

# DECISION PAPER



February 14, 2019

**Issue:**

2019 Ford F550 Chipper Truck

**Background:**

The Forestry Department is preparing for the 2019 season by adding a third chip crew. They will require a new truck and chipper to be operated as part of the chipping program and general forestry maintenance. The quote from Cal-Line Equipment, Inc. for a 2019 Ford F550 exceeds the board approved budget of \$77,137 by \$10,690 which includes DMV fees, Sales Tax, and a contingency. The 2019 Capital budget value was based on quotes received in August 2018. The 2018 models are no longer available, only the 2019 models. There is 1 vehicle in stock now and can be delivered prior to the forestry field season. If we wait to purchase, there is a potential for increased cost to the overall purchase and there is a 35-week lead time which means we will not take delivery until October 2019. Staff recommends approval by the board for additional funds in the amount of \$10,690 for a total budget not to exceed \$87,827 for the purchase of the 2019 Ford F550 Chipper Truck from Cal-Line Equipment utilizing Replacement Reserve - Capital Funds.

**Options:**

1. Approve additional funds in the amount of \$10,690 for the purchase of the 2019 Ford F550 Chipper Truck from Cal-Line Equipment, Inc. with a budget not to exceed \$87,827 utilizing Replacement Reserve – Capital Funds.
2. Defer the purchase to a later date.

**Recommendation:**

Staff recommends Board consider approving Option 1; Approve additional funds in the amount of \$10,690 for the purchase of the 2019 Ford F550 Chipper Truck from Cal-Line Equipment, Inc. with a budget not to exceed \$87,827 utilizing Replacement Reserve – Capital Funds.

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Reviewed by: Michael Salmon *MS*

Board Meeting Date: February 23, 2019

General Manager Approval to place on the agenda: *PS* Date: 2/15/19