

**Agency: Commerce, Community and Economic Development****Grants to Municipalities (AS 37.05.315)****Grant Recipient: Savoonga****Federal Tax ID: 92-0047577****Project Title:****Project Type: Equipment and Materials**

## Savoonga - Heavy Equipment

**State Funding Requested: \$197,200**  
One-Time Need**House District: 39 / T****Brief Project Description:**

Purchase heavy equipment to replace equipment that is no longer functional and which cannot be fixed.

**Funding Plan:**

Total Project Cost:	\$197,200
Funding Already Secured:	(\$0)
FY2013 State Funding Request:	<u>(\$197,200)</u>
Project Deficit:	\$0

**Detailed Project Description and Justification:**

Savoonga has an excavator that was brought here by the Public Health Service in the 1990's when our water and sewer was installed. It was second hand and we have spent a lot of money on parts and shipping to keep it running, in addition to paying the mechanic who has made the repairs as needed. It is unfixable now. This excavator is needed for making and repairing roads and keeping up with the landfill, and for various other jobs in the community.

Savoonga is located on the northern coast of Saint Lawrence Island approximately 165 air miles west of Nome. Our population is 762 people. The only way to get to Savoonga is by air. We get fuel and dry goods by barge in the summer.

When we need equipment we cannot rely on anyone else to borrow or rent from, like urban communities can. We need to have equipment in Savoonga to be able to work on our projects, and maintain our independence.

**Project Timeline:**

As soon as funding is received, equipment will be ordered.

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

the City of Savoonga

**Grant Recipient Contact Information:**

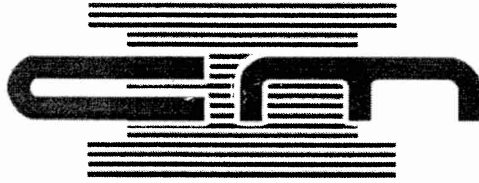
Name: Myron Kingeekuk  
 Title: Mayor  
 Address: PO Box 40  
 Savoonga, Alaska 99769  
 Phone Number: (907)984-6614  
 Email:

## Total Project Snapshot Report

2012 Legislature

TPS Report 58828v1

Has this project been through a public review process at the local level and is it a community priority? ☒ Yes ☐ No



Construction Machinery Industrial, LLC

5400 Homer Drive  
Anchorage, AK 99518  
Ph: (907) 563-3822 • Fax: (907) 563-1381

TO: City Of Savoonga  
PO Box 40  
Savoonga, AK 99769

# PROPOSAL

Proposal No.1507BF

Page 1 of 1

Date: 10/28/11

Issued by: Bill Frishe

ATTENTION: Jane Kava  
Ph: (907) 984-6614  
Fax: (907) 984-6301

We at Construction Machinery are pleased to quote the following equipment for your review.

One (1) each new Volvo EC140CL Hydraulic Excavator equipped as follows:

- Volvo D4E EBE3 diesel engine 94HP @ 2,000 RPM
- Operating weight 28,310lbs
- 24" Triple grouser shoes
- 15' 1" Boom
- 8' 10" Dipper stick
- Dozer blade
- Heated operators seat
- Block heater 120V
- Winterization package
- Enclosed cab w/heat
- Hydraulic pin grabber quick coupler
- Attachments
  - o PSM Hydraulic pro-link thumb
  - o PSM 36" Heavy duty dig bucket
  - o PSM 60" Clean up bucket W/BOE
  - o Penco DT-15 Planetary drive
  - o Penco 10' flight 16" diameter W/Rock ripper head

Purchase price FOB Seattle, WA Dockside..... \$171,865.00

Estimated freight to Savoonga, AK..... \$25,245.00

Standard machine warranty 1 Year (Extended warranty available)

Prices are valid for 30 days

Machine availability subject to date of order

Financing available subject to credit approval

Construction Machinery factory trained trainer will provide on sight training

**WARRANTIES:** Buyer acknowledges that it has examined the merchandise as fully as it desires and that the merchandise is of the size, design, type, and manufacture selected by Buyer. IF THE MERCHANDISE SOLD IS NEW, THE PARTIES AGREE THAT IMPLIED WARRANTIES OF SUCH MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AS WELL AS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED ARE **EXCLUDED** FROM THIS TRANSACTION AND SHALL NOT APPLY TO THE MERCHANDISE SOLD. However, for new merchandise, seller shall make available to Buyer, to the extent provided by the manufacturer of the merchandise, solely on behalf of the manufacturer, any warranty provided by the manufacturer, which shall be Buyer's sole and exclusive remedy.

For used merchandise, Buyer is purchasing the merchandise AS IS WITH ALL FAULTS, unless Seller has explicitly written in this document that there is an express warranty for a limited period of time for the replacement of parts that Seller, in its sole judgment, determines to be defective. If seller has explicitly written such an express warranty in this document, the replacement of parts found to be defective during the warranty period shall be Buyer's sole and exclusive remedy. EXCEPT FOR SUCH AN EXPRESS WARRANTY THAT SELLER HAS EXPLICITLY WRITTEN IN THIS DOCUMENT, THERE IS NO WARRANTY OF ANY KIND FOR USED MERCHANDISE, EXPRESS OR IMPLIED AND IN PARTICULAR, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE **EXCLUDED** FROM THIS TRANSACTION AND SHALL NOT APPLY TO THE MERCHANDISE SOLD.

