

AN ORDINANCE AMENDING THE FISCAL YEAR 2020 UTILITY FUND BUDGET OF THE CITY OF SEGUIN, TEXAS.

NOW, THEREFORE, BE IT ORDAINED THAT THE FISCAL YEAR 2020 UTILITY FUND BUDGET OF THE CITY OF SEGUIN, TEXAS, IS AMENDED AS FOLLOWS:

Utility Fund

Amount	Increase:	Increase:
\$ 9,000	Utility Fund Electric Department Salaries 002-4700-110100	Utility Fund Electric Department Use of Retained Earnings 002-9800-960000

Reason requested: To appropriate additional funds to this account to provide for an increase in salaries and benefits for the Electric Department employees. After comparing our salary survey results to other cities and entities, and due to the timing of our implementation of our salary survey, our Electric Department has fallen behind when compared to market. The increase is recommended in order to be competitive with recruiting and to retain current employees. It should be noted that our Electric Utility staff does not outsource work to private contractors. This work is done in-house and saves the City thousands of dollars. For example, the Dolle Street Project was bid out at a cost of \$380,000 while staff was able to complete in-house for a little over \$300,000.

Amount	Increase:	Increase:
\$ 30,300	Utility Fund Water Plant V&E Maint.-Pumps and Motors 002-5600-432500	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000

Reason requested: To appropriate additional funds to this account due to the replacement of failed industrial high service motor #3. This motor is critical for surface water distribution.

Amount	Increase:	Increase:
\$ 20,000	Utility Fund Water/Sewer L&I Maint.-Water System 002-5700-434601	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000

Reason requested: To appropriate additional funds to this account due to a penalty assessed by the Railroad Commission for gas line damage on Jefferson and Wallace Streets and for replacement of four lights that have gone out at the Highway 123 Water Tower.

Amount	Increase:	Increase:
\$ 20,635	Utility Fund Walnut Branch WWTP V&E Maint.-Pumps and Motors 002-6600-432500	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000

Reason requested: To appropriate additional funds to this account due repairs on reuse pump #2. This equipment is critical for reuse water distribution to Rio Nogales. In addition, scum pump #2 is in need of repair. This equipment is critical for the wastewater treatment process and TCEQ permit compliance.

Amount	Increase:	Increase:
\$ 25,000	Utility Fund City Attorney Attorney Fees 002-8900-321500	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000

Reason requested: To appropriate additional funds to this account due attorney fees and professional services to cover the Kingsbury litigation.

Amount	Increase:	Increase:
\$ 57,000	Utility Fund Non-Departmental Property/Liability Insurance 002-9000-521000	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000

Reason requested: To increase appropriation to this account due to an eighteen percent increase in premiums from FY19 as well as increased coverage for cyber security. The increase in premiums was due to additional structures added as well as an across the board increase from TML for all clients and increased claims.

Amount	Increase:	Increase:
\$2,078,132	Utility Fund Intragovernmental Transfers Transfers to Utility Fund Capital Projects 002-9000-822300	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000

Reason requested: To transfer funds to Utility Fund Capital Projects to fund additional projects or additional funding towards current projects included in the individual amendment requests.

Amount	Increase:	Increase:
\$ 110,000	Utility Fund Capital Projects Professional Services EPA Risk Assessment/Emergency Response Plan 038-9000-320500	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020

Reason requested: To appropriate funds for a risk assessment and emergency response plan. This is a federal mandate for utilities providing a public water supply.

Amount	Increase:	Increase:
\$ 65,000	Utility Fund Capital Projects Improvements to Buildings Water Plant Safety Rails 038-9000-702500	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020

Reason requested: To appropriate funds for the installation of safety rails and cables on ground storage tanks, plus vent repair on 2 mg ground storage tank as mandated by TCEQ and OSHA.

Amount	Increase:	Increase:
\$ 250,000	Utility Fund Capital Projects Improvements other than Buildings Public Works Wash Rack 038-9000-703000	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020

Reason requested: To appropriate funds from the Utility Fund to replace the wash rack at the Public Works Warehouse. The General Fund portion was included in the 2020 Certificate of Obligation Bonds.

Amount	Increase:	Increase:
\$ 150,000	Utility Fund Capital Projects Improvements other than Buildings Repairs to Existing Water Infrastructure 038-9000-703000	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020

Reason requested: Included within the Five-Year Capital Improvements Plan is an annual appropriation for in-house water infrastructure repairs and replacements. This amount is the allocation for FY21.

