



TO: Mayor Shaun Sipma
Members of the City Council

FROM: Dan Jonasson, Public Works Director

DATE: June 10, 2019

SUBJECT: BUDGET AMENDMENT FOR LOCAL MATCH FUNDS NEEDED FOR THE PREVIOUSLY APPROVED PURCHASE OF A 2019 ADA COMPLIANT BRAUN ENTERVAN

I. RECOMMENDED ACTION

1. Recommend approval to use \$5,316.00 from Bus Department cash reserves for matching funds for the purchase of a 2019 ADA Compliant Braun Entervan to replace the 2016 Braun Entervan that was damaged beyond repair in an accident.
2. Recommend approval of attached budget amendment

II. DEPARTMENT CONTACT PERSONS

Dan Jonasson, Public Works Director	857-4140
Brian Horinka, Vehicle Maintenance/Bus Superintendent	857-4148

III. DESCRIPTION

A. Background

On March 4, 2019, council approved the purchase of a 2019 ADA compliant Braun Entervan to replace a 2016 Braun Entervan that was damaged beyond repair in an accident. The vehicle was being purchased using a Section 5339 grant that would reimburse 80% of the purchase cost of \$41,100.00. At that time, it was understood that the \$14,521.00 that was received from the insurance claim would be used as the required local match for this purchase. Since this time we have been informed that since the van that was involved in the accident had not met its Useful Life Expectancy that the insurance proceeds must be applied to the federal portion of the purchase. After discussions with North Dakota DOT transit personnel, it was determined that 80% of the insurance claim would applied to the federal portion of the purchase and 20% of the insurance claim could be used toward local match.

B. Proposed Project

We are requesting permission to use \$5,316.00 from Bus Department cash reserves for the \$5,316.00 in remaining local match required by the NDDOT.

C. Consultant Selection

N/A

IV. IMPACT:

A. Strategic Impact:

N/A

B. Service/Delivery Impact:

N/A

C. Fiscal Impact:

\$41,100.00 total purchase cost.

\$21,263.00 reimbursed from an approved Federal Section 5339 grant.

\$14,521.00 from the insurance claim.

\$5,316.00 local match required from Bus Department cash reserves.

V. ALTERNATIVES

VI. TIME CONSTRAINTS

Council's approval of the recommendation will allow the Bus Department Superintendent to submit the reimbursement request to the NDDOT for the agreed upon federal grant portion of this purchase.

VII. LIST OF ATTACHMENTS

N/A