



TO: FRUITA CITY COUNCIL AND MAYOR

FROM: SHANNON VASSEN, ASSISTANT CITY MANAGER

DATE: JUNE 20, 2023

AGENDA TEXT: RESOLUTION 2023-18 - Public Hearing – Amending the 2023 Budget with Supplemental Appropriations of Funds for Emergency Equipment Repair at the Wastewater Reclamation Facility.

BACKGROUND

This is a request to amend the 2023 Annual Budget and to provide supplemental appropriations in the Sewer Fund for Emergency Equipment Repair at the Wastewater Reclamation Facility. The repairs will be funded through Sewer Fund – Fund Balance that is assigned for equipment at the Wastewater Reclamation Facility.

The Wastewater Reclamation Facility has two oxidation ditches that are used for the treatment of wastewater. In each ditch, there is a channel aeration system that combines two vertical drum mixers with the fine bubble diffusion. The bearing assembly that controls one of the vertical drum mixers recently failed, and staff has been working with the manufacturer to determine what is needed for the replacement. If this budget amendment is approved, staff will purchase two assembly units to replace both of the units in the first aeration ditch. The current units will then be sent back to the manufacturer and refurbished, to be used as replacements in the future.

FISCAL IMPACT

This budget amendment does have a significant fiscal impact on the Sewer Fund Assigned Fund Balance. The assigned fund balance for equipment repairs and replacements at the Wastewater Reclamation Facility will be decreased by \$225,000 from \$750,000 to \$525,000 for the year. In the upcoming budget years, this assigned balance will need to be replenished and restored to the \$750,000. These repairs, however, are necessary and are an allowable use of these assigned funds.

APPLICABILITY TO CITY GOALS AND OBJECTIVES

This budget amendment provides for the continued provision of core services at the Wastewater Reclamation Facility.

OPTIONS AVAILABLE TO THE COUNCIL

- Approve the budget amendment as presented or with amendments
- Advise staff to revise the budget amendment

RECOMMENDATION

It is the recommendation of staff that the Council by motion:

ADOPT RESOLUTION 2023 -18 AMENDING THE 2023 BUDGET TO APPROPRIATE FUNDS IN THE SEWER FUND FOR EMERGENCY REPAIRS AT THE WASTEWATER RECLAMATION FACILITY.