

**- PUBLIC MEETING -  
Hope Budget Committee  
Meeting at 6:30 p.m.  
January 28, 2025  
Town Office**

**-AGENDA-**

**Call to Order:**

**New Business:**

- Recommendation - Special Town Meeting for Purchase of Winter Maintenance/Snowplowing Trucks & Equipment:

**Adjournment:**

## HISTORY 2003-2025

Year	Cost per Year	Total Contract Price	Contract Length	Avg. Cost per Mile
2020-2025	\$195,300	\$976,500	5 years	\$6,000/mile
2017-2020	\$116,000	\$348,000	3 years	\$3,563.75/mile
2014-2017	\$114,900	\$344,700	3 years	\$3,529.95/mile
2011-2012	\$90,854	\$262,214	3 years	\$2,791.21/mile
2010-2011	\$87,360			\$2,683.87/mile
2009-2010	\$84,000			\$2,580.65/mile
2008-2009	\$53,120	\$149,400	3 years	\$1,631.95/mile
2007-2008	\$49,800			\$1,529.95/mile
2006-2007	\$46,480			\$1,427.96/mile
2005-2006	\$45,864	\$127,764	3 years	\$1,409.03/mile
2004-2005	\$42,588			\$1,308.39/mile
2003-2004	\$39,312			\$1,207.74/mile

# 2025-2032 CONTRACT BIDS

**Bid Proposals**

Season Years	Cost per Year	Total Contract Price	Contract Length	Avg. Cost per Mile
2025-2026	\$528,449	\$1,665,936	3 years	\$16,234.99/mile
2026-2027	\$554,872			\$17,046.76/mile
2027-2028	\$582,615			\$17,899.08/mile
2025-2026	\$456,514	\$2,522,527	5 years	\$14,025.01/mile
2026-2027	\$479,339			\$14,726.24/mile
2027-2028	\$503,306			\$15,462.55/mile
2028-2029	\$528,472			\$16,235.70/mile
2029-2030	\$554,896			\$17,047.50/mile
2025-2026	\$412,246	\$3,356,509	7 years	\$12,665.01/mile
2026-2027	\$432,858			\$13,298.25/mile
2027-2028	\$454,501			\$13,963.16/mile
2028-2029	\$477,226			\$14,661.32/mile
2029-2030	\$501,087			\$15,394.38/mile
2030-2031	\$526,142			\$16,164.12/mile
2031-2032	\$552,449			\$16,972.32/mile

## PURCHASE EQUIPMENT COSTS

### Equipment Prices from Allied Equipment

3	F-550 or F-600 Chassis	\$80,561 x3	\$241,685
3	Plows & Sanders	\$80,000 x3	\$240,000
1	1,000 gal. fuel tank and pump	\$6,059	\$6,059
1	Large Plow Truck Chassis w/ Plow & Sander	\$230,000	\$230,000
1	Used Loader	\$50,000	\$50,000
			<u>\$767,744</u>

## PURCHASE YEARLY OPERATIONS COSTS

### Fuel

estimated 20 storms per season @ 100 gallons per storm x 4 trucks

100 gal. x 20 storms @ \$3.50/gal.	\$7,000 x4	\$28,000
------------------------------------	------------	----------

### Repairs & Maintenance

Cutting Edges estimates from Allied Equipment	\$1,900 x4	\$7,600
---	------------	---------

Routine ongoing maintenance and repairs	\$5,000 x5	\$25,000
---	------------	----------

Housing	\$2,500 x6	\$15,000
---------	------------	----------

### Labor

Seasonal employees 40 hr/wk for 26 weeks (\$35/hr)	\$36,400 x3	\$109,200
--	-------------	-----------

Seasonal employees 40 hr/wk for 5 weeks (\$40/hr)	\$8,000 x1	\$8,000
---	------------	---------

FICA/Medicare on all 4 seasonal employees	0.0765%	\$8,966
---	---------	---------

PFML for 3 full time seasonal employees	0.005% x3	\$546
---	-----------	-------

PFML for 1 part time seasonal employees	0.005% x1	\$40
---	-----------	------

### Insurances

Quotes are from MMA

Property & Liability Insurance on F-600 or smaller	\$963 x3	\$2,889
--	----------	---------

Property & Liability on Large Truck MRSP is needed	\$1,000	\$1,000 <i>estimate</i>
--	---------	-------------------------

Property & Liability on Loader MRSP is needed	\$1,000	\$1,000 <i>estimate</i>
---	---------	-------------------------

Worker's Compensation on all 4 seasonal employees		\$4,690
---	--	---------

Unemployment Insurance		\$2,421
------------------------	--	---------

### Total

	\$214,352
--	-----------

# SAVINGS

Equipment Costs	\$767,744
Operations Costs	\$214,352
	<b>\$982,096</b>

If the Town were to do an outright purchase of the equipment it cost \$767,744. The anticipated annual labor costs for seasonal employees from November 1st thru April 30th will be \$214,352. The Town could get a low interest bond or bank loan for 5, 7, or 10 years.

The Town could decide to take the bond for the equipment only or include operation costs for the first year.

Assuming a 4% loan

	Equipment Only	Equip/Oper	Contract Bid
5 years	\$767,744	\$982,096	\$456,514
	* 4%	* 4%	\$479,339
	\$30,710 <i>interest</i>	\$39,284 <i>interest</i>	\$503,306
	\$798,454	\$1,021,380	\$528,472
	<b>\$159,691</b> <i>divided by 5 years</i>	<b>\$204,276</b> <i>divided by 5 years</i>	\$554,896
			<b>\$2,522,527</b>

7 years	\$767,744	\$982,096	\$412,246
	* 4%	* 4%	\$432,858
	<u>\$30,710 interest</u>	<u>\$39,284 interest</u>	\$454,501
	<u>\$798,454</u>	<u>\$1,021,380</u>	\$477,226
	<u><b>\$114,065</b> divided by 7 years</u>	<u><b>\$145,911</b> divided by 7 years</u>	\$501,087
			\$526,142
			\$552,449
			<u><b>\$3,356,509</b></u>
10 years	\$767,744	\$982,096	
	* 4%	* 4%	
	<u>\$30,710 interest</u>	<u>\$39,284 interest</u>	
	<u>\$798,454</u>	<u>\$1,021,380</u>	
	<u><b>\$79,846</b> divided by 10 years</u>	<u><b>\$102,138</b> divided by 10 years</u>	

Until now, hiring a contractor to plow the Town roads was more a cost savings to the taxpayer than the Town owing the equipment and doing the winter mainter maintenance. However, the ever rising costs have tipped the scales and it seems that owning the assets and being able to do the plowing/sanding for the Town will cost less in the run. Once the loan has been paid off, the Town owns the equipment. Although, the vehicles will need to be replaced, the rigging can be transferred between vehicles.

Additional savings can be realized by utilizing the full-time crew on projects when applicable in preparation for the upcoming summer work. The use of Town owned trucks can also be used in the summer cutting some of the costs to the summer roads budget. It is too difficult to estimate the exact savings but, if this is approved by the voters, we will immediately begin collecting data.