- Hydraulic Release, Drop & Change Valves
- Hydraulic Tanks
- Hydraulic Valves & Controls
- Steering and Implement Coolers & Pumps
- Swing Gear

- Basic Engine
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- Hydraulic Drive Pumps & Motors
- Hydrostatic Hydraulic Propel Drive Motor
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- Unit Injector Hydraulic Pump
- Vibratory Motor & Pump

New Cat® Equipment Protection Plans are designed specifically for new Cat machines and will enhance and sustain your entire ownership experience with comprehensive coverage and peace of mind. With three levels of coverage, you choose the option that best suits your needs and your budget - whether it's Powertrain, Powertrain+Hydraulics or Premier. Each will add valuable years and hours of operation past your standard warranty period, keeping major repair costs from negatively impacting your bottom line.

Note: This is a partial list of machine components that are protected by Equipment Protection Plans. The actual Dealer contract will govern.

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RESOLUTION NO. _____

RESOLUTION ACCEPTING BID FOR THE PURCHASE OF ARTICULATING DUMP TRUCKS

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY FORT SMITH, ARKANSAS, THAT:

The bid, as indicated by enclosure on the attached Bid Tabulation **6305-AD-BA** for the purchase of 2 (two) articulating dump trucks from GW Van Keppel for $898,540, is accepted.

This Resolution adopted this _____ day of September 20, 2016.

APPROVED:

_____
MAYOR

ATTEST:

_____
CITY CLERK

Approved as to form:

_____
No Publication Required

Inter office Memorandum

TO: Carl Geffken, City Administrator

COPY TO: Mark Schlievert, Director of Sanitation

FROM: Alie Bahsoon, Purchasing Manager AB

SUBJECT: Purchase of Haul Trucks

DATE: September 15, 2016

BID TAB: 6305-LC-BA

Attached you will find the bid tabulation for the purchase of two landfill articulating dump trucks for use by the Department of Sanitation, Sanitary Landfill Division.

As indicated in the enclosed bid tabulation, GW Van Keppel of Springdale, Arkansas is the lowest bidder at $449,270 per unit. As discussed and recommended by the board at the September 13th study session, the enclosed resolution is being submitted for approval for the purchase of these trucks.

Funding for these trucks has been appropriated for in the 2016 Budget under capital outlay program 6302-303 & 304 in the amount of $513,000. The remaining funds will come from the budgeted Sanitation operating funds. Please find additional supporting documentation for funding under Item 4C.

This purchase fulfils all of the purchasing obligations as mandated by both state and local purchasing requirements and I am therefore recommending that the bid noted by enclosure on the attached bid tabulation, be accepted and approved by the Board.

Please let me know if you should have any questions.

Tabulation of Bids - City of Fort Smith Off Road Articulating Dump Truck (Two) - Bid Tab #6305-AD-BA					
Vendor	**Stribling Equipment Fort Smith, AR**	**H & E Equipment Fort Smith, AR**	**JA Riggs Fort Smith, AR**	**Hugg & Hall Fort Smith, AR**	**GW Van Keppel Springdale, AR**
Year	2016	2016	2016	2016	2016
Make	John Deere	Komatsu	Caterpillar	Volvo	Terex
Model	410E	HM400-5	745C	A40G	TA400
Delivery Terms	60-75 days	60-75 days	45-60 days	60 days	60 days
Cost Ea. (Option 1) Ea.	$615,000	$582,460	$581,900	$540,950	$449,270 ✓
Lease Options					
Option 2(a) Annual Payment	$159,439.55	$169,522.56	$145,140.29	$103,729.49	$121,475
Interest Rate %	3.9%	n/a	n/a	2.05%	n/a
Option 2(b) Annual Payment	$209,630.19		$206,634.74	$187,830.46	$153,035.37
Interest Rate %	2.25%		3.02%	2.05%	2.16%
Option 3					
Year 1 & 2 Annual Payments	$216,073.43		$223,227.66	$153,809.02	$164,541.02
Year 3 Payment	$196,100		$171,840	$258,000	$269,562
Interest Rate %	2.22%		3.2%	2.05%	2.74%

✓ Recommended Bid Award

TEREX
TA400
TA400

RESOLUTION NO. _____

A RESOLUTION ACCEPTING THE COMPLETION OF AND AUTHORIZING FINAL PAYMENT TO FORSGREN, INC. FOR THE LANDFILL ROAD RECONSTRUCTION PROJECT (METHANE LANE AND COMPOST DRIVE)

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: The City of Fort Smith hereby accepts the Landfill Road Reconstruction, Project FSL-03, as complete.

SECTION 2: Final Payment is hereby authorized in the amount of $27,210.08 to Forsgren, Inc., for the Landfill Road Reconstruction, Project FSL-03.

THIS RESOLUTION ADOPTED THIS _____ DAY OF SEPTEMBER, 2016.

APPROVED:

_____

MAYOR

ATTEST:

_____

CITY CLERK

APPROVED AS TO FORM:

_____

☐ No Publication Required

The City of Fort Smith ARKANSAS

INTER-OFFICE MEMO

TO: Carl Geffken, City Administrator

FROM: Mark Schlievert, Director of Sanitation

DATE: September 14, 2016

SUBJECT: Landfill Road Reconstruction – Project FSL-03

Forsgren, Inc. has submitted a final pay request in the amount of $27,210.08 for work completed on the Landfill Road Reconstruction, Project FSL-03. This project made improvements to the landfill road at Methane Lane and Compost Drive. The project came in $32,920.35 under budget. A project summary sheet is attached for your information.

