

# STAFF REPORT UTILITY MEETING

**AGENDA DATE:** January 30, 2024

**DEPARTMENT:** Water Utilities

**TITLE:**

Resolution No. 05-2024 – 2022 Consolidated Utility Revenue Bond Reauthorization

**SUMMARY:**

The 2022 Consolidated Utility Revenue Bond Reauthorization resolution serves to re-authorize monies within the water utilities projects identified as part of the Bond obtained in 2022.

**BACKGROUND AND JUSTIFICATION:**

In May 2022, the City obtained Consolidated Utility Revenue Bonds Series 2022. These bonds were meant to fund capital improvement projects for Fiscal Years 2022 and 2023. However, the reverse osmosis membranes that play a crucial role in the water treatment process have reached the end of their useful life. As a result, they are no longer producing water efficiently, causing the plant to operate under higher pressure. This, in turn, has led to higher power usage and increased electric bills.

To address this issue, the City has decided to use the additional funding to upgrade the existing Reverse Osmosis (RO) trains. This will involve adding six additional pressure vessels and membrane elements as part of the membrane replacement project.

The bond counsel has advised City staff to prepare a resolution to reallocate and reauthorize bond funds from like projects to like projects within the water fund.

**MOTION:**

Move to approve/disapprove Resolution No. 05-2024 – 2022 Consolidated Utility Revenue Bond Reauthorization

**ATTACHMENT(S):**

Resolution No. 05-2024