Amount	Increase:	Increase:
\$ 400,000	Utility Fund Capital Projects Improvements other than Buildings Repairs to Existing Wastewater Infrastructure	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund

038-9000-703000

038-391020

Reason requested: Included within the Five-Year Capital Improvements Plan is an annual appropriation for in-house wastewater infrastructure repairs and replacements. This amount is the allocation for FY21.

Amount	Increase:	Increase:
\$ 250,000	Utility Fund Capital Projects Improvements other than Buildings Water Asset Management 038-9000-703000	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020

Reason requested: Included within the Five-Year Capital Improvements Plan is an annual appropriation for the in-house asset management program of water and wastewater infrastructure. This amount is the allocation for FY21.

Amount	Increase:	Increase:
\$ 431,000	Utility Fund Capital Projects Improvements other than Buildings Sludge Line Replacement 038-9000-703000	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020

Reason requested: Included within the Five-Year Capital Improvements Plan for FY21 is an appropriation for the replacement of a force main for treating water treatment plant sludge at the wastewater treatment plant. The engineering is currently in progress. This is for the construction of the line.

Amount	Increase:	Increase:
\$ 357,132	Utility Fund Capital Projects Improvements other than Buildings 24" Discharge Water Line 038-9000-703000	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020

Reason requested: Included within the Five-Year Capital Improvements Plan for FY21 is the engineering for a 24" discharge line from 123 bypass pump station to I-10.

Amount	Increase:	Increase:
\$ 30,000	Utility Fund Capital Projects Machine & Equip.-Small Equip. Niagra SCADA Equipment 038-9000-706500	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020

Reason requested: To appropriate funds for the purchase of SCADA equipment at Niagra. This is a critical component of the Water Rights Diversion accounting plan and related to the TCEQ Bed and Banks permit.

Amount	Increase:	Increase:
\$ 35,000	Utility Fund Capital Projects Transportation-Vehicles Television Van 038-9000-707100	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020

Reason requested: To appropriate additional funds for CCTV television equipment. This camera is necessary to televise sanitary sewer lines as part of the asset management project. When the van was originally specified, it did not include this specific software with the van purchase.

2020 Utility Revenue Bond Fund

Amount	Increase:	Increase:
\$1,785,478	2020 Utility Revenue Bond Fund Improvements other than Buildings Walnut Branch Sanitary Sewer Phase III Upgrade 079-9000-703000	2020 Utility Revenue Bond Fund Long Term Debt Proceeds Bond Proceeds 079-391000
\$1,100,000	2020 Utility Revenue Bond Fund Improvements other than Buildings Geronimo Creek WWTP Expansion Engineering 079-9000-703000	2020 Utility Revenue Bond Fund Long Term Debt Proceeds Bond Proceeds 079-391000
\$ 930,000	2020 Utility Revenue Bond Fund Improvements other than Buildings North Milam Street Water/Sewer Replacement 079-9000-703000	2020 Utility Revenue Bond Fund Long Term Debt Proceeds Bond Proceeds 079-391000
\$ 84,522	2020 Utility Revenue Bond Fund Improvements other than Buildings Construction Contingencies 079-9000-703000	2020 Utility Revenue Bond Fund Long Term Debt Proceeds Bond Proceeds 079-391000

Reason requested: To appropriate funds to the various projects from the bond proceeds from the 2020 Utility Revenue Bonds.

Utility I&S Fund

Amount	Increase:	Increase:
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\$ 15,857	Utility I&S Fund Interest Payments 2020 Utility Revenue Bonds 041-9200-919600	Utility I&S Fund Long Term Debt Proceeds Bond Proceeds 041-393000
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\$ 64,748	Utility I&S Fund Interest Payments 2020 Utility Revenue Bonds 041-9200-919600	Utility I&S Fund Non-Departmental Use of Retained Earnings 041-9800-960000
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Reason requested: To appropriate funds for the first payment on the 2020 Utility Revenue Bonds to be due on August 1. The funds are being paid from accrued interest and retained earnings.

The Council finds that these budget adjustments are required because of changes and unforeseen conditions that could not have been anticipated in the original budget.

This ordinance shall become effective and applicable on the date of its approval and passage.

PASSED ON FIRST READING BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS, on this the 3rd day of March, 2020.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS, on this the 17th day of March, 2020.

ATTEST:

Don Keil, Mayor

Naomi Manski, City Secretary