The attached resolution accepts the project as complete and authorizes the final payment of $27,210.08 to Forsgren, Inc. Should you or the members of the Board have any questions or require additional information, please let me know.

Attachment

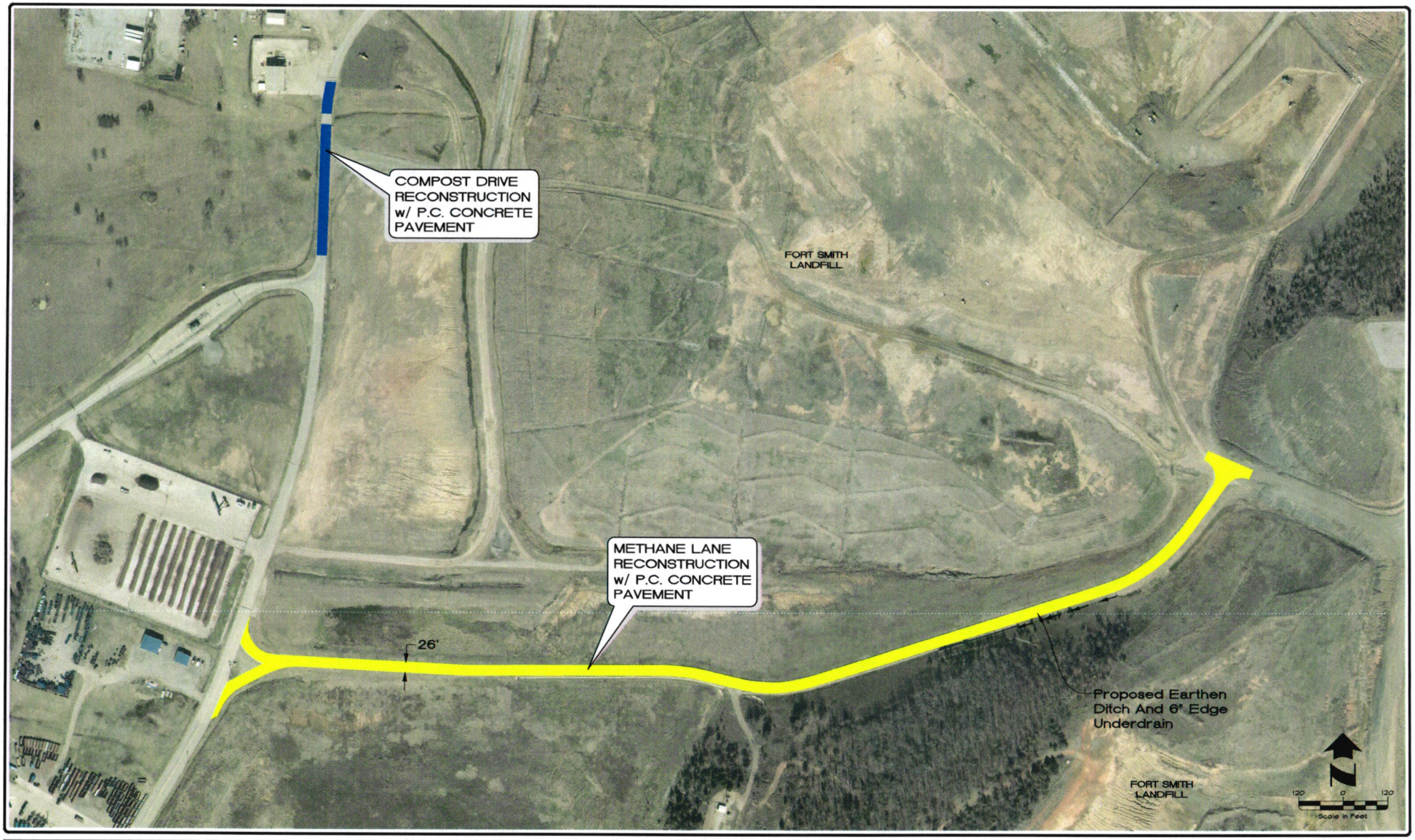
Project Summary

Project Status:	Complete	Project Name:	Landfill Road Reconstruction
Today's Date:	September 14, 2016	Project Number:	FSL-03
Staff Contact Name:	Mark Schlievert	Project Engineer:	Morrison Shipley Engineers, Inc.
Staff Contact Phone:	784-2431	Project Contractor:	Forsgren, Inc.
Notice to Proceed Date:	December 26, 2015		
Completion Date:	August 31, 2016		

	Dollar Amount	Contract Time (Days)
Original Contract	$1,393,424.20	180
Change Orders:		
Total Change Orders:	$0.00	
Adjusted Contract:	$1,393,424.20	
Payments to Date:	($1,333,293.77)	96%
Amount of Final Request:	($27,210.08)	4%
Stored Materials:	$0.00	
Retainage Held:	$0.00	
Contract Balance Remaining:	$0.00	
Amount Over Original (%):	-2.0%	

Final Comments:

Project came in $32,920.35 under budget.



