

## **Resolution 2020-11**

### **A Resolution Approving Financing for the Purchase of a Garbage Truck and Dump Truck**

**WHEREAS**, the City needs to replace an existing garbage truck which is in poor condition and over twenty years old; and

**WHEREAS**, the City needs to purchase a dump truck with a plow attachment; and

**WHEREAS**, during its budget process in June, 2019, the City Council instructed City staff to investigate various manufacturers of commercial garbage trucks and dump trucks; and

**WHEREAS**, having completed that task, City staff is recommending that the City purchase a Leach 25 Cu. Yd. Commercial Rear Loader garbage truck mounted on a 2020 Western Star 4700SB Chassis at a cost of \$186,227.30; and

**WHEREAS**, staff is recommending that the City also purchase a 2019 RAM 4500 Regular Cab Dump Truck with a 9.6 ft. Western V Plow at a cost of \$56,700.00; and

**WHEREAS**, the City Administration proposes to finance the foregoing purchase with two (2) loans from PNC Bank, N.A. at a fixed rate of no greater than 4% interest per annum, with the dump truck loan repaid in 3 annual payments of principal and interest and the garbage truck loan repaid in 7 annual payments of principal and interest with each loan secured by a first lien on each vehicle.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of New Castle hereby determines to purchase a commercial garbage truck at a cost of \$186,227.30 and a dump truck at a cost of \$56,700.00 via loans from PNC Bank, N.A.; and

**BE IT FURTHER RESOLVED** that the City Administrator is authorized to execute and deliver to PNC Bank, N.A. (1) the City's promissory note, backed by the full faith and credit of the City, in the amount of \$186,277.30 payable with interest not to exceed 4% per annum; (2) the City's promissory note, backed by the full faith and credit of the City, in the amount of \$56,700.00 payable with interest not to exceed 4% per annum; (3) suitable security agreements in favor of PNC Bank, N.A. granting a first lien security interest in the garbage truck and dump truck to be purchased; and (4) such other customary and reasonable loan documents confirmed by the City Solicitor as necessary to secure said loans; and

**BE IT FURTHER RESOLVED** that the City Administrator is authorized to take such other further and necessary action to complete the purchase of the aforesaid garbage truck and dump truck, and to secure the aforesaid financing with PNC Bank, N.A.

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**PASSED this 10th day of March, 2020.**

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Linda Ratchford, City Council President

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Valarie W. Leary, Councilperson

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Michael M. Platt, Councilperson

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Russell P. Smith, Councilperson

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Suzanne M. Souder, Councilperson

Attest:

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Brian Whitaker, City Clerk