

**NORTH BEACH WATER DISTRICT
PACIFIC COUNTY, WASHINGTON**

RESOLUTION NO. 10-2008

At the April 25, 2008 Special Meeting of the Board of Commissioners of the North Beach Water District, the Commissioners considered a request of the North Beach Public Development Authority (NBPDA) to support the NBPDA's April 21, 2008 resolution to instruct their General Manager to enter into a purchase agreement with Modern Machinery of Portland OR., for a Komatsu WB146-5N backhoe which is currently being leased from Modern Machinery. The terms of this agreement are outlined in the attached April 18, 2008 memo from North Beach Water's General Manager to the NBPDA Board of Directors.

WHEREAS, The North Beach Water Board of Commissioners intend to support the request of the NBWPDA to support their April 21, 2008 resolution to purchase said backhoe as described below:

To: Honorable Board of Directors
From: Michael Berlien, General Manager
Date: April 18, 2008
Re: Backhoe purchase.

As you may recall, the NBPDA has been renting a Komatsu WB146-5N backhoe from Modern Machinery for almost a year. I have discussed purchasing the backhoe, as opposed to renting it, with Bob Casalegno from Modern Machinery. Modern Machinery is please to sell us the backhoe with financing at 0% APR with 36 month term. This would equate to an almost \$2,200 per month payment as opposed to the \$1,900 per month we are paying for rent. In the purchase there would be some upgrades including flip-over forks for the front bucket, ride control for paved roads, and a pincer type gripping bucket for debris removal. The backhoe would also come with a one year unlimited hour warranty. We would be using previous monthly rental payments as the down payment, and Komatsu would be providing the financing. Additional, I have asked for and received a quote for Modern Machinery for the 250 hour service schedule, which include oil, filters and lube about every nine months. The cost is quoted at \$1,380 per visit. Staff recommends that the Board authorize the General Manager to enter into agreement to purchase the backhoe with the financing described above, and to also enter into a service agreement for the maintenance of the backhoe as described above.


I hope you find this information helpful. If you have any questions, please feel free to contact me.


BE IT RESOLVED by the Board of Commissioners of the North Beach Water District, Pacific County, Washington, as follows:

The Board of Commissioners of the North Beach Water District supports the NBPDA decision to enter into said purchase agreement.

ADOPTED by the Board of Commissioners of North Beach Water District, Pacific County, Washington, at a special meeting held on April 25, 2008.

NORTH BEACH WATER DISTRICT

By 
Commissioner

By 
Commissioner

By 
Commissioner