

~ MEMO ~

DATE:

March 14, 2013

TO:

City Council Members

FR:

Tracy Heitsch, Assistant General Manager - Finance

RE:

Resolution #2013-025 Declaring Miscellaneous Personal Property Surplus

The Rushmore Plaza Civic Center purchased two well used Ice Resurfacing Units when the Civic Center Ice Arena was opened in November of 2008. Those two used units were 1982 and 1994 models, respectively. At the time, we knew the used units were the only units we were able to afford to purchase, as new units were valued at \$100-120,000 each, at the time, based on market demand.

The 1994 unit has been gradually failing since the beginning of the 2011 – 2012 hockey season. By the end of the 2011-2012 season, our Board of Directors knew the unit had failed to the point it needed replacement and needed to be traded before it lost its trade in value completely.

At the June 12, 2012 meeting, the Board of Directors unanimously approved RPCC to go out to bid for the replacement of the ice resurfacer, with the bid documents stating the trade in of the existing unit. Solicitation of bids was advertised in the Rapid City Journal on 6-16-12 and 6-23-12. Bid submission deadline was 7-6-12 at 10 a.m. Our Board of Directors examined the bid documents at their 7-10-12 meeting and voted unanimously to accept the low bid from Zamboni Company for the replacement of the 1994 unit.

Low Bid

\$92,898.66

Trade In Value

\$18,500.00

Net

\$74.398.66

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The new Zamboni was delivered on 2-12-13.

RPCC was unaware of the required "surplus declaration" policy until the invoice for the new Zamboni was received, processed, and sent to City Finance for payment.

Respectfully Submitted

Tracy Heitsch

Assistant GM - Finance