

Staff Recommendation

Staff recommends approval of **Budget Amendment 2026-01**, reallocating or increasing appropriations in the relevant budget lines to cover these expenditures. These items are necessary to support community programming, maintain facility safety and compliance, and ensure continuity of City operations.

1. Replacement of 3-Ton HVAC System

Council recently experienced issues with one of the HVAC units at City Hall. Initial concerns pointed to the 3-ton unit; however, further investigation indicated a possible refrigerant leak in the **2-year-old 5-ton system**, which serves Council Chambers rather than the office area as originally believed.

Given the **15-year age** of the 3-ton unit, staff proceeded with its preventative replacement at the agreed price. This ensures reliability for the office area while the 5-ton unit continues to be monitored. The technician recharged the 5-ton system, and staff will evaluate its performance to determine whether additional repairs or replacement are required. Costs for the 3-ton replacement include the new condenser and coil, installation, disposal of old equipment, refrigerant, and any necessary electrical or duct adjustments.

2. City Hall Fire Lite Panel Replacement

The existing Fire Lite alarm panel has reached end-of-life and is no longer supported for repairs. Replacement is necessary to maintain fire code compliance and ensure uninterrupted alarm monitoring. Costs include the new Fire Lite panel, installation and programming, replacement of incompatible components, and required testing and certification.

3. Annual Maintenance – Plumbing Riser & Backflow Testing

City Hall's plumbing riser and backflow assemblies require annual testing to comply with state and local regulations. The proposed contract provides annual inspection, certification, and required reporting. This represents an ongoing cost and should be incorporated into the City Hall Maintenance budget.

4. Independence Day Festival Costs

The Village Independence Day Festival is a long-standing community event; however, FY 2026 did not include funding because the festival has been on hold since 2020. The event is being reinstated this year, and expenses include event supplies and rentals, portable restrooms, entertainment, and community engagement games and activities. Secretary Stephens serves on the planning committee and is responsible for coordinating games and activities.

Budget Amendment 2026-01 Memo to Council

Most Memorial Villages have committed \$5,000 each, with the understanding that any unused funds will be refunded after the event. A storage unit associated with the festival fund balance is also being evaluated for termination, and any remaining balance will be distributed back to the cities if the unit is closed.

2026-01 Amendment Summary Table

Item	GL Code	FY 2026 Budget	FY 2026 Proposed Amended	Recurring Cost?
Independence Day Festival	56580 Village Independence Festival	\$0	\$5,000	Potentially
Fire Lite Panel Replacement & 3-Ton HVAC Replacement	56545 City Hall Equipment & Furnishing	\$10,000	\$22,000	No
Annual Riser/Backflow Testing	56521 City Hall Maintenance	\$5,000	\$7,500	Yes