



**To: Mayor Fasbender & City Councilmembers**  
**From: Chris Jenkins, Parks & Recreation Director**  
**Date: December 19, 2022**  
**Item: Budget Adjustment – Vehicle Replacements**

**Council Action Requested:** Approve budget adjustment for extra funds required to purchase 2 pickup trucks for the Parks & Recreation Department and 2 pickup trucks for the Public Works Department.

**Background Information:** The 2022 approved budget included \$75,000.00 for the Parks & Recreation Department to replace 2 pickup trucks and \$60,000.00 to replace 2 pickup trucks for the Public Works Department. The budget requests were based on quotes provided in mid-2021. Pickups were ordered from the dealers in October of 2021 with Council pre-authorization. Due to shortages in microchips, high demand for vehicles of all sorts, and other supply chain challenges, these pickups were never delivered through the dealer.

Staff began to investigate options to acquire replacement vehicles and contacted Enterprise Fleet Management, who the City currently works with to lease multiple vehicles. At that time, Enterprise had an order of pickup trucks being delivered, and those pickups fit our needs well although they were not exactly what we had ordered previously.

Two pickups were allocated to the Parks & Recreation Department and two pickups were allocated to the Public Works Department. These are all 1-Ton, 4-wheel drive, extended cab pickup trucks. One for P&R will be fitted with a snow plow. The state bid cost was more expensive than originally budgeted, however no other acquisition option was better than this opportunity.

These pickups are currently leased for 48 months; however, the City has an option to buy out the leases at the end of 12 months. The finances below are based on the 12-month buyout scenario.

Staff request approval of this budget adjustment to fully fund the acquisition of 4 pickup trucks, one with a snow plow.

**Financial Impact:**

Parks:

Original budget: \$75,000.00

Total Cost: \$92,439.30 (includes purchase and installation of snow plow)

Budget Adjustment needed: \$17,439.30 (\$8,883.30 trucks + \$8,556 plow)

Public Works:

Original Budget: \$60,000.00

Total Cost: \$82,027.62

Revenue from sale of old pickups: \$9,525.00

Budget Adjustment needed: \$12,502.62

Grand total budget adjustment: \$29,941.92

Fund balance from the respective funds will be utilized for this budget adjustment.

**Advisory Commission Discussion:** None

**Council Committee Discussion:** None

**Attachments:** None