AS TO EITHER NEW OR USED MERCHANDISE, SELLER SHALL IN NO EVENT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER FOR PERSONAL INJURY, DEATH, DAMAGE OR DESTRUCTION OF PROPERTY, LOST EARNINGS, LOST PROFITS, ECONOMIC LOSSES, OR OTHER INCIDENTAL OR CONSEQUENTIAL LOSSES.

Persons signing below to buy or certify they are authorized representatives of buyer and that they have read and understand the FRONT AND BACK of this document.

Construction Machinery Industrial, LLC  
By \_\_\_\_\_

Accepted by: \_\_\_\_\_  
Title \_\_\_\_\_

Title Equipment Sales / Rentals

Date \_\_\_\_\_

## **TERMS AND CONDITIONS**

**PRICES:** This quotation is based on current selling prices FOB point of shipment indicated for merchandise specified. If United States inland freight, ocean freight, marine insurance or other forwarding charges are included they are estimated without obligation to Seller. Any increase in such selling prices, freight charges, ocean insurance or other forwarding charges, and/or applicable United States or foreign taxes, duties or other levies, which are imposed subsequent to the date of this quotation or pro-forma invoice and/or in effect at the time of shipment, all such increases are for the purchaser's account. Stenographical and clerical errors are subject to correction.

**ACCEPTANCE OF ORDER:** The Purchaser's order for merchandise covered by this quotation shall not become effective until accepted in writing by an officer of the Seller. Until such acceptance by Seller, this quotation is subject to change or withdrawal without prior notice.

**TAXES AND DUTIES:** Any taxes or other charges which the Seller may be required to pay under any existing or future laws, upon or with respect to the sale, purchase, delivery, storage, processing, use, consumption or transportation of any of the materials covered hereby, including taxes upon or measured by the receipts from the sale thereof, shall be for the account of the Purchaser who shall promptly pay the amount thereof to the Seller upon demand.

**PAYMENT:** All prices quoted are payable in United State Dollars, unless other currencies are specifically stated on reverse side of this document, with all letter of credit charges and/or other bank charges for Purchaser's account.

**SHIPPING SCHEDULES:** Shipping schedules are made in good faith, are approximate only, and are based upon prompt receipt of all necessary order information.

**FORCE MAJEURE – INABILITY TO PERFORM:** The Seller shall not be liable for any loss, damage, delay, necessary substitution of materials, or default in the manufacture or delivery of the articles ordered resulting from causes beyond its reasonable control, or resulting from causes beyond the control of its supplier or manufacturer with whom it contracts to cover this sale, or the manufacturer who is to furnish these goods, preventing or interfering with Seller making delivery, including, but not limited to, strikes, lockouts, differences with workmen, fire, wars, acts of God, or of the public enemy, insurrection, riot, freight embargoes, lack or shortage of, or delays caused by, transportation facilities, acts of Purchaser, labor shortages, or acts of foreign or local government or military authorities pertaining but not limited to, preferences priorities, allocation on orders or production, labor or supply permits, nor in any event for consequential damages.

**CANCELLATION:** The Seller reserves the right to cancel any order, without liability, if due to causes or conditions excusable under the Force Majeure – Inability to Perform clause, the time of delivery is extended more than six months beyond the estimated delivery dates originally quoted. The Purchaser may cancel an order, if such cancellation is agreed to in writing by the Seller and upon payment for all merchandise already shipped and any cancellation charges as to undelivered merchandise imposed upon the Seller by manufacturers or suppliers of the merchandise.

**WARRANTIES:** BUYER ACKNOWLEDGES THAT HE HAS INSPECTED THE EQUIPMENT AND THAT IT IS OF THE SIZE, DESIGN, TYPE AND MANUFACTURE SELECTED BY THE BUYER. THE EQUIPMENT IS SOLD AS IS, WHERE IS. SELLER MAKES NO EXPRESSED OR IMPLIED WARRANTY, INCLUDING THAT OF MERCHANT ABILITY OR FITNESS FOR PARTICULAR USE AS TO THE EQUIPMENT. PROVIDED, HOWEVER, THAT SELLER SHALL MAKE AVAILABLE TO BUYER, TO THE EXTENT PROVIDED BY THE MANUFACTURER OF THE EQUIPMENT, SOLELY ON BEHALF OF THE MANUFACTURER, ANY WARRANTY PROVIDED BY THE MANUFACTURER. IN THE CASE OF USED EQUIPMENT, SELLER, AT ITS SOLE OPTION, MAY PROVIDE ON THE REVERSE SIDE HEREOF AN EXPRESSED WARRANTY LIMITED TO REPLACEMENT OF PARTS WHICH SELLER, IN ITS SOLE JUDGEMENT, DETERMINES TO BE DEFECTIVE. SUCH WARRANTY SHALL BE LIMITED TO THE PERIOD SPECIFIED THEREIN.

