COUNTY OF HUMBOLDT

For the meeting of: 10/8/2024

File #: 24-1364

To: Board of Supervisors

From: Public Works

Agenda Section: Consent

Vote Requirement: 4/5th

SUBJECT:
Supplemental Budget for Roads Heavy Equipment, 3540330, in the Amount of $156,387 for Fiscal Year (FY) 2024-25 (4/5 Vote Required)

RECOMMENDATION(S):
That the Board of Supervisors:

1. Approve the attached Supplemental Budget for FY 2024-25 for the Roads Heavy Equipment budget, 3540330, in the amount of $156,387 and establish fixed asset line 8986 - Equipment (4/5 vote required).

STRATEGIC PLAN:
This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Core Services/Other
Strategic Plan Category: 9999 - Core Services/Other

DISCUSSION:
Earlier this year Public Works applied for Measure Z Funding for the necessary replacement of some heavy equipment, a Water Truck, Transfer Dump Truck, and a Crane Truck. The quotes used for the initial application have now increased due to the continued increase in costs from the time the application was submitted to the Measure Z Committee to the time of purchase. For the Water Truck, the initial quote was $310,000 and the current quote is $360,400, a difference of $50,400. For the Transfer Dump Truck, the initial quote was $335,000 and the current quote is $381,553, a difference of $46,553. For the Crane Truck, the initial quote was $455,000 and the current quote is $514,434, a difference of $59,434.

The Roads Heavy Equipment budget, 3540330, will take on the burden of the additional cost of $156,387. The additional funding to cover the cost will be coming from the Overhead and Maintenance (O&M) charges that will be applied to the equipment once received and donated to Roads Heavy Equipment budget, 3540330.

If the recommendation is not approved, Roads Maintenance will then be required to rent the equipment in order to be able to complete road maintenance projects. Renting this type of equipment would be significantly more expensive than the additional funding needed to purchase them. Also, renting would mean that the availability of the equipment and ability to get the equipment to the work sites when they are needed would always be a question. With the natural disasters and storms that we have encountered in the recent past it is essential to public safety that repairs and maintenance are done on these roadways when it is needed and not when the equipment is available to rent. Further delay in the purchase of the Crane Truck will result in an additional increase in the cost and loss of the contract to purchase.

SOURCE OF FUNDING:
Roads Heavy Equipment ISF (3540)

FINANCIAL IMPACT:

Expenditures (3540330)	FY24-25	FY25-26 Projected*	FY26-27 Projected*
Budgeted Expenses			
Additional Appropriation Requested	$156,387.00		
Total Expenditures	$156,387.00		

**Projected amounts are estimates and are subject to change.*

Funding Sources (3540330)	FY24-25	FY25-26 Projected*	FY26-27 Projected*
General Fund			
State/Federal Funds			
Fees/Other	$156,387.00		
Use of Fund Balance			
Contingencies			
Total Funding Sources	$156,387.00		

**Projected amounts are estimates and are subject to change.*

Narrative Explanation of Financial Impact:
Measure Z approved the purchase of new equipment in the amount of $1,100,000. The total of the equipment is now $1,256,387. An additional $156,387 is needed to cover the increase in cost from the original quote to the final cost. The Roads Heavy Equipment budget, 3540330, will assume the burden of the cost that exceeds the original approved application for Measure Z funding in the amount of $156,387, so that the necessary replacement equipment can be ordered, and therefore keep The County in compliance with the State regulations.

STAFFING IMPACT:
Narrative Explanation of Staffing Impact:
N/A

OTHER AGENCY INVOLVEMENT:
N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS:
Your Board could choose not to approve the supplemental Roads Heavy Equipment budget 3540330. This is not recommended as the equipment needs to be replaced to stay compliance with State regulations.

ATTACHMENTS:
Supplemental Budget 3540330 Roads Heavy Equipment

PREVIOUS ACTION/REFERRAL:
Meeting of: N/A
File No.: N/A