

Request for City Council Action

Date: September 15, 2015

<p>Agenda Section: Consent Agenda</p> <p>No. 5</p>	<p>Originating Department: Public Works – Equipment Maint. / Street Maintenance Finance – Purchasing</p>			
<p>Item: Award of Purchase of a Heavy Duty Industrial Tractor Loader-Backhoe to McKeel Equipment Co., Inc. of Paducah, KY in the Amount of \$91,664.42 and Approval of an Ordinance Increasing the overall FY2016 Budget by \$91,665.</p> <p>No. 5.6</p>	<p>Approved:</p>			
<p>Background and Summary:</p> <p>The Street Maintenance Division of the Public Works Department depends on the use of Tractor Loader-Backhoes to perform both routine and emergency repair work on streets, sidewalks, storm sewers, and for snow removal. The Street Maintenance Division currently has two (2) Tractor Loader-Backhoes, a 1997 Case 590SL and a 2004 Komatsu WB150. The 1997 Case has proven to be an extremely reliable piece of equipment; on the other hand the 2004 Komatsu has been proven to be a very unreliable and costly to maintain. Recently the 2004 Komatsu experienced another catastrophic hydraulic system failure. The needed repairs are estimated to be between \$12,000 and \$15,000 depending on the extent of the damage caused when the hydraulic pump failed.</p> <p>This equipment was purchased in 2004 for \$62,518.80 and maintenance costs are currently in excess of \$66,500. Staff has evaluated the maintenance history and believes that this equipment has exceeded its reliable and useful service life for the City. As such Staff recommends that it be replaced in lieu of making the needed repairs.</p> <p>In April 2015 the City received bids on a replacement Tractor Backhoe-Loader for the Sewer Collection Division. The lowest bid meeting the minimum required specifications was submitted by McKeel Equipment Co., Inc. of Paducah, KY in the amount of \$99,664.42 with a trade in amount of \$10,000 for a working 2001 Komatsu Tractor Loader-Backhoe.</p> <p>Staff has contacted McKeel equipment and they have agreed to honor the bid price from April 2015 and have offered a trade-in of \$8,000 for the non-working 2004 Komatsu Tractor Backhoe-Loader (a net cost of \$91,664.42).</p> <p>The Finance Department has reviewed the various options of obtaining a loan verses purchasing this equipment with a transfer from the General Fund and recommends that the City purchase the equipment outright with a transfer from Fund Balance.</p> <p>Recommended Action:</p> <p>The City Council is requested to award the purchase of a Heavy Duty Industrial Tractor Loader-Backhoe to McKeel Equipment Co., Inc. of Paducah, KY in the Amount of \$91,664.42; and approve an Ordinance increasing the overall FY2016 budget by \$91,665.</p> <p>The City Council is also requested to declare the existing 2004 Komatsu WB-150-2N Tractor Loader-Backhoe (Serial #KMTWB009L36A60079) as surplus property for trade-in.</p>				
Engineering Approval Obtained	Finance Approval Obtained	Legal Approval Obtained	Approval Obtained	Manager's Approval Obtained
Council Action: Motion by: _____		2nd by: _____		to: _____

CITY OF CARBONDALE, ILLINOIS

ORDINANCE NO. 2015 - ____

AN ORDINANCE AMENDING THE FY 2016 BUDGET TO PROVIDE FUNDS FOR THE PURCHASE OF A BACKHOE TRACTOR-LOADER AND AUTHORIZING A BUDGET ADJUSTMENT TO INCREASE IN THE OVERALL FISCAL YEAR 2016 BUDGET FOR THE GENERAL FUND

ADOPTED BY THE CITY COUNCIL

OF THE CITY OF CARBONDALE, ILLINOIS

THE 15TH DAY OF SEPTEMBER 2015

Published in pamphlet form by authority of the City Council of the City of Carbondale, Jackson County, Illinois, this 16th day of September, 2015

CERTIFICATE OF PUBLICATION

I, Jennifer Sorrell , the duly qualified City Clerk of the City of Carbondale, Illinois, and the official custodian of the records of said City, do hereby certify that this ordinance was published in pamphlet form by authority of the City Council on the 16th day of September, 2015.

Jennifer Sorrell, City Clerk

ORDINANCE NO. 2015 - ____

AN ORDINANCE AMENDING THE FY 2016 BUDGET TO PROVIDE FUNDS FOR THE PURCHASE OF A BACKHOE TRACTOR-LOADER AND AUTHORIZING A BUDGET ADJUSTMENT TO INCREASE IN THE OVERALL FISCAL YEAR 2016 BUDGET FOR THE GENERAL FUND

WHEREAS, the City of Carbondale, Illinois, is a home rule unit of local government under the Illinois Constitution, 1970, Article VII, Section 6; and

WHEREAS, pursuant to Article VII, Section 6(a), of the Illinois Constitution, 1970, the City of Carbondale may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare; and

WHEREAS, the City of Carbondale is interested in purchasing a new backhoe tractor-loader for the Street Maintenance Division due to the catastrophic failure of existing equipment; and