Revision	By	Date

MORRISON SHIPLEY
ENGINEERS • SURVEYORS
P.O. Box 70894 • Fort Smith, AR 72917 • 479.452.1993 • morrisonshipley.com

Drawn By: DRC	Vertical Scale: –
Approved By: BSM	Horizontal Scale: 1"=120'
Date: 2.12.15	Plotting Scale: 1
Project No: FSL-03	Drawing Name: CONCEPT

METHANE LANE
FORT SMITH LANDFILL

Fort Smith Sanitation Department

CONCEPT EXHIBIT

Issued for Review – 2.12.15

Sheet No: 1 of 1

RESOLUTION NO._____ 4 G

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ACCEPT OFFER MADE BY PROPERTY OWNER FOR THE ACQUISITION OF REAL PROPERTY INTERESTS FOR THE LAKE FORT SMITH WATER SUPPLY PROJECT

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS that:

The City Administrator is hereby authorized to execute an offer and acceptance made by the following property owner:

Tract 31-11	Brad A. Smith & Tanya L. Carter	$31,000.00

and make payment for same in connection with the acquisition of the real property for the Lake Fort Smith Water Supply Project 99-01, said property being located on God's Ranch Road in Section 36, Township 12 North, Range 30 West, Crawford County, Arkansas.

This Resolution adopted this _____ day of September 2016.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____npr

INTER-OFFICE MEMO

TO: Carl Geffken, City Administrator **DATE:** September 13, 2016

FROM: Bob Roddy, Interim Director of Utilities RR

SUBJECT: Watershed Protection Acquisitions
Lake Fort Smith Water Supply

Over the past several weeks staff has been discussing with Blake Rogers, agent for property owners Brad Smith and Tanya Carter, the need to acquire watershed protection for their property. The property is included in the watershed boundary area around the lake that the city proposes to acquire for watershed protection, either by a watershed protection easement or by fee title acquisition. The attached two exhibits show the watershed area, property owner name, tract number and general location of the property.

The owners purchased this 10.00 acre tract of vacant land in 2012 for a future weekend retreat near the lake. The property is located along the east side of God's Ranch Road, approximately 3.5 miles north of Mountainburg, Arkansas. The property has approximately 400 feet of frontage along God's Ranch Road and drops off sharply from the top of the ridge toward the shoreline of the lake. Surface water drains directly into the lake. Although steep, the property is large enough to support one or two smaller building sites. The owners reside outside this immediate area and recently decided not to move back to this area, and to forego their future plans. The property is currently listed with a realtor for $40,000.00.

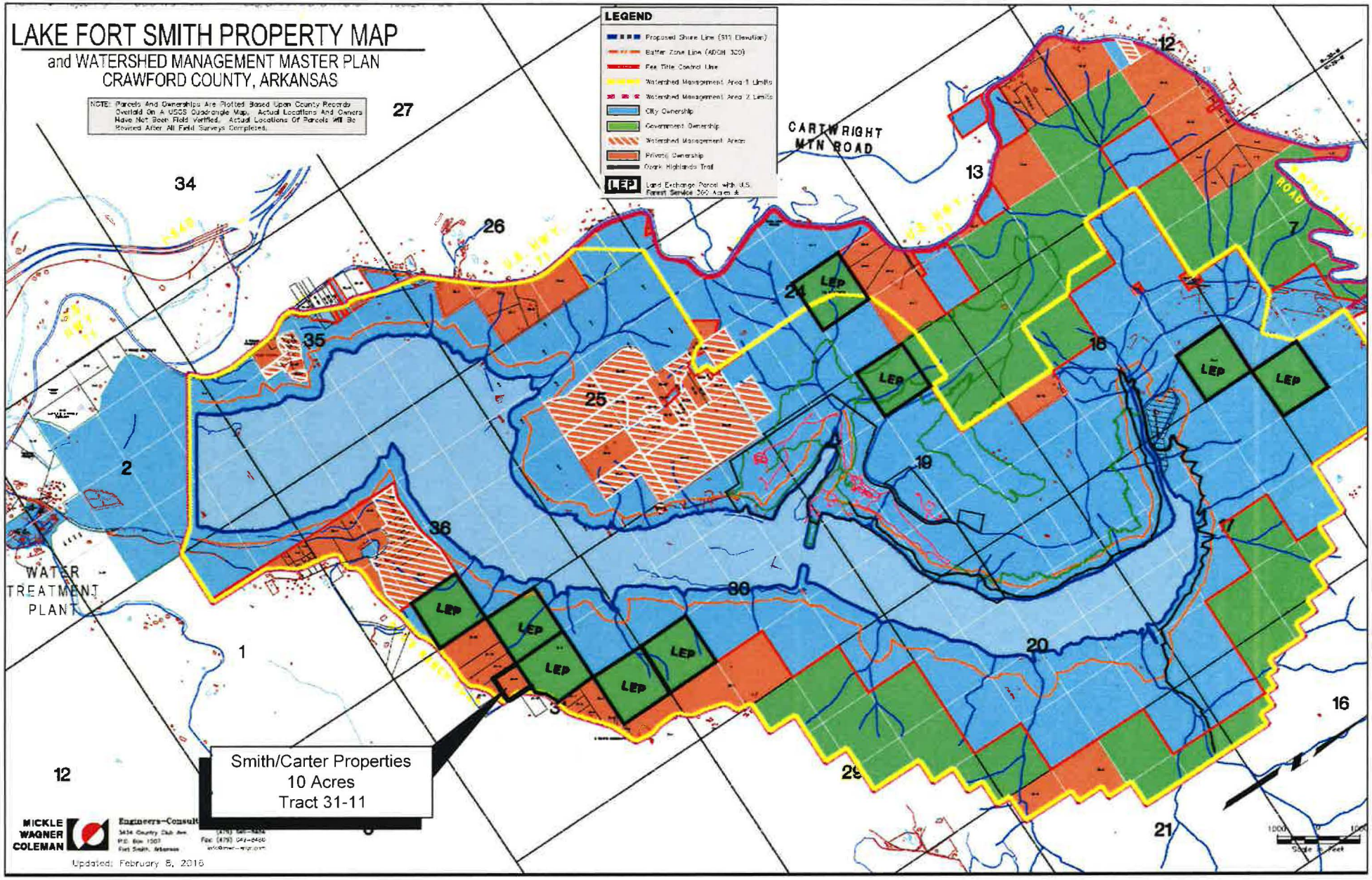
The city's appraiser, Matthews and Associates, has appraised the 10.00 acres for $30,000.00. This appraisal valuation is similar to previous appraisals of watershed protection properties purchased by the city in the area. After several discussions, the owners have offered to sell the property to the city for $31,000.00 and agreed to pay all of the closing costs associated with the conveyance.

