

Mayor and Council Communication

DATE: 12/15/20

M&C FILE NUMBER: M&C 20-0963

LOG NAME: 20SW_EQUIPMENT_SUPP_APPROP

SUBJECT

(ALL) Adopt Appropriation Ordinances in the Stormwater Utility Fund for the Purpose of Transferring to the Stormwater Capital Projects Fund for the Stormwater Vehicles and Equipment Replacement Project in the Amount of \$970,000.00 and Amend the FY2021-2025 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt the attached appropriation ordinance increasing receipts and appropriations in the Stormwater Utility Fund in an amount up to \$970,000, from available funds, for the purpose of transferring to the Stormwater Capital Projects Fund and reducing net position by the same amount;
 2. Adopt the attached appropriation ordinance increasing receipts and appropriations in the Stormwater Capital Projects Fund in the amount of \$970,000.00, transferred from available funds in the Stormwater Utility Fund, for purpose of funding the Stormwater Vehicles programmable project (City Project No. P00016); and
 3. Amend the FY2021-2025 Capital Improvement Program.
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DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to appropriate excess reserve funding in the overall Stormwater Utility Fund, to the Stormwater Capital Projects Fund to allow for the purchase of vehicles and equipment in the amount of \$970,000.00. Every year the Stormwater Utility provides funding for the purchase of fleet vehicles and equipment to maintain the storm drain systems. A vehicle replacement schedule is followed to ensure equipment is replaced in a timely fashion to maintain reliability and reduce high maintenance costs. However, based on inflation in equipment costs the replacement plan in recent years has not kept up with the need. This additional funding will help catch-up on equipment that is overdue for replacement. The average age of the equipment recommended for replacement is ten years. The Stormwater Utility Fund has surplus cash above its reserve requirement due to changes in FY2019 in how excess cash is calculated.

Given the priority of this need, it is recommended that \$970,000.00 from surplus reserve be added to the FY2021 Capital Improvement Program for the following equipment acquisition actions:

- EPR 3244 for the replacement of one (1) Kubota M6-131, replacing a 13 year old John Deere mowing tractor.
- EPR 3245 for replacement of one (1) CAT 299D, replacing a 7 year old CAT 246C skid steer.
- EPR 3344 for replacement of one (1) Mowing attachment: REV1500, replacing a 13 year old John Deere CX15 Batwing attachment.
- EPR 3341 for replacement of one (1) Ford F250 pickup, replacing an 11 year old Chevrolet 2500 pickup.
- EPR 3342 for replacement of two (2) Ford F550 pickups, replacing one (1) 11 year old Chevrolet 2500 pickup and one (1) 12 year old Ford F550 pickup.
- EPR 3340 for replacement of two (2) tandem dump trucks, replacing one (1) 10 year old International 7500 tandem dump truck and one (1) 13 year old Freightliner M2 tandem dump truck.
- EPR 3343 for replacement of two (2) Ford F150 pickups, replacing two (2) 12 year old Ford F150 pickups.

Funding for this equipment was not included in the FY2021-2025 Capital Improvement Program due to discussions about the reserve requirement and the uncertainty of available funds at the time. This action in this M&C will amend the 2021-2025 Capital Improvement Program as approved in connection with Ordinance 24446-09-2020.

The procurement of equipment will be executed by the Property Management Department in a separate authorization.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Stormwater Utility Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the Stormwater Capital Projects Fund for the Vehicles-Stormwater programmable project. Prior to an expenditure being incurred, the Transportation & Public Works Department has the responsibility of verifying the availability of funds.

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