



TO: Mayor Shaun Sipma
Members of the City Council

FROM: Paul Ulrickson, IT Manager – Network and Communications

DATE: December 28, 2020

SUBJECT: NETWORK SWITCH UPGRADE

I. RECOMMENDED ACTION

1. Recommend approval for the first reading of the 2021 budget amendment to use General fund cash reserves for the purchase of a switch upgrade.
2. Authorize the Mayor to sign the budget amendment.

II. DEPARTMENT CONTACT PERSONS

David Lakefield, Finance Director	857-4784
Paul Ulrickson, IT Manager	857-4172

III. DESCRIPTION

A. Background

\$40,000 was originally budgeted in the Equipment Capital Purchase fund in 2020. A budget amendment went through council in March of 2020 to move the full project to General fund based on the previous purchase description. The quote received in December of 2020 to be used for the equipment purchase in 2021 shows that \$10,610 will qualify as a Capital Equipment purchase and the remaining \$60,390 will be purchased from General fund.

A budget amendment is required to use cash reserves for the purchase and to move a portion of the network switch upgrade from the General fund into the Capital Equipment fund as it exceeds the City policy’s threshold for a capital purchase.

B. Proposed Project

N/A

C. Consultant Selection

N/A

IV. IMPACT:

A. Strategic Impact:

N/A

B. Service/Delivery Impact:

N/A

C. Fiscal Impact:

Project Costs	
Technical Services	\$13,840
Software Licenses	2,688
Operation Supplies	5,996

Equipment Materials	37,866
Capital Equipment	<u>10,610</u>
Total	\$71,000

Project Funding	
General Fund Cash Reserves	\$71,000

V. ALTERNATIVES

N/A

VI. TIME CONSTRAINTS

N/A

VII. LIST OF ATTACHMENTS

- A. Budget Amendment
- B. Purchase Quote