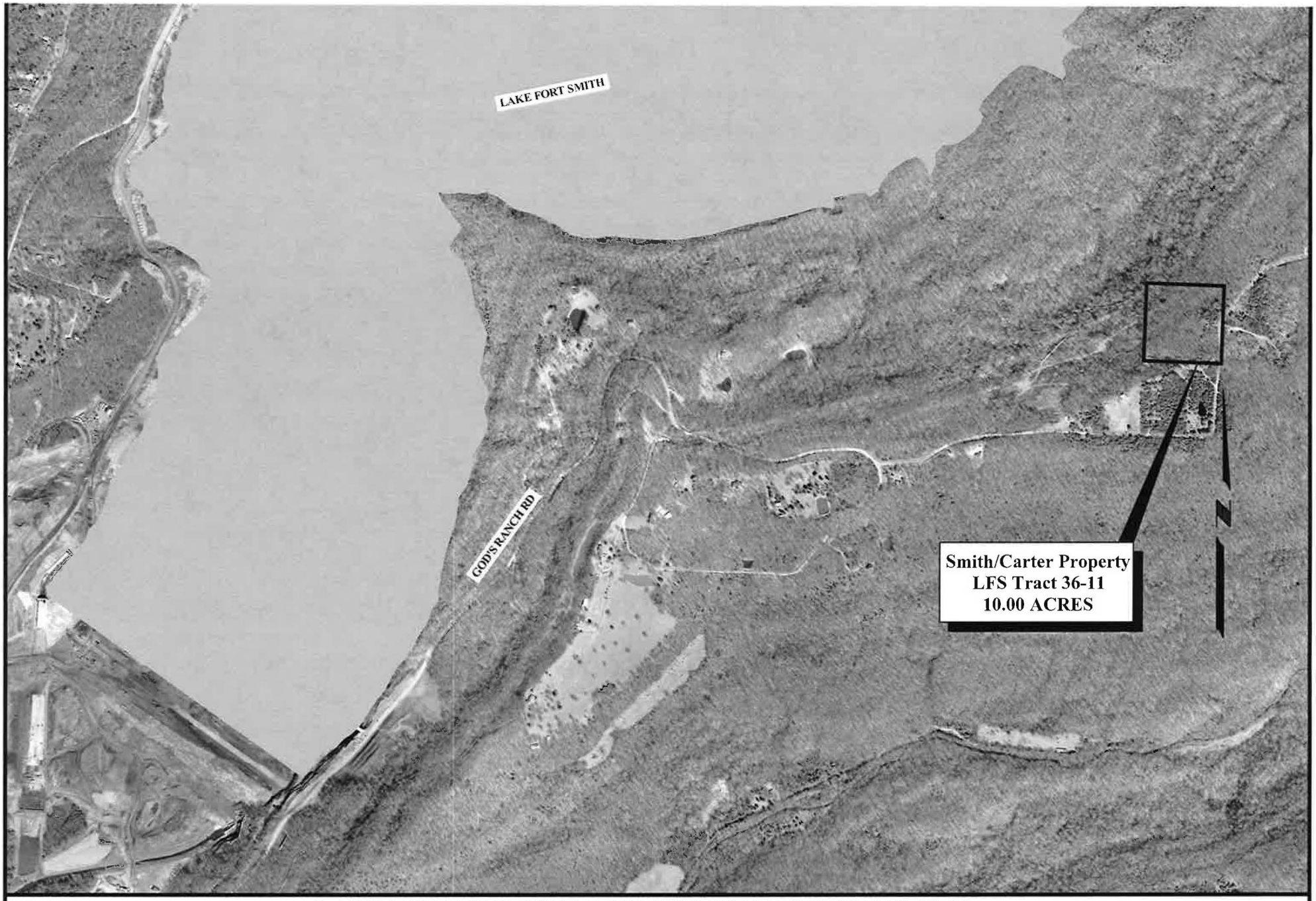
Staff feels that the owner's offer to sell the property in fee title to the city for $31,000.00 is reasonable and that the administrative costs associated with acquiring the property through other means is not the best alternative. Therefore, staff recommends that the attached Resolution accepting the offer extended by the property owner be presented to the Board for their approval at their next scheduled meeting. The funding is available from the water and sewer capital improvements funds.

