

Agenda Item #13

M E M O

TO: Mayor Blad and Members of City Council

FROM: Tom Kirkman, Director of Public Services

DATE: May 7, 2025

SUBJECT: Recommendation to Declare Surplus Property and for Equipment Exchange Agreement

It is my recommendation that the City of Pocatello declare the two below-listed vehicles as surplus property in accordance with the rate study capital replacement plan.

1. 773SAN: 2017 Peterbilt 320 Side Load Refuse Truck, 3BPZL70XXHF107883
2. 763SAN: 2017 Peterbilt 320 Side Load Refuse Truck, 3BPZL70XXHF107882

The Sanitation Services Department is recommending to surplus this property by entering into an agreement with Future Enterprises, Inc whereby the City exchanges the aforementioned vehicles, which are valued at \$50,000, in return for cardboard recycling routes and containers, also valued at \$50,000, from Future Enterprises, Inc.

The proposed agreement is attached hereto for Council and Mayor approval. The Council may wish to authorize Mayor Blad to sign and execute the paperwork necessary to effectuate the transaction.

MEMORANDUM

TO: Mayor Blad and City Council

FROM: Jared Johnson, City Attorney 

DATE: May 9, 2025

RE: Declaration of Surplus Property and Equipment Exchange Sale Agreement – Sanitation

I have reviewed the request to have two (2) Sanitation Department vehicles be declared surplus property and I have reviewed the Equipment Exchange Sale Agreement between The City of Pocatello and Future Enterprises, Inc. I have no legal concerns with the City Council declaring the vehicles to be surplus property and authorizing the Mayor's signature on the Equipment Exchange Sale Agreement and all other documents needed to facilitate the exchange.

Please contact me with any questions or concerns.

EQUIPMENT EXCHANGE SALE AGREEMENT

by and between

CITY OF POCA TELLO
"Seller"

and

FUTURE ENTERPRISES, INC.
d/b/a WESTERN RECYCLING
"Buyer"

Dated: _____, 2025

EQUIPMENT EXCHANGE SALE AGREEMENT

This Equipment Exchange Sale Agreement ("Agreement"), is made and entered into as of this ____ day of _____, 2025 ("Effective Date"), by and between the City of Pocatello, an Idaho municipal corporation, whose address is 911 N. 7th Avenue, Pocatello, Idaho 83201 ("Seller"), and Future Enterprises, Inc., an Idaho corporation, d/b/a Western Recycling, whose address is 1990 So. Cole Rd. Boise, ID 83709 ("Buyer").

RECITALS

WHEREAS, the Seller is the legal owner of certain vehicles described below that have been declared to be surplus property by the City Council of the City of Pocatello: and

WHEREAS, it is in the best interest of the public for the Seller to exchange said surplus vehicles; and

WHEREAS, the Buyer is the legal owner of fifty-nine (59) yard bins and desires to exchange said bins as well as the right to service the bins' locations for the Seller's vehicles.

NOW THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties agree as follows:

1. Equipment to be Exchanged. The Seller agrees to transfer and deliver to the Buyer the following surplus vehicles (the "Vehicles"):

Vehicle 1:

Make: Peterbilt
Model: 320 Side-Load Refuse Truck
Year: 2017
VIN: 3BPZL70XXHF107882

Vehicle 2:

Make: Peterbilt
Model: 320 Side-Load Refuse Truck
Year: 2017
VIN: 3BPZL70XXHF107883

2. The Buyer agrees to transfer and deliver to the Seller fifty-nine (59) yard bins (the "Bins"), with the following description (if applicable):

Bin Type: Steel Cardboard Container
Size/dimensions: 4 to 8-yard

3. Material: The parties agree that the Vehicles and Bins are being exchanged as equal or mutually agreed value, and no additional monetary payment is required.

4. Seller's Representations. Seller is the lawful owner of the Vehicles and has the right to transfer ownership. The Vehicles are free of all liens, claims, and encumbrances. Except as provided herein, the Vehicles are delivered in an "AS IS" CONDITION, "WITH ALL FAULTS, INCLUDING BUT NOT LIMITED TO, BOTH LATENT AND PATENT DEFECTS." OTHER THAN AS SET FORTH EXPRESSLY IN THIS AGREEMENT, NO WARRANTIES, EXPRESS OR IMPLIED, ARE MADE BY THE TRANSFERRING PARTY CONCERNING SUCH ITEMS, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

5. Buyer's Representations. Buyer is the lawful owner of the Bins and has the right to transfer ownership. The Bins are free of all liens, claims, and encumbrances. Except as provided herein, the Bins are delivered in an "AS IS" CONDITION, "WITH ALL FAULTS, INCLUDING BUT NOT LIMITED TO, BOTH LATENT AND PATENT DEFECTS." OTHER THAN AS SET FORTH EXPRESSLY IN THIS AGREEMENT, NO WARRANTIES, EXPRESS OR IMPLIED, ARE MADE BY THE TRANSFERRING PARTY CONCERNING SUCH ITEMS, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

6. Deliver and Transfer of Ownership. Ownership and possession of the Vehicles and Bins shall be transferred simultaneously on or before May 30, 2025 ("Closing Date"), at Buyer's business location in Pocatello, Idaho. Upon the Closing of this transaction, the servicing of the bins previously performed by Seller shall cease and such servicing rights shall hereby be automatically assigned to Buyer upon delivery and the transfer of the bins to Buyer. The parties may agree by mutual agreement to extend the Closing Date to an alternative date. Prior to the Closing Date, the parties hereto shall each have the opportunity to perform a full inspection on the equipment being exchanged, including taking the two Vehicles to a mechanic for review at the cost of Buyer. At the time of the delivery of the two Vehicles involved in this exchange, the Seller shall execute a certificate of title, bill of sale, or other instrument of transfer of title to Buyer. The parties shall execute such other and additional documents as may be deemed reasonably necessary in order to transfer title of the items to the other party. Seller shall transfer any warranties with regard to the motor vehicles currently held by Seller in order that Buyer can enforce those warranties, if any.

7. Locations of Bins. Within a reasonable time after the execution of this Agreement, which time shall in no case be later than May 30, 2025, Seller shall provide to Buyer the addresses of the locations of all of the bins in order for Buyer to service the bins after the Closing at those locations. Seller agrees upon the Closing of this sale transaction that Seller shall no longer service those locations in any manner and shall cooperate with Buyer in assisting Buyer being able to service the locations where the bins are located.

8. Proration of Any Personal Property Taxes. The parties agree that any personal property taxes assessed with regard to the property being exchanged shall be prorated between the parties for 2025 as of the Closing Date with Seller paying all prior property taxes prior to Closing for the Vehicles and Buyer paying any property taxes for the Vehicles after the Closing Date. The parties further agree that Buyer shall pay all proper property taxes prior to Closing for the Bins and Seller shall pay any property taxes for the Bins after the Closing Date.

9. Further Assurances. Provided the same does not result in any expense or liability to the requested party in addition to that specifically provided elsewhere or contemplated in this Agreement, each party will from time to time after the Closing Date, upon the request of the other party, do, execute, acknowledge and deliver such further acts, bills of sale, assignments, assumptions, transfers and conveyances as may be reasonably required to consummate the transactions contemplated herein or to convey, transfer, assign and vest in the acquiring party all of the transferring party's right, title and interest in and to the assets being sold.

10. Miscellaneous.

10.1 Entire Agreement. This Agreement contains the entire understanding between the parties.

10.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Idaho.

10.3 Amendments. No amendment shall be effective unless in writing and signed by both parties.

10.4 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

10.5 Survival. The obligations of the parties under this Agreement shall survive the Closing.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

SELLER:

CITY OF POCA TELLO

By: _____
Its: _____

BUYER:

FUTURE ENTERPRISES, INC.,
d/b/a WESTERN RECYCLING

By: *Daniel F. [Signature]*
Its: *President*