



## REQUEST FOR ACTION CITY COUNCIL

Agenda Date: 4/7/2026  
Agenda Section: Consent Agenda

**Department Origination:** Public Works

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**Agenda Item:** Approve a Budget Transfer to Purchase MicroChlor Cells for the Water Treatment Plant

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**Approval Required:** Simple Majority Vote

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### **BACKGROUND**

The Water Treatment Plant utilizes chlorine in the form of sodium hypochlorite to treat and disinfect the water for our water customers. For the protection of city employees and safety of surrounding facilities, the city does not keep bulk chlorine stored at the water plant; instead, the city utilizes the MicroChlor system to produce sodium hypochlorite. The MicroChlor system includes five cells used for producing sodium hypochlorite.

Included in the 2026 Water Enterprise Fund budget was to purchase one new MicroChlor cell and to refurbish one cell. The cell that was sent in for factory refurbishment was deemed beyond its useful life and was scrapped by the factory. Prior to PSI coming to perform their service work the new cell was purchased. After contracted inspection services were performed, it was identified that two cells required replacement. Therefore, the new cell and the emergency back-up cell were installed by PSI with their service work. Currently there is no emergency back-up cell available. In the event of a cell failure, the Baxter water treatment plant would not be able to produce the sodium hypochlorite used to treat and disinfect the water. Therefore, a new cell needs to be ordered to have an emergency back-up on hand.

### **FINANCIAL IMPLICATIONS**

\$20,000 was budgeted for a new cell in 2026 and \$10,000 was budgeted for refurbishing last year's cell that was replaced to re-establish a back-up cell. Without the ability to refurbish the old cell, two new cell were required in order to replace the cell that was removed last year this meant the City would need to spend \$40,000 on MicroChlor cells just to replace the one that was planned for this year and to have a back-up. When PSI identified two cells that were beyond their useful life and were on the brink of failing, a third cell was identified as needing to be purchased to have a back-up for a total of \$60,000 in new cells this year.

Staff has identified two items to offset the additional \$30,000 needed in the Repairs and Maintenance for Water Treatment Plant Equipment to balance the budget.

- There is \$10,000 budgeted for repairing the Vactor Truck coatings in Repairs and Maintenance to Machinery/Equipment. While working through the Purchase Order for a new Vactor Truck, it has been brought to our attention that our current Vactor Truck does not have much retail value, and the coatings will not provide the payback in trade-in value.
- There is \$27,000 budgeted in the Buildings and Structures budget for replacing the recirculation System in the South Water Tower. Due to the reduced volume of water needed during the winter months and the best management practices of not having too much water storage creating issues with long turn over time in the water towers. It is likely the water tower will get replaced before the city will need to use the recirculation system in the South Tower. If the demand is required, it is staff's recommendation to purchase the recirculating system at the time. The budget identified the recirculating system in the East

Tower, this was a mistake and the South Tower is where the recirculation system is scheduled for replacement.

**STAFF RECOMMENDATIONS**

Staff recommends transferring the funds outlined in the financial implications to allow for purchasing of the MicroChlor Cells for the Water Treatment Plant. The budgeted items identified for transferring the funds are no longer needed.

**COUNCIL ACTION REQUESTED**

**MOTION** to approve a budget transfer to purchase MicroChlor cells for the Water Treatment Plant.