Should you or members of the Board have any questions or desire additional information, please let me know.

attachment

pc: Jeff Dingman


LAKE FORT SMITH PROPERTY MAP
and WATERSHED MANAGEMENT MASTER PLAN
CRAWFORD COUNTY, ARKANSAS
NOTE: Parcels And Ownerships Are Plotted Based Upon County Records Overlaid On A USGS Quadrangle Map. Actual Locations And Owners Have Not Been Field Verified. Actual Locations Of Parcels Will Be Revised After All Field Surveys Completed.
LEGEND
Proposed Shore Line (511 Elevation)
Buffer Zone Line (ADOH 320)
Fee Title Control Line
Watershed Management Area 1 Limits
Watershed Management Area 2 Limits
City Ownership
Government Ownership
Watershed Management Areas
Private Ownership
Ozark Highlands Trail
LEP
Land Exchange Parcel with U.S. Forest Service 360 Acres ±
CARTWRIGHT MTN ROAD
WATER TREATMENT PLANT
Smith/Carter Properties
10 Acres
Tract 31-11
MICKLE WAGNER COLEMAN
Updated: February 8, 2016



LAKE FORT SMITH WATER SUPPLY PROJECT NO 99-01
PROPOSED PURCHASE OF THE BRAD A. SMITH AND TANYA L. CARTER PROPERTY IN WATERSHED BUFFER ZONE
August, 2016

The City of Fort Smith ARKANSAS

September 16, 2016

TO: Members of the Board of Directors
Members of the Audit Committee

RE: Appointment:

The terms of Mr. Mike Lorenz, Mr. Kevin Settle, Mr. Lavon Morton, and Mr. Kip Jarvis of the Audit Committee will expire November 30th, 2016. In accordance with Ordinance No. 2926 applications for these prospective vacancies are now being received. Applicants must be residents and registered voters in the City of Fort Smith.

Please submit applications to the city administrator's office no later than the close of business on October 11th, 2016. A list will be compiled for review by the Board of Directors. Applications are available on the City of Fort Smith website. Go to www.fortsmithar.gov and click on boards and commissions.

Sincerely,

Carl E. Geffken

Carl Geffken
City Administrator

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
www.fortsmithar.gov

Printed on 100% Recycled Paper

The City of Fort Smith ARKANSAS

September 16, 2016

TO: Members of the Board of Directors
Members of the Parks and Recreation Commission

RE: Appointment:

Ms. Lorie Robertson of the Parks and Recreation Commission has resigned her position effective Wednesday, September 14, 2016. In accordance with Ordinance No. 2926 applications for these prospective vacancies are now being received. Applicants must be residents and registered voters in the City of Fort Smith.

Please submit applications to the city administrator's office no later than the close of business on October 11th, 2016. A list will be compiled for review by the Board of Directors. Applications are available on the City of Fort Smith website. Go to www.fortsmithar.gov and click on boards and commissions.

Sincerely,

Carl E. Geffken

Carl Geffken
City Administrator

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www.fortsmithar.gov

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Mayor – Sandy Sanders

City Administrator – Carl Geffken

City Clerk – Sherri Gard

Board of Directors
Ward 1 – Keith Lau
Ward 2 – Andre' Good
Ward 3 – Mike Lorenz
Ward 4 – George Catsavis
At Large Position 5 – Tracy Pennartz
At Large Position 6 – Kevin Settle
At Large Position 7 – Don Hutchings

AGENDA ~ Summary

Fort Smith Board of Directors
REGULAR MEETING
September 20, 2016 ~ 6:00 p.m.
Fort Smith Public Schools Service Center
3205 Jenny Lind Road

THIS MEETING IS BEING TELECAST LIVE ON THE GOVERNMENT ACCESS CHANNEL 214 AND ONLINE AT http://www.ustream.tv/channel/city-of-fort-smith-board-of-directors-meetings

INVOCATION & PLEDGE OF ALLEGIANCE
Director Don Hutchings

ROLL CALL
- All present, except Director Lorenz
- Mayor Sandy Sanders presiding

PRESENTATION BY MEMBERS OF THE BOARD OF DIRECTORS OF ANY ITEMS OF BUSINESS NOT ALREADY ON THE AGENDA FOR THIS MEETING
(Section 2-37 of Ordinance No. 24-10)
Information available by viewing rebroadcast of the meeting on the City Access Channel 214, the City website or http://www.ustream.tv/channel/city-of-fort-smith-board-ofdirectors-meetings

APPROVE MINUTES OF THE SEPTEMBER 6, 2016 REGULAR MEETING
APPROVED as written

ITEMS OF BUSINESS:

1. Resolution amending Board Best Practices ~ *Pennartz/Settle placed on agenda at the September 13, 2016 study session* ~
   APPROVED 6 in favor, 0 opposed / Resolution No. R-138-16

2. Ordinance amending the 2016 Budget *(Utility Department)* ●
   APPROVED 4 in favor, 2 opposed (Pennartz & Settle) / Ordinance No. 59-16

