



Agenda Item: 8.C
Date of Meeting: August 10, 2026
Department: Finance

STAFF REPORT

To: City Council
From: Ethan Aukee
Subject: **Ratification of Sourcewell Purchase Order and Consideration of Prepayment Option Relating to Ladder Truck Purchase**
Prepared On: August 3, 2026
Attachments: Sourcewell Purchase Order
Ladder Truck MOU
Prepayment Offer Letter
Original Vendor Proposal
Change Orders to Purchase Order
Rosenbauer Sourcewell Contract

Background/History:

The City's adopted budget includes an appropriation of \$1,732,745 for the purchase of a ladder truck, inclusive of applicable sales tax. The purchase and anticipated contributions from participating regional agencies were also identified through a memorandum of understanding, and the related funding plan was incorporated into the adopted budget.

The ladder truck is being purchased through Sourcewell, a cooperative purchasing program that provides competitively solicited contracts for public agencies. A Sourcewell purchase order was previously executed by the former City Administrator but was not separately presented to the City Council for approval.

The original purchase order reflected an amount greater than the City's current not-to-exceed obligation. Following execution of the purchase order, a change order addressing tariff-related pricing reduced the amount owed by the City. Accordingly, the current total purchase price, inclusive of applicable sales tax, does not exceed the budgeted amount of \$1,732,745.

This item is intended to ratify the previously executed purchase order, as modified by the subsequent change order, and confirm Council authorization to complete the transaction within the approved budget appropriation.

The manufacturer has also offered discounts associated with advance payment of certain components, including installment-based prepayments. Council consideration is requested before the City proceeds with those payments and payment of the remaining balance when

due.

Analysis/Discussion:

The ladder truck purchase was specifically identified in the adopted budget and funded through a combination of City resources and contributions from participating regional agencies pursuant to the applicable memorandum of understanding. The adopted appropriation totals \$1,732,745 and includes applicable sales tax.

The former City Administrator executed a Sourcewell purchase order for the ladder truck before the purchase was separately presented to the City Council. Although the purchase was clearly contemplated through the MOU and adopted budget, formal Council ratification of the purchase order will confirm authorization of the procurement and allow the City to complete the transaction.

The original purchase order reflected an amount greater than the City's current obligation. A subsequent change order addressing tariff-related pricing reduced the amount payable by the City. Ratification is therefore requested for the purchase order as modified, subject to the approved not-to-exceed amount of \$1,732,745, inclusive of applicable sales tax.

The manufacturer has also offered discounts in exchange for advance payment of certain eligible components. These prepayments may be made through multiple installments as components reach specified production milestones. Proceeding with the prepayment option would reduce the overall cost of the ladder truck while requiring the City to remit funds earlier than under the standard payment schedule.

The proposed action would authorize the component prepayments, payment of the remaining balance when due, and execution of related documents without requiring additional Council action, provided total payments remain within the approved purchase price and available budget appropriation. Staff will verify the applicable discount, payment terms, and supporting documentation before issuing each prepayment.

Impacts to Council Goals and Strategic Planning Priorities:

The proposed action supports the City's public safety, regional collaboration, and fiscal stewardship priorities by advancing the replacement of critical fire apparatus, coordinating shared regional funding, and allowing the City to obtain available prepayment discounts while maintaining the approved not-to-exceed purchase amount.

Budget Impacts:

The adopted budget includes an appropriation of \$1,732,745 for the ladder truck purchase, inclusive of applicable sales tax. Funding includes City resources and contributions from participating regional agencies pursuant to the applicable memorandum of understanding.

Approval of the prepayment option would accelerate the timing of certain expenditures but would reduce the overall purchase cost through available discounts. Total payments will not exceed the approved purchase price or available budget appropriation of \$1,732,745. No additional appropriation is requested.

Legal Review:

The City Attorney has reviewed this item and finds that the recommended action complies with

the law.

Recommended Action:

Ratify the Sourcewell purchase order for the ladder truck, as modified by the subsequent change orders; approve prepayment of eligible components, including installment payments, when financially advantageous; authorize payment of the remaining balance when due; and authorize the City Administrator to execute all related documents and complete the purchase, provided total payments do not exceed \$1,732,745, inclusive of applicable sales tax and within the available budget appropriation.

Approved By: Ethan Aukee 8/3/2026

Approved By:

Approved By:

Approved By: