



## LEGISLATIVE MEMORANDUM

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Suzanne Sherman, City Manager

**THRU:** Valentino Perez, Public Works Director

**DATE:** August 1, 2024

**RE:** Consideration of purchasing a John Deere CAT Loader (\$196,763) and 2024 Toyota Corolla pool vehicle (\$23,394) for the Public Works Department utilizing various funding sources.

### SUMMARY:

The Public Works Department is seeking approval to utilize undesignated fund balance in the amount of \$86,305 and to transfer insurance proceeds in the amount of \$110,458 from Fleet Services to Public Works General Fund to purchase one (1) replacement CAT Loader for a total cost of \$196,763. Public Works also requests to transfer auctioned surplus proceeds of \$5,906 from Fleet Service Fund to Public Works General Fund to supplement the cost of \$23,394 to purchase one (1) replacement pool vehicle. The remainder of the costs for the replacement pool vehicle will come from reducing funding in two operating accounts, specifically moving \$9,000 from 001-7011-541-5501 Training and Education and \$8,488 from 001-7017-541-5501 Training and Education.

The new CAT loader will replace a 20-year-old CAT loader asset #6566, damaged in FY 2023 during a fire incident. The City received insurance proceeds for the damages for \$110,458, which will be utilized towards purchasing the replacement, CAT Loader. The replacement of this machine is needed because it was used in our daily operation needs in the various projects done by the operation department, such as pipe jobs, loading dump trucks with fill and material to haul to job sites, grading, and pushing piles of dirt or moving materials.

The new pool vehicle will replace two auctioned surplus vehicles (#5807 and #6116), which have surpassed their useful life. The \$5,906 revenue generated from the auctioned vehicle surplus is currently in the Fleet Service account. Public Works requests to transfer the auctioned proceeds to the Public Works General Fund to supplement the replacement pool vehicle's cost. The replacement pool vehicle will be available to Public Works employees who must travel to attend training and sometimes require overnight stays for training. The approval of these requests will benefit the department tremendously.

**REQUESTING DEPARTMENTS:**

Public Works

**FISCAL IMPACT:**

Upon Council approval, funds in the amount of \$86,305 will be transferred from General Fund Undesignated Fund Balance 001-0000-392-1001 and \$110,458 from Fleet Services Fund 521-7070-519-6401 to 001-7034-541-6401 Machinery & Equipment to purchase the Cat Loader. Funds will be transferred in the amount of \$5,906 from Fleet Service Fund 521-7070-519-6403 and from General Fund; \$9,000 from 001-7011-541-5501 Training and Education and \$8,488 from 001-7017-541-5501 Training and Education, to GF/001 account 001-7011-541-6403 Light Vehicles to purchase the Pool Vehicle.

**STAFF RECOMMENDATION:**

Motion to approve the purchase a John Deere 544G CAT Loader and a 2024 Toyota Corolla Pool Vehicle for Public Works.

**ATTACHMENTS:**

1. Vendor Quotes for Cat Loader
2. Vendor Quotes for Pool Vehicle