3. Resolution accepting the project as complete and authorizing final payment to Kraus Construction Company, LLC for construction of the Mill Creek Interceptor Improvements - Phase I *($162,433.18 / Utility Department / Budgeted – 2015 Revenue Bonds)* ● ♦
APPROVED 6 in favor, 0 opposed / Resolution No. R-139-16

4. Consent Agenda

A. Resolution authorizing partial payment to Forsgren, Inc. for the construction of Jenny Lind Road and Ingersoll Avenue Widening Project, AHTD Job 040471, City of Fort Smith Project No. 07-01-A *($1,750,014.13 / Engineering Department / Budgeted – Sales Tax Program)* ♦
APPROVED 6 in favor, 0 opposed / Resolution No. R-140-16

B. Resolution accepting completion of and authorizing final payment for the construction of 2014 Drainage Improvements, Phase B1, Project No. 14-06-B1 *($64,635.21 / Engineering Department / Budgeted – Sales Tax Program)* ♦
APPROVED 6 in favor, 0 opposed / Resolution No. R-141-16

C. Ordinance authorizing master lease agreement with Caterpillar Financial Services Corporation regarding lease of D8T bulldozer for the landfill and authorizing the Mayor and City Administrator to negotiate and execute all necessary documents regarding said agreement *($569,107.02 / Sanitation Department / Budgeted – Sanitation Sinking Fund) ~ Pennartz/Hutchings placed on agenda at the September 13, 2016 study session ~*
APPROVED 6 in favor, 0 opposed / Ordinance No. 60-16

D. Ordinance authorizing master lease agreement with Caterpillar Financial Services Corporation regarding lease of 836K compactor for the landfill and authorizing the Mayor and City Administrator to negotiate and execute all necessary documents regarding said agreement *($638,404.56 / Sanitation Department / Budgeted – Sanitation Sinking Fund) ~ Pennartz/Hutchings placed on agenda at the September 13, 2016 study session ~*
APPROVED 5 in favor, 1 opposed (Pennartz) / Ordinance No. 61-16

E. Resolution accepting bid for the purchase of articulating dump trucks *($898,540.00 / Sanitation Department / Budgeted – Sanitation Operating Fund) ~ Pennartz/Hutchings placed on agenda at the September 13, 2016 study session ~*
APPROVED 4 in favor, 2 opposed (Pennartz & Settle) / Resolution No. R-142-16

F. Resolution accepting completion of and authorizing final payment to Forsgren, Inc. for the Landfill Road Reconstruction Project *(Methane Lane and Compost Drive) ($27,210.08 / Sanitation Department / Budgeted – Sinking Fund ~ Landfill Construction)*
APPROVED 6 in favor, 0 opposed / Resolution No. R-143-16

G. Resolution authorizing the City Administrator to accept offer made by property owner for the acquisition of real property interests for the Lake Fort Smith Water Supply Project *($31,000.00 / Utility Department / Budgeted – Water and Sewer Capital Improvement Fund)*
APPROVED 6 in favor, 0 opposed / Resolution No. R-144-16

OFFICIALS FORUM ~ presentation of information requiring no official action
(Section 2-36 of Ordinance No. 24-10)

- Mayor
- Directors
- City Administrator

Information available by viewing rebroadcast of the meeting on the City Access Channel 214, the City website or http://www.ustream.tv/channel/city-of-fort-smith-board-ofdirectors-meetings

ADJOURN
6:43 p.m.

MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING

TUESDAY ~ SEPTEMBER 20, 2016 ~ 6:00 P.M.

FORT SMITH PUBLIC SCHOOLS SERVICE CENTER

The meeting was called to order by Mayor Sandy Sanders, presiding. Invocation was given by Director Don Hutchings, followed by the Pledge of Allegiance. On roll call the following members of the Board were present: Directors Keith Lau, Andre' Good, George Catsavis, Tracy Pennartz, Kevin Settle and Don Hutchings; absent - Director Mike Lorenz. The Mayor declared a quorum present.

Mayor Sanders inquired if any Board member had any item of business to present that was not already on the agenda. There was none presented.

The minutes of the September 6, 2016 regular meeting was presented for approval. Hutchings, seconded by Settle, moved approval of the minutes as written. The members present all voting aye, the Mayor declared the motion carried.

With regard to the time limit policy for persons wishing to address the Board, the Mayor communicated that five (5) minutes per side would be granted for controversial items with three (3) minutes for rebuttal per side, and two (2) minutes for comments only.

Item No. 1 was a resolution amending Board Best Practices ~ *Pennartz/Settle placed on agenda at the September 13, 2016 study session* ~

Deputy City Administrator Jeff Dingman briefed the Board on the item as discussed at the September 13, 2016 study session. Upon approval, the Board Best Practices document will be amended and the verbiage *"and moving on"* in Section 6.4 will be deleted.

Pennartz, seconded by Hutchings, moved approval of the resolution.

Prior to the vote, Director Good extended much appreciation for the annual review of the Board Best Practices document citing at the September 13, 2016 study session, there was concern with an alleged directive that employees should not take concerns directly to members of the Board of Directors. The matter has been appropriately addressed; therefore, he extended much appreciation to Administration for such.

The motion remaining on the floor and the members present all voting affirmatively, the Mayor declared the motion carried and the resolution was adopted and given Resolution No. R-138-16.

