

MEETING DATE
July 19, 2021

CITY OF LAKE CITY

Report to Council

COUNCIL AGENDA	
SECTION	
ITEM NO.	

SUBJECT: Reallocation of funds from Account 410.72.536-060.63

DEPT / OFFICE: Utilities / Price Creek Water Treatment Plant

Originator: Michael Osborn		
City Manager Ami Mitchell Fields	Department Director Paul Dyal	Date 07-13-2021
Recommended Action: Reallocation of (\$139,496.20) from Account 410.72.536-060.63, and reallocate those funds for the Purchase of Programmable Logic Controllers (PLC's), which are at their end-of-life use, for the Price Creek Water Treatment Plant (WTP).		
Summary Explanation & Background: \$350,000.00 was budgeted in account 410.72.536-060.63 for a new (spare) well at Price Creek WTP. However, due to price increases, which have doubled the cost, and also the lead-time for parts, this project cannot be completed this budget year. We would like to reallocate (\$139,496.20) of those budgeted funds to Purchase PLC's that are at their end-of-life use and were not approved in the current budget cycle. The prices for the PLC's have already increased by \$43,000.00 from last year. By purchasing them now, it will save on the next budget cycle and we will save money on the continued price increases that are sure to continue.		
Alternatives: Budget for this in the next budget cycle with the possibility of continued price increase. These parts are vital to the proper operation of the WTP.		
Source of Funds: 410.72.536-060.63		
Financial Impact: (\$139,496.20) Funds are already part of this budget cycle		
Exhibits Attached: 1) EESCO Quote 2) Sole Source Letter		