



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 06/27/2023

**REQUESTER:** Taylor Johnson, Transit and Parking Program Manager

**PRESENTER:** Shawn O'Leary, Director of Public Works

**ITEM TITLE:** CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF A TRANSFER IN THE AMOUNT OF \$6,212.62 FROM THE GENERAL FUND TO THE PUBLIC TRANSPORTATION AND PARKING FUND AND BUDGET APPROPRIATION TO PROPERLY ACCOUNT FOR REIMBURSED TRAVEL COSTS AS OUTLINED IN THE STAFF REPORT.

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### **BACKGROUND:**

In 2021 City Council authorized the purchase of the City's first two electric vehicles, both 35-foot battery electric transit buses. The first was authorized on May 25, 2021 and the second was authorized on August 10, 2021. In an effort to capitalize on efficiencies for parts, support, warranty, and product familiarity staff partnered with the manufacturing company Gillig for this procurement. Included as part of the original quoted price (and eventual final cost) of each bus was the reimbursement of pre-delivery inspection travel and lodging expenses up to \$5,000.

As part of the production process of the battery electric buses, staff visited the Gillig manufacturing facility in September 2022 for inspections prior to final completion and delivery. An additional such trip was completed in December of 2022 following the final completion that had been delayed by supply line issues.

Following these trips the costs were summarized and submitted to Gillig for reimbursement as previously agreed upon. Rather than hold an account credit for the City, Gillig issued reimbursement in the form of check payment sent to the City. Reimbursement for the September 2022 trip was a total of \$3,872.22 and payment was received on 10/13/22. Reimbursement for the December 2022 trip was a total of \$2,340.40 and payment was received on 4/24/2023. The full amount reimbursed is \$6,212.62.

### **DISCUSSION:**

The initial authorizations from Council failed to specify an account to assign reimbursement to because staff were unaware that the reimbursements would be made as direct payments. Because of this oversight, when payment was received it was deposited to the City's General Fund rather than reimbursing the account where the funds were paid from. Staff requests an

amount equal to the reimbursed fees be reallocated to the account from which they were initially paid.

**RECOMMENDATION:**

Staff recommends that City Council approve the transfer of \$6,212.62 from the General Fund, Reimbursement - Refunds - Miscellaneous General (Account 109-365251) to the Public Transit and Parking Fund, Reimbursement - Refunds - Miscellaneous (Account 279-365251). Staff also recommends appropriation of the revenue within the Public Transit Fund from Reimbursements - Refunds - Miscellaneous General (Account 279-365251) to Employee Travel (Account 27550277-44603) to properly reimburse travel expenses as outlined in the staff report.