Item No. 2 was an ordinance amending the 2016 Budget *(Utility Department)* • *Consent Decree*

Interim Director of Utilities Bob Roddy briefed the Board on the item advising the 2016 Budget earmarked the purchase of numerous vehicles for the Utility Department and were budgeted as Water and Sewer Capital, to be paid for with Consent Decree bond proceeds. Many of the vehicles do not meet the project job application and are not suitable for construction sites and rough terrain; therefore, staff determined that changes were necessary in order to meet the needs. The overall impact of the proposed amendment will result in an anticipated savings of $289,265.00.

Lau, seconded by Hutchings, moved adoption of the ordinance.

Prior to the vote, Director Pennartz conveyed multiple inquires regarding the purchase of sixty-three (63) vehicles questioning if said purchases constitutes a third, a quarter or other percentage of the total Utility Department's fleet; if some are additional vehicles or just replacements for existing vehicles; and requested information be provided to the Board regarding the correlation between the number of additional employees (added

due to the Consent Decree) and the subject, additional vehicles. She further advised of a couple discrepancies within the report.

Mr. Roddy advised the requested percentage and correlation of additional employees to the number of vehicles purchased will be determined and provided at a later date. Some of the sixty-three (63) vehicles are additions to the exiting fleet and some are replacements; however, all are due to the Consent Decree either via an additional function or additional personnel required by the Consent Decree. With regard to the discrepancies, an apology was conveyed citing the information will be reviewed and updated accordingly.

Director Settle expressed concern that current fuel prices were utilized and with the assumption that a hybrid will only be utilized up to 100,000 miles. The City has set a goal to move toward utilizing alternative fuel sources, i.e. hybrid and natural gas vehicles; therefore, he alleged the proposed goes against said goal.

Director Lau extended much appreciation to Mr. Roddy for the initiative taken to determine cost savings with the Utility Department. The proposed represents an estimated eight percent (8%) savings compared to the total estimated cost of the Consent Decree stating such is, *"something to be proud of."*

The motion remaining on the floor, the members present voted as follows: ayes - Lau, Good, Catsavis and Hutchings; nays - Pennartz and Settle. The Mayor declared the motion carried and the ordinance was adopted and given Ordinance No. 59-16.

Item No. 3 was a resolution accepting the project as complete and authorizing final payment to Kraus Construction Company, LLC for construction of the Mill Creek Interceptor Improvements - Phase I *($162,433.18 / Utility Department / Budgeted - 2015 Revenue Bonds)* • *Consent Decree* ♦ *Future Fort Smith*

Mr. Roddy briefed the Board on the item advising the project is designed to convey wet weather sewer flows to the new Mill Creek pump station and equalization tank. Upon approval, such authorizes the final payment to Kraus Construction Company, LLC, who completed the project forty-one (41) days ahead of schedule and $404,116.82 or eleven percent (11%) under budget.

Pennartz, seconded by Settle, moved adoption of the resolution. There being no Director wishing to comment and the members present all voting affirmatively, the Mayor declared the motion carried and the resolution was adopted and given Resolution No. R-139-16.

The consent agenda (Item No. 4) consisting of the following items was presented for consideration:

A. Resolution authorizing partial payment to Forsgren, Inc. for the construction of Jenny Lind Road and Ingersoll Avenue Widening Project, AHTD Job 040471, City of Fort Smith Project No. 07-01-A *($1,750,014.13 / Engineering Department / Budgeted - Sales Tax Program)* ♦ *Future Fort Smith*

B. Resolution accepting completion of and authorizing final payment for the construction of 2014 Drainage Improvements, Phase B1, Project No. 14-06-B1 *($64,635.21 / Engineering Department / Budgeted - Sales Tax Program)* ♦ *Future Fort Smith*

C. Ordinance authorizing master lease agreement with Caterpillar Financial Services Corporation regarding lease of D8T bulldozer for the landfill and authorizing the Mayor and City Administrator to negotiate and execute all necessary documents regarding said agreement *($569,107.02 / Sanitation Department / Budgeted - Sanitation Sinking Fund) ~ Pennartz/Hutchings placed on agenda at the September 13, 2016 study session ~*

D. Ordinance authorizing master lease agreement with Caterpillar Financial Services Corporation regarding lease of 836K compactor for the landfill and authorizing the Mayor and City Administrator to negotiate and execute all necessary documents regarding said agreement *($638,404.56 / Sanitation Department / Budgeted - Sanitation Sinking Fund) ~ Pennartz/Hutchings placed on agenda at the September 13, 2016 study session ~*

E. Resolution accepting bid for the purchase of articulating dump trucks *($898,540.00 / Sanitation Department / Budgeted - Sanitation Operating Fund) ~ Pennartz/Hutchings placed on agenda at the September 13, 2016 study session ~*

F. Resolution accepting completion of and authorizing final payment to Forsgren, Inc. for the Landfill Road Reconstruction Project *(Methane Lane and Compost Drive) ($27,210.08 / Sanitation Department / Budgeted - Sinking Fund ~ Landfill Construction)*

G. Resolution authorizing the City Administrator to accept offer made by property owner for the acquisition of real property interests for the Lake Fort Smith Water Supply Project *($31,000.00 / Utility Department / Budgeted - Water and Sewer Capital Improvement Fund*)

Hutchings, seconded by Good, moved adoption of all consent agenda items.

Prior to the vote and regarding Item No. 4C, Director Catsavis questioned if the proposed lease agreement contains a maintenance provision. He further inquired if the company will provide a replacement in the event the dozer breaks down and it takes two (2) weeks to repair.

