

BOARD OF ALDERMEN

ITEM NO. C(3)

AGENDA ITEM ABSTRACT MEETING DATE: November 15, 2011

TITLE: Reimbursement Resolution for Capital Equipment and Vehicles

DEPARTMENT: Town Manager	PUBLIC HEARING: YES _ NO <u>X</u> _
ATTACHMENTS: A. Reimbursement Resolution	FOR INFORMATION CONTACT: Matt Efird, Interim Town Manager, 918-7314 Arche McAdoo, 918-7439

PURPOSE

The purpose of this agenda item is to revise the list of capital equipment and vehicles to be reimbursed from a future lease-purchase installment financing.

INFORMATION

On June 21, 2011 the Board of Aldermen approved Reimbursement Resolution No. 153/2010-11. This resolution provided for the Town to use general funds for the purchase of certain capital equipment and vehicles and then reimburse itself once the installment financing was in place. After further review of the list of capital equipment and vehicles, it has been determined that the two vehicles scheduled for replacement in Recreation and Parks and the one in Planning can be deferred to a later year due to the low mileage and maintenance costs.

Beginning January 1, 2013, the FCC will mandate the use of a new narrow banding license that requires digital radios. The FCC will shut down the analog system and require those who have not switched to narrow banding to start a new license process and pay fees for non-compliance.

In order to be in compliance with the FCC mandate, the Town needs to acquire new digital radio units and a narrow band license for the Public Works Department. Radios are used by Public Works employees to maintain communication between employees during daily operations, construction projects, special events, and weather related emergencies. The current analog radios and repeater currently in use by Public Works is sixteen years old and are not being produced any more, and replacement parts for repairs are being phased out by the manufacture. To make the transition from the current system to the new narrow banding will require 6-8 months.

Rather than purchase the three vehicles listed above, Staff is proposing to use a portion the proceeds from installment financing to acquire new digital radio units and narrow band licensing for the Public Works Department. As with the normal acquisition of equipment and vehicles that

are financed, the Town uses general funds and later gets reimbursement once the financing is in place.

FISCAL IMPACT

The current FY 2011-12 adopted budget includes a total of \$298,850 for installment purchase of equipment and vehicles. This includes \$59,800 for the purchase of the two vehicles for Recreation and Parks and one for Planning. Rather than purchase these vehicles, this funding will be used to acquire the digital radios and narrow band license. Thus, there will be no increase in the adopted operating budget.

RECOMMENDATION

Staff recommends that the Board consider the adoption of the attached reimbursement resolution reflecting the revised equipment and vehicle list for FY 2011-12.