

STAFF REPORT REGULAR MEETING

AGENDA DATE: September 1, 2026

DEPARTMENT: Water Utilities

TITLE:

Resolution No. 35-2026 - authorizing the Twelfth Budget Amendment for Fiscal Year 2026 Capital Budget for the renovation project for the Water Treatment Plant

SUMMARY:

Resolution No. 35-2026 authorizes the Twelfth Budget Amendment for Fiscal Year 2026 Capital Budget.

BACKGROUND AND JUSTIFICATION:

The renovation project for Water Treatment Plant was approved with an estimated cost of \$200,000 was approved on August 5, 2024 at the Budget Workshop for the FY2024 CIP Budget. On October 31, 2025, a task order was approved for the design of the Water Treatment Office Renovations project. The design has since been completed by CPZ Architects, Inc., for a total of \$49,880 leaving a balance of \$150,000. The project is now ready to advance to the construction phase; however, the cost has come in higher than anticipated, an increase of an additional \$101,000.00, making the total cost for construction \$251,000.00. The increase in project costs over the past two years is primarily attributed to inflationary increases in construction materials, labor, and equipment costs, as well as higher-than-anticipated renovation expenses identified during the design phase necessary to meet current operational, safety, and accessibility standards.

This resolution seeks Commission approval to use fund balance to support construction. The proposed construction work includes comprehensive renovations to the employee breakroom and restroom facilities to improve functionality, safety, accessibility, and overall appearance. Breakroom improvements are expected to include demolition of outdated fixtures and finishes, installation of new cabinetry and countertops, replacement of flooring and lighting, plumbing upgrades, appliance connections, and improvements to seating and common-use areas. The renovations are intended to create a more efficient and modern space that better supports employees' needs and daily operations. The requested amount is an additional \$101,000.00 of construction cost and enables the project to proceed with bidding and contract award.

MOTION:

Move to approve/disapprove Resolution No. 35-2026 authorizing the Twelfth Budget Amendment for Fiscal Year 2026 Capital Budget.

ATTACHMENT(S):

Fiscal Impact Analysis see Exhibit A
Resolution 35-2026
Renovation prices