Director of Sanitation Mark Schlievert advised the lease agreement includes a bumper to bumper warranty for three (3) years. If an extended breakdown occurs, which is unlikely because the equipment is new, the agreement includes a provision for full replacement. If a breakdown occurs that requires the equipment to be temporarily out of service for a minimal period of time, existing equipment can be utilized during the interim.

September 20, 2016 Regular Meeting

With regard to Items No. 4C, 4D and 4E, Director Settle questioned the estimated cost to repair all existing equipment and inquired which one (1) of the three (3) pieces of equipment are most needed.

Mr. Schlievert advised the total cost to bring the existing equipment back to full-functionality cannot be determined; however, as the equipment ages, the likelihood of breakdowns increase thereby increasing the cost for repair. The Sanitation Department operates two (2) landfill compactors, which both have been repaired on multiple occasions both in-house and by outside sources; however, they keep overheating. Such requires the equipment to be out of service until the equipment can cool down, which is typically a couple hours. Unfortunately, such occurs on a continual basis and is simply not efficient. With regard to necessity, all three (3) maintain equal necessity and are the *"bare bones"* required to comply with Arkansas Department of Environmental Quality (ADEQ) regulations citing concern for potential violations if equipment is not replaced.

Director Pennartz expressed concern with the item and requested a schedule of replacement for all equipment within the Sanitation Department. She further questioned the current balance of the Sinking Fund.

Mr. Schlievert advised he's recommended a comprehensive rate study that would encompass all aspects of the Sanitation Department, which would include said schedule of replacement for equipment, as well as operations, personnel requirements, etc. Such would provide the necessary blueprint to implement said replacement of equipment. If the necessary equipment is not obtained soon, he reiterated concern the City will be issued a Notice of Violation (NOV), which obviously need to be avoided at all cost. Currently, approximately eighty percent (80%) of the equipment needs to be replaced. According to

the existing depreciation schedule, every piece of equipment will not last five (5) years citing everything actually needs to be replaced in three (3) years.

Deputy Administrator Dingman added, pending completion of a comprehensive rate study, the proposed equipment are the most easily identified resolution to address the biggest problems that currently hinder landfill operations.

Director of Finance Jennifer Walker advised the Sinking Fund actually maintains a very large balance; however, the portion specifically identified for replacement of equipment is approximately $750,000 to $1 million. Upon approval of the proposed, such will deplete most of the balance for said use. Although the City typically deposits approximately $900,000 annually into the Sinking Fund, said funds for replacement of equipment has steadily decreased due to numerous and required repairs in past years.

Director Good extended much appreciation to the *"hands-on guys"* at the landfill and requested Landfill Manager Alan Spangler, who was in attendance, to address the Board with his opinion of the equipment necessity.

Mr. Spangler confirmed the aforementioned necessity conveyed by Mr. Schlievert stating, *"the replacement of equipment has been neglected in the past"* and *"it's finally caught up with us."* Such is to the point that the City is close to being in violation of State regulations, which requires landfills to maintain a backup compactor in case one (1) breaks down. Unfortunately, when both compactors are out of service, staff must use another type of equipment (not suited for the job) just to maintain operations.

The motion remaining on the floor, the members present voted affirmatively on all consent agenda items with the exception of Director Pennartz, who voted *"no"* on Item No. 4D, and Directors Pennartz and Settle, who voted *"no"* on Item No. 4E. The Mayor

declared the motion carried and all consent agenda items were adopted with the ordinances given Ordinance No. 60-16 and 61-16 respectively, and the resolutions given Resolution No. R-140-16 through R-144-16 respectively.

Mayor Sanders noted the University of Arkansas Fort Smith Mentor Connection Program and recognized program participants Keith Lux (mentor) and Linda Vichith (student), who were in attendance.

The Mayor opened the Officials Forum with the following comments offered:

- Mayor Sanders

  Re: 1. Reminded all of today's Fort Smith Public School Board election citing the polls close at 7:30 p.m.

  2. Advised of the upcoming free Cox Community Concert scheduled for Thursday, September 22nd at Riverfront Park and encouraged all to attend. The concert will feature Backroad Anthem, Parmalee and Rodney Atkins.

  3. Announced the Mayor's New Year's Eve event will not be held this year citing attendance has decreased in past years, and the Convention Center received a request for the facility for said evening.

- Director Pennartz

  Re: 1. Advised she's recently received multiple compliments on the Parks Department, specifically stating a nearby resident of the new park at Fianna Hills has indicated usage of the park is steadily increasing.

  2. Noted approximately $1 million in grants has been received in recent years to construct and improve parks; therefore, she extended much appreciation to the Parks Department for their efforts to solicit, and be awarded, such grants.

Mayor Sanders added the City just received a $500,000 grant from the Arkansas Highway and Transportation Department.

- Director Catsavis

  Re: Reminded all that the Arkansas - Oklahoma State Fair begins Friday, September 23 at Kay Rodgers Park; therefore, encouraged all to attend.

There being no further business to come before the Board, Settle moved that the meeting adjourn. The motion was seconded by Pennartz and the members present all voting aye, the Mayor declared the motion carried and the meeting stood adjourned at 6:43 p.m.

APPROVED:

Sandy Sanders

MAYOR

ATTEST:

Sherri Gard

CITY CLERK