



CITY OF WASILLA

290 E. HERNING AVE.

WASILLA, ALASKA 99654-7091

PHONE: (907) 373-9050

FAX: (907) 373-9085

COUNCIL MEMORANDUM

NO. 96-98

FROM: Marjorie D. Harris, CMC, City Clerk

DATE: October 23, 1996

SUBJECT: City Pop Vending Machine

The vending machine located off the Council Chambers stopped working a month ago. It was purchased by the City on February 2, 1984 and sales of pop have refunded the purchase price and paid for all inventory since that date. A record of cash transactions is attached. There is a balance of \$2,067.89 in the fund balance from pop machine sales.

I have called Stan's Appliances, they will not work on vending machines. I called Pepsi-Cola, they can no longer get parts for this model (its too old), but could replace the entire refrigeration unit. The cost for that would be as much as replacing the entire unit with a new model, approximately \$2,000-\$2,500.00. This unit has 5 selections and no dollar bill exchange. A new unit could contain more selections and would have a dollar bill exchange.

Options available:

1. Replace the refrigeration unit, \$2,000-\$2,500.00.
2. Purchase a new vending machine, \$2,000-\$2,500.00.
3. Lease a new vending machine, \$30.00 per month plus we can only purchase product from company leasing the vending machine.
4. Purchase a used machine, we can check into the costs with the different vendors and if they have any available, purchase one of them; or purchase one from the Palmer Elk's. They have offered a used machine for \$500.00, it has 6 selections, but does not have a dollar bill exchange.
5. Remove the broken unit and not replace the vending machine.

Recommendation: Authorize the Clerk's Office to do an analysis on compiled information of at least 3 vendors and make the best selection and purchase for the City. Introduce Ordinance Serial No. 96-68 and schedule for public hearing and action at the next regular meeting, Wednesday, 11/13/96. Authorize the purchase to be made out of Council Contingency until Ordinance Serial No. 96-68 is adopted.

POP MACHINE
 RECORD OF CASH
 TRANSACTIONS

ACT NO. 013020.07		PURCHASE TO	
DATE	NET(PROFIT) OR LOSS	REPAIRS	BE AMORTIZED OR SHARE OF FUND BALANCE
-----	-----	-----	-----
2/2/84	PURCHASE DATE		\$1,762.50
FY-84	(\$6.20)		\$1,756.30
FY-85	(\$430.85)		\$1,325.45
FY-86	(\$159.55)		\$1,165.90
FY-87	(\$207.00)		\$958.90
FY-88	(\$265.11)		\$693.79
FY-89	\$203.85	134.95	\$1,032.59
FY-90	(\$361.71)		\$670.88
FY-91	(\$302.00)		\$368.88
FY-92	(\$372.20)		(\$3.32)
FY-93	(\$303.35)		(\$306.67)
FY-94	(\$664.35)		(\$971.02)
FY-95	(\$588.69)		(\$1,559.71)
FY-96	(\$508.18)		(\$2,067.89)
TOTAL	(\$3,965.34)	134.95	