



Date: April 19, 2016

To: Thomas J. Bonfield, City Manager

Through: W. Bowman Ferguson, Deputy City Manager

From: Joseph W. Clark, Fleet Management Director

Subject: FY 2015-16 CIP Budget Amendment Request for General Fund, Solid Waste Fund, Stormwater Fund and Water and Wastewater Fund CIP Ordinances

Executive Summary

In the course of the fiscal year, certain amendments to the Capital Improvements Project (CIP) Ordinance are necessary. An amendment is currently required for two reasons: The first is to appropriate funds for the immediate replacement of several pieces of critical equipment for the Public Works Department for a total of \$1,326,000.00. The funding for this Public Works equipment is accelerating the ordering of what would otherwise have been appropriated next year, and the 2017 Fleet replacement budget request will be lowered by this same amount. The second is to transfer left-over funds from old projects in previous years' Fleet project budgets to the 2016 current year Fleet project budget for a total of \$1,139,864.00. Moving funds from old projects is a technical adjustment that has no overall financial impact, as these funds were already appropriated in prior years.

Recommendation

The Finance Department recommends that the City Council adopt an Ordinance amending the General Capital Improvements Project Ordinance, as amended, the same being Ordinance #14778, for the purpose of adding funds for Public Works Department purchases (\$1,326,000.00) and additional general fund fleet needs (\$355,405.00);

Adopt an Ordinance amending the Solid Waste Capital Improvement Project Ordinance, as amended, the same being Ordinance #14781 for the purpose of adding funds for the Fleet project budget (\$597,539.00);

Adopt an Ordinance amending the Stormwater Capital Improvement Project Ordinance, as amended, the same being Ordinance #14780 for the purpose of adding funds for the Fleet project budget (\$119,535.00); and

Adopt an Ordinance amending the Water and Wastewater Capital Improvement Project Ordinance, as amended, the same being Ordinance #14779 for the purpose of adding funds for the Fleet project budget (\$67,385.00).

Background

Any time an ordinance requires change, the revision require City Council approval. The Administration typically brings two to four budget amendments forward each year.

Issues and Analysis

The attached amendments will include the following:

The Public Works Department has several vehicles and equipment that are in critical need of being replaced prior to the next fiscal year. This amendment of \$1,326,000.00 will go towards the purchase of four (4) dump trucks, two (2) pothole patching machines, and one (1) backhoe tractor. The funding for this Public Works equipment is accelerating the ordering of what would otherwise have been appropriated next year, and the 2017 fleet replacement budget request will be lowered by this exact amount.

The remaining amendments for a total of \$1,139,864.00 will be used to purchase various vehicles and equipment across the general fund, stormwater fund, water and sewer fund, and the solid waste fund. This represents the transfer of left-over funds from old projects in previous years' Fleet project budgets to the 2016 current year Fleet project budget. Moving funds from old projects is a technical adjustment that has no overall financial impact, as these funds were already appropriated in prior years.

Alternatives

An alternative is to wait for new CIP project funding for FY 2016-17. Staff recommends against this alternative as the Public Works equipment is needed this year, and the amendment for the Fleet budget reflects a cleanup of old projects that will enable funds to be available for the current year.

Financial Impact

The approval of these budget amendments will have a positive impact on the state of the City's fleet, providing funding for the purchase of urgently need Public Works Department equipment and for the replacement of numerous vehicles and equipment that otherwise could not be replaced at this time.

Funding use summary (Public Works Department):

Four dump trucks, two pothole patching machines, and one backhoe tractor	\$1,326,000
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Transfer from old projects:

Department	Increase
General Fleet	\$ 355,405
Solid Waste	597,539
Storm Water	119,535
Water and Sewer	67,385
Total	\$1,139,864

SDBE Summary

Not applicable.

Attachments

1. An Ordinance Amending General Capital Improvement Project Ordinance, Fiscal Year 2015-16, As Amended, the Same Being Ordinance #14778
2. An Ordinance Amending Solid Waste Capital Improvement Project Ordinance, Fiscal Year 2015-16, As Amended, the Same Being Ordinance #14781
3. An Ordinance Amending Stormwater Improvement Project Ordinance, Fiscal Year 2015-16, As Amended, the Same Being Ordinance #14780
4. An Ordinance Amending Water and Wastewater Capital Improvement Project Ordinance, Fiscal Year 2015-16, As Amended, the Same Being Ordinance #14779