



**TOWN OF PAXTON
DEPARTMENT OF PUBLIC WORKS**

107 Holden Road, Paxton, MA 01612
(508) 753-9077 Fax: (508) 753-6155

TO : Capital Improvement Committee

FROM : Mike Putnam
Superintendent
Paxton DPW

DATE : December 19, 2014

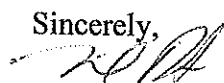
RE : FY16 Capital Items

The Paxton DPW is recommending the purchase of a new heavy duty single axle (6 wheeled) dump truck complete with a combination dump body/spreader, front plow and side wing plow. This truck is to replace an existing 2000 International truck with a similar set up. This vehicle is used in all 4 seasons for a variety of job situations. The dump truck is for hauling materials all year long, while the winter set up is for plowing and salting. The wing configuration allows the truck to plow wide roads in one pass and then push back and widen snow banks typically days after a storm. This truck is primarily used on the main line plow routes and is an essential piece of snow fighting equipment.

The 2000 International has been rotting out for the past few years and the steel dump body is just about junk. We have pieced it and patched it and now there is basically nothing left to weld to. Just prior to this winter, while setting up the sander, the body was raised and developed a crack where the lift piston meets the body. If this had happened with a load on the truck it could easily torn apart and dropped the body and /or the hoist on its side or onto the cab! We have welded a patch to hold it in place to get us through the winter.

My recommendation is to purchase /lease a 2016 Mack truck brand similar to the 10 wheel truck we had obtained in 2010. The body would be made of stainless steel to eliminate the rust/rot issue as in the past. We would also include stainless steel transmission coolant lines, a corrosion resistant oil pan, and an extended warranty from the manufacturer. The spreader body will be equipped with a state of the art computerized ground speed control system, similar to the 2010 truck, which spreads materials at a preset calibrated setting only when the truck is moving. These systems are a tremendous long term cost savings when spreading road salt at \$90 per ton.

Sincerely,



Mike Putnam

Town of Paxton
FORM B
CAPITAL IMPROVEMENTS REQUEST
(Excluding equipment)

Department and Activity: <u>DPW</u>		Date Prepared: <u>12-19-14</u>	
Contact Person: <u>MIKE PUTNAM</u>		Phone Number: <u>508-753-9077</u>	
1. Project Title: <u>48 TRUCK</u>		2. Purpose of Project Request Form (Check One) <input type="checkbox"/> Add a new item to the program <input checked="" type="checkbox"/> Delete an item in a year already a part of the program <input type="checkbox"/> Modify a project already in the adopted program	
3. Department Priority: <u>H164</u>			
4. Location: <u>DPW</u>			
5. Description: <u>REPLACE EXISTING 2000 INTERNATIONAL WITH NEW MAHLE 6 WHEEL TRUCK, STAINLESS BODY, AND PLOW & ACCESSORIES. TRADE OLDSM TO OFFSET COST.</u>			
6. Justification & Useful Life: <u>OLD TRUCK IS RUSTING AWAY. TRUCK LIFE EXPECTANCY - 15 YEARS.</u>			
7. Cost & Recommended Sources of Financing:			
<u>BUDGET FY</u> Program year FY16 Program year FY17 Program year FY18 Program year FY19 Program year FY20 Program year FY21 TOTAL SIX YEARS <u>22</u> After Sixth Year	<u>TOTAL*</u> <u>265,000</u> <u>40455</u> 31 <u>11</u> <u>11</u> <u>11</u> <u>11</u> <u>11</u> <u>11</u>	<u>RECOMMENDED SOURCES OF FINANCING</u> <u>LEASE</u>	
If adjusted for inflation, indicate adjustment percentage here : * Interest cost not included.			
8. Net Effects on Operating Costs (±):		9. Net Effect on Municipal Income (±):	
<u>Direct Costs</u> personnel: number _____ \$ amount _____ purchase of service _____ materials & supplies _____ equipment purchases _____ utilities _____ other _____ Subtotal () _____		taxes _____ other income _____ Subtotal _____ gain from sale of replaced assets _____ Total: _____	
<u>Indirect Operating Costs</u> fringe benefits _____ general admin. costs _____ other _____ Subtotal () _____ Total Operating Cost _____ Debt Service (P & I) _____ Total Operating Cost _____		10. Submitting Authority: Date <u>12/19/14</u> Signature <u>[Signature]</u> Name <u>Mike Putnam</u> Position <u>DPW Supt.</u>	
		11. Reserved	

Ballard Truck Center

December 2, 2014

FORMAL PROPOSAL

OBLIGOR: TOWN OF PAXTON, MA

- ✓ This is a finance/ownership contract. No residual value.
- ✓ Fixed interest rate for the five (5) year, and seven (7) year terms.

EQUIPMENT: ONE (1) NEW MACK DUMP TRUCK WITH COMBO STAINLESS BODY AND FRONT AND WING PLOW

OPTION 1

Acquisition Cost:	\$255,000.00	Term:	Five (5) years	First Payment Due:	At Closing
Document Fee:	\$395.00	Payment Mode:	Annual in Advance	Payment Amount:	\$54,162.80
Trade In:	\$0.00	Interest Rate:	3.020%		
Principal Balance:	\$255,395.00	Rate Factor:	0.212075		

OPTION 2

Acquisition Cost:	\$255,000.00	Term:	Seven (7) years	First Payment Due:	At Closing
Document Fee:	\$395.00	Payment Mode:	Annual in Advance	Payment Amount:	\$40,132.86
Trade In:	\$0.00	Interest Rate:	3.300%		
Principal Balance:	\$255,395.00	Rate Factor:	0.157140		

OPTION 3

Acquisition Cost:	\$255,000.00	Term:	Five (5) years	First Payment Due:	At Closing
Document Fee:	\$395.00	Payment Mode:	Semi-Annual in Advance	Payment Amount:	\$27,254.87
Trade In:	\$0.00	Interest Rate:	2.950%		
Principal Balance:	\$255,395.00	Rate Factor:	0.106717		

OPTION 4

Acquisition Cost:	\$255,000.00	Term:	Seven (7) years	First Payment Due:	At Closing
Document Fee:	\$395.00	Payment Mode:	Semi-Annual in Advance	Payment Amount:	\$20,227.31
Trade In:	\$0.00	Interest Rate:	3.270%		
Principal Balance:	\$255,395.00	Rate Factor:	0.079200		

- * **This is a proposal only and is not a commitment to finance. This proposal is subject to credit review and approval and proper execution of mutually acceptable documentation.**
- * Failure to consummate this transaction once credit approval is granted and the documents are drafted and delivered to Obligor will result in a documentation fee being assessed to the Obligor.
- * This transaction must be credit approved, all documents properly executed and returned to Ballard Truck Center and the transaction funded on ALL proposals on or before January 2, 2015. If funding does not occur within that time-frame, or there is a change of circumstance which adversely affects the expectations, rights, or security of Obligee or its assignees, then Obligee or its assignees reserve the right to adjust and determine a new interest rate factor and payment amount, or withdraw this proposal in its entirety.
- * This transaction must be designated as tax-exempt under Section 103 of the Internal Revenue Code of 1986 as amended.
- * **OBLIGOR'S TOTAL AMOUNT OF TAX-EXEMPT DEBT TO BE ISSUED IN THIS CALENDAR YEAR WILL NOT EXCEED THE \$10,000,000 LIMIT, OR THE INTEREST RATE IS SUBJECT TO CHANGE.**

Ballard Truck Center	TOWN OF PAXTON, MA
	Signature:
	Typed Name & Title
	Date: