


SUBJECT: AUTHORIZATION TO ENTER A LEASE WITH DOMINION VOTING FOR ELECTION EQUIPMENT IN THE AMOUNT OF \$70,840 FOR THE FIRST YEAR WITH AN ANNUAL INCREASE OF 2 PERCENT OVER THE NEXT SEVEN YEARS.



AGENDA OF: November 19, 2019

ASSEMBLY ACTION:

Approved under the Consent
Agenda 11-19-19 

MANAGER RECOMMENDATION: Present to the Assembly for consideration.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER: 

Route To:	Department/Individual	Initials	Remarks
	Originator	LRM	
	Purchasing Officer		
	Borough Attorney	NS	
	Borough Clerk		

ATTACHMENT(S): Fiscal Note: Yes _____ No X

SUMMARY STATEMENT:

When the Borough's election was in October of each year, the Borough was able to use the State's election equipment at no cost to the Borough. In 2018, an initiative petition came forward to change the Borough's election date to November to coincide with the State's General Election. This initiative was placed on the 2018 ballot and passed by the following vote: 6935 voting yes and 6062 voting no. The Borough's regular election now occurs on the first Tuesday following the first Monday in November.

The Borough has an election every year, while the State holds an election every 2 years. On the years the State and Borough have an election on the same day, the Borough will no longer be able to use the State's equipment, as it will be in use by the State. The

Borough will have to have its own election equipment and election officials. Essentially holding two separate elections on the same day.

This legislation is requesting authorization to enter a lease with Dominion Voting, using the State of Alaska's contract and pricing with Dominion Voting. Per Article 17 of State Contract No. CT 190001019:

Article 17. Use By Political Entities with the State of Alaska. Contractor agrees to extend the same pricing, terms, and conditions as stated in this Agreement to each and every public procurement unit, and special district within the State of Alaska, which entity is purchasing under substantially the same terms and conditions in this Contract. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the Contractor; and the State shall in no way be responsible to Contractor for other entities' purchases.

This would be an 8-year lease at the following costs:

Year 1	\$70,840
Year 2	\$72,257
Year 3	\$73,702
Year 4	\$75,176
Year 5	\$76,680
Year 6	\$78,213
Year 7	\$79,778
Year 8	\$81,373
Total	\$608,020

The Borough Clerk is recommending leasing the election equipment rather than purchasing the equipment outright. To purchase the equipment it would cost \$550,620. The benefits of leasing vs. purchasing the equipment outright:

- Easier path to upgrade equipment;
- If there are issues with the equipment it can be easily exchanged;
- The Borough won't own outdated equipment after years of use;
- The Borough won't have outdated equipment that we are trying to sell in a small market;
- The cost to lease the equipment rather than purchase is \$57,400 more over an 8-year period.