WHEREAS, in order to purchase a new backhoe tractor-loader, it is necessary to increase the Fiscal Year 2016 Budget for the General Fund by the amount of \$91,665; and

WHEREAS, pursuant to Section 1-13-3 of the Carbondale Revised Code, the Council may, by simple majority, declare personal property surplus; and

WHEREAS, the Council finds a certain 2004 Komatsu WB150 Tractor Loader-Backhoe is surplus; and

WHEREAS, the City Council of the City of Carbondale finds it in the best interest of the City of Carbondale to adjust the Fiscal Year 2016 (FY2016) budget expenditures by increasing the FY2016 General Fund Budget by the amount of \$91,665 in order to purchase a backhoe tractor-loader.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CARBONDALE AS FOLLOWS:

SECTION ONE. That the City Council deems it in the best interest of the citizens of Carbondale to adjust the budget by increasing the FY2016 the General Fund budget expenditures by a total of \$91,665 in order to purchase a backhoe tractor-loader, in the amount and manner as provided in Exhibit A, attached hereto and incorporated by reference, and declare a certain 2004 Komatsu WB150 Tractor Loader-Backhoe is surplus personal property.

SECTION TWO. That the FY2016 General Fund Budget is hereby increased in accordance with the expenditures as shown in Exhibit A and such funds are hereby appropriated in accordance with law for the purposes of this Ordinance.

SECTION THREE. That the City Manager of the City of Carbondale is hereby authorized to and shall take any and all reasonable, necessary and proper action to carry out the intent and purposes of this Ordinance.

SECTION FOUR. That the Finance Director is hereby authorized to increase the FY2016 General Fund Budget in accordance with this Ordinance, transfer the amount of \$91,665 as specified in Exhibit A attached hereto, and to disperse the funds from the FY2016 Budget for the expenditures as indicated in Exhibit A.

SECTION FIVE. That all ordinances and parts thereof in conflict herewith are expressly repealed and are of no other force and effect.

SECTION SIX. That repeal of any ordinance by this Ordinance shall not affect any rights accrued or liability incurred under said repealed ordinance to the effective date hereof. The provisions of this Ordinance insofar as they are the same or substantially the same as those of

any prior ordinance, shall be construed as a continuation of said prior ordinances.

SECTION SEVEN. That it is the intention of the City Council of the City of Carbondale that this Ordinance and every provision thereof shall be considered separable, and the invalidity of any section, clause, or provision of this Ordinance shall not affect the validity of any other portion of this Ordinance.

SECTION EIGHT. That the City Council of the City of Carbondale finds that the subject matter of this Ordinance pertains to the government and affairs of the City of Carbondale and is passed pursuant to authorities granted it by State statutes and the Home Rule powers of the City of Carbondale pursuant to the provisions of Article VII, Section 6(a) of the Illinois Constitution.

SECTION NINE. That this Ordinance of the City of Carbondale, Illinois, and shall be in full force and effect from and after its passage, approval, recording and publication in accordance with law.

APPROVED _____
John M. Henry, Mayor

ATTEST: _____
Jennifer Sorrell, City Clerk

APPROVED AS TO LEGALITY AND FORM:

P. Michael Kimmel, City Attorney

Exhibit A

BUDGET ADJUSTMENT

FUND NO: 01 FUND NAME: General Fund B/A NUMBER: _____

INSTRUCTIONS

Use separate forms for each Fund. Amounts must be in whole dollars. Expenditure Accounts: To add, use the DEBIT columns; to deduct, use the CREDIT columns. Revenue Accounts: To add, use the CREDIT columns; to deduct, use the DEBIT columns.

DIVISION NAME - ACCOUNT TITLE	ACCOUNT NO. DEBIT	\$ AMOUNT DEBIT
Maintenance & Environmental Services - Machinery & Equipment	40350-503	91,665
TOTAL:		91,665

DIVISION NAME - ACCOUNT TITLE	ACCOUNT NO. CREDIT	\$ AMOUNT CREDIT
Fund Balance - Undesignated ** DO NOT KEY **	29999-000	91,665
TOTAL:		91,665

FINANCE DEPT. USE ONLY	REF. NO. JE		
ESTIMATED REVENUES (CONTRA ACCT.)	A/C# 27009-000		
BUDGETED EXPENDITURES (CONTRA ACCT.)	A/C# 27109-000		
EQUITY ACCOUNT TITLE: Reserve for Restricted Account	A/C# 28059-000		
EQUITY ACCOUNT TITLE: Fund Balance Undesignated	A/C# 29999-000		

EXPLANATION: To provide funds for the purchase of a backhoe to replace a nonfunctioning backhoe.

INITIATED BY: Jeffrey M Davis/Sean Henry DATE: 09/10/2015

COUNCIL ACTION REQUIRED: YES NO DATE APPROVED: 09/15/2015

APPROVED: _____
 FINANCE DIRECTOR DATE CITY MANAGER DATE