In the event the equipment fails to fulfill the warranty or warranties as provided herein, Seller's liability shall be limited to that provided in such warranty or warranties. In no event shall Seller be liable for any incidental or consequential damages or for loss or damages caused by the improper operation of the equipment or by the maintenance or improper mechanical adjustment of the equipment after delivery.

Buyer hereby assumes liability for and agrees to defend and save Seller harmless from any and all claims of liability, proposal loss or damage arising out of Buyer's operation, use or possession of the equipment, including, but not limited to, any claims for property damage or personal injury.

**PURCHASE ORDER:** If this quotation is accepted and Buyer's purchase order form is used for that purpose, it is expressly agreed that the terms and conditions herein set forth shall prevail insofar as the same may in any way conflict with the terms and conditions of such purchase order form, and by the issuance of such order by Buyer shall be deemed to have agreed to the foregoing.

**CONTRACT TERMS AND CONDITIONS:** The terms and conditions set forth above and elsewhere as part of this quotation shall, when accepted by the Purchaser through submission of his order and by the Seller, constitute the entire agreement between the parties and no modification or alterations thereof shall be valid or effective unless embodied in a written proposal executed by duly authorized representatives of both parties. All the stipulations, agreements and conditions contained in this contract are to apply to and bind the heirs, executors, administrators and/or successors and assigns of the respective parties hereto. If any of the provisions of this contract shall be declared ineffective and void by the court, the remaining provisions shall not be affected thereby and shall continue in full force and effect. This agreement is governed by the laws of the Seller's chief place of business and the venue for any action hereunder shall be in the locality of the Seller's chief place of business.

Signature \_\_\_\_\_



# WALRUS CAPITAL OF THE WORLD SAVOONGA, ALASKA

CITY OF SAVOONGA  
P.O. BOX 40  
SAVOONGA ALASKA 99789  
PHONE 984-5614  
FAX 984-6301



City of Savoonga  
Resolution # 012-002

Whereas; the City of Savoonga is in need of a combined Safety Building/ Fire Hall and Excavator, and;

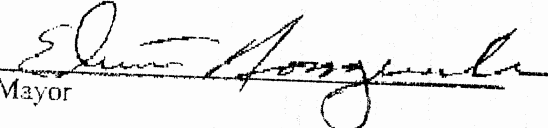
Whereas; the building and excavator was prioritized during the 2009-2013 five year Economic Development Plan that was made by the community of Savoonga during a three day workshop, and;

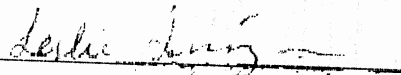
Whereas; Savoonga is located on a remote Island and when disaster and emergencies strike, we have to rely on the man-power, buildings and equipment that is already in place in Savoonga, and;

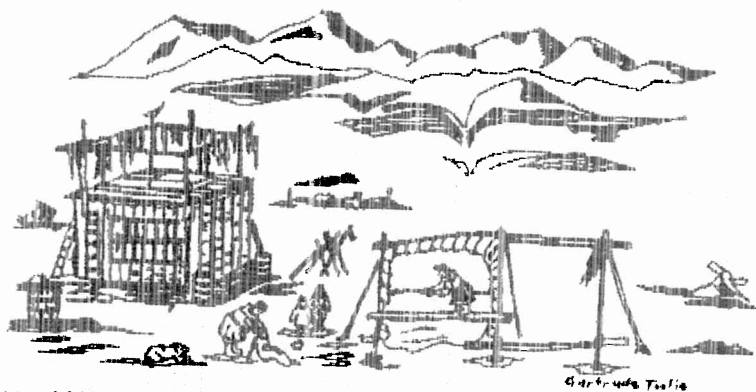
Whereas; the buildings are over forty (40) years old and the excavator we have is no longer working and is obsolete and parts are very hard to find, and;

Therefore be it resolved; that the Safety Building and Fire Hall building is our number one priority and the excavator is the number two priority.

Approved and passed this 10<sup>th</sup> day of February 2012 by a quorum of 7 for and 0 against.

  
Mayor

Attest: 



NATIVE VILLAGE OF SAVOONGA • P.O. BOX 120, SAVOONGA, AK 99769 • PHONE 984-6414 • FAX 984-6027

### Resolution No: 12-04

Whereas the Native Village of Savoonga is a federally recognized tribe; and Whereas the Native Village of Savoonga is in support of the City of Savoonga's prioritized CIP of a combined Safety Building/Firehall and excavator; and Whereas the City Safety Building/Firehall and excavator was prioritized during the 2009-2013 Five (5) year Economic Development Plan, made by the community of Savoonga during a three (3) day workshop; and Whereas Savoonga is located on a remote island and when disaster and emergencies strike, the community has to rely on manpower and buildings and equipment that is already in place in Savoonga; and Whereas the buildings are over forty (40) years old and the City Excavator is obsolete.

Now therefore be it resolved that the Native Village of Savoonga supports the City CIP in obtaining the Safety Building/Firehall and excavator.

Approved and passed this 10 day of February 10, 2012 by a quorum of 8 for and 0 against.

Michael J. J. J.  
President

Acting Secretary  
Shor Noongworn  
Secretary