

ITEM 4.6

CITY MANAGER'S REPORT AUGUST 12, 2019, CITY COUNCIL REGULAR MEETING

ITEM: RATIFY PURCHASE OF A TELESCOPIC HANDLER

RECOMMENDATION: Adopt Resolution Ratifying City Manager's Action to Purchase a Telescopic Handler for the Operations and Maintenance Division of the Public Works Department, and Approve Related Budget Amendment

SUMMARY:

The Operations and Maintenance Division of the Public Works Department relies upon a boom truck, a crane attached to a large flatbed truck, to maintain essential utility infrastructure. The City's boom truck has exceeded its useful life and can no longer meet industry safety standards. The City cannot properly maintain essential utility infrastructure without the ability to lift heavy material and equipment. Utilizing section 2.36.080 "Emergency Procedures" of the Lathrop Municipal Code (LMC), the City Manager approved the immediate purchase of a telescopic handler to preserve public health and safety. The total cost of the telescopic handler was \$109,717 and sufficient funds were not allocated in the approved fiscal year 2019/20 budget.

Staff requests City Council ratify the City Manager's action to purchase a telescopic handler for the Operations and Maintenance Division of the Public Works Department and approve related budget amendment.

BACKGROUND:

The Operations and Maintenance Division of the Public Works Department relies upon a boom truck, a crane attached to a large flatbed truck, to maintain utility infrastructure. The boom truck is a 1991 Kodiak flatbed and has been used by City staff since 1991. On June 12, 2019 City staff had the boom truck inspected and it no longer met industry safety standards. The cost to address the deficiencies was estimated to be much greater than the value of the truck. In addition to the initial repair costs, the boom truck will require extensive ongoing maintenance due to its age.

A telescopic handler (telehandler) is a versatile machine widely used in the construction industry. Telehandlers are utility lifting machines, usually mounted on a four-wheel drive chassis and equipped with a telescopic boom that can provide lift heights to 50 feet or more. On the end of the boom the operator can fit one of several attachments, such as a bucket, pallet forks, or winch.

REASON FOR RECOMMENDATION:

The City's boom truck has exceeded its useful life and can no longer meet industry safety standards. The City cannot properly maintain essential utility infrastructure without the ability to lift heavy material and equipment. A telescopic handler is a versatile machine widely used in the construction industry and will meet the needs of the Operations and Maintenance Division of the Public Works Department.

FISCAL IMPACT:

The total cost of the telescopic handler was \$109,717. The approved fiscal year 2019/20 budget did not include the purchase of the telescopic handler, therefore, a budget amendment in the amount of \$109,717 will be required. A total of \$44,467 will be carried over from fiscal year 2018/19 into fiscal year 2019/20 to cover forty percent of the cost. The remaining sixty percent in the amount of \$62,250 is proposed to be funded with the available capital replacement reserves balance in the Storm Drain Fund 2510, Stonebridge Drainage and Lighting Fund 2560, Mossdale CFD Fund 2570/2590, Mossdale Landscape and Lighting Fund 2580/2610, Water Fund 5620, Sewer Fund 6010, and the Sewer West I5 Fund 6080. City staff is requesting Council approve the following budget amendment:

Decrease Appropriations

2500-5021-450-3800	\$6,584
2510-5020-420-5800	\$3,141
2510-5020-430-2600	\$3,049
2550-5060-430-2600	\$549
6080-5034-420-5800	\$9,200
2510-243-0000	\$2,039
2560-243-0000	\$4,389
5620-243-0000	\$30,721
6010-243-0000	\$12,069
6080-243-0000	\$8,355

Increase Transfer Out

Mossdale CFD Capital Replacement 2590 -9900-990-9010	\$6,583
Mossdale Landscape & Lighting Capital Replacement 2610-9900-990-9010	\$1,098

Increase Transfer In

2570 -9900-393-0000	\$6,583
2580-9900-393-0000	\$1,098

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Increase Appropriation

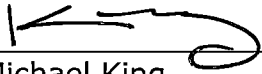
2500-5021-450-2000	\$6,584
2510-5020-450-2000	\$8,229
2550-5060-450-2000	\$549
2560-5061-450-2000	\$4,389
2570-5063-450-2000	\$6,583
2580-5064-450-2000	\$1,098
5620-5050-450-2000	\$30,721
6010-5030-450-2000	\$12,069
6080-5034-450-2000	\$17,555

ATTACHMENTS:

- A. Resolution Ratifying City Manager's Action to Purchase a Telescopic Handler for the Operations and Maintenance Division of the Public Works Department, and Approve Related Budget Amendment

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APPROVALS:



Michael King
Assistant Director of Public Works

8-6-19

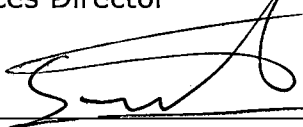
Date



Cari James
Finance & Administrative
Services Director

8/8/19


Date



Salvador Navarrete
City Attorney

8-7-19

Date



Stephen J. Salvatore
City Manager

8-8-19

Date

RESOLUTION NO. 19-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP RATIFYING CITY MANAGER'S ACTION TO PURCHASE A TELESCOPIC HANDLER FOR THE OPERATIONS AND MAINTENANCE DIVISION OF THE PUBLIC WORKS DEPARTMENT, AND APPROVE RELATED BUDGET AMENDMENT

WHEREAS, the Operations and Maintenance Division of the Public Works Department relies upon a boom truck, a crane attached to a large flatbed truck, to maintain utility infrastructure; and

WHEREAS, the City's boom truck has exceeded its useful life and can no longer meet industry safety standards; and

WHEREAS, the City cannot properly maintain utility infrastructure without the ability to lift heavy material and equipment; and

WHEREAS, a telescopic handler is a versatile machine widely used in the construction industry and will meet the needs of the Operations and Maintenance Division of the Public Works Department; and

WHEREAS, the total cost of the telescopic handler was \$109,717; and

WHEREAS, section 2.36.080 "Emergency Procedures" of the Lathrop Municipal Code (LMC) allows for the elimination of the purchasing procedures in an effort to efficiently and timely maintain essential public services; and

WHEREAS, the City Manager approved the immediate purchase of a telescopic handler to preserve public health and safety; and

WHEREAS, the approved fiscal year 2019/20 budget did not include the purchase of the telescopic handler, therefore, a budget amendment in the amount of \$109,717 will be required.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lathrop hereby ratifies the City Manager's action to purchase a telescopic handler for the Operations and Maintenance Division of the Public Works Department and approves the following Budget Amendment:

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5620-5050-450-2000	\$30,721
6010-5030-450-2000	\$12,069
6080-5034-450-2000	\$17,555

The foregoing resolution was passed and adopted this 12th day of August 2019, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:

Teresa Vargas, City Clerk



Salvador Navarrete, City Attorney

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