

AN ORDINANCE AMENDING THE FISCAL YEAR 2019 UTILITY FUND BUDGET OF THE CITY OF SEGUIN, TEXAS.

NOW, THEREFORE, BE IT ORDAINED THAT THE FISCAL YEAR 2019 UTILITY FUND BUDGET OF THE CITY OF SEGUIN, TEXAS, IS AMENDED AS FOLLOWS:

Utility Fund

Amount	Increase:	Increase:
\$ 12,000	Utility Fund Water/Wastewater Maintenance Chemicals 002-5700-613300	Utility Fund Non-Departmental Use of Retained Earnings 002-9800-960000

Reason requested: To appropriate additional funding towards chemicals for the Gateshead Lift Station. These additional chemicals are needed to bind excessive hydrogen sulfide in solution whereas it does not become hydrogen sulfide gas. Hydrogen sulfide gas in high concentration is a dangerous sewer gas that poses significant hazards to wastewater maintenance staff. In addition, at lower concentration it produces a noxious odor that has been present in the Sagebiel Road area of the City's collection system. This has led to multiple customer complaints and ultimately the installation of this chemical injection system.

Amount	Increase:	Increase:
\$ 755,000	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.

Utility Fund Capital Projects

Amount	Increase:	Increase:
\$ 150,000	Utility Fund Capital Projects Capital Outlay North Substation 038-9000-703000	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020

Reason requested: To appropriate funds towards engineering for the North Substation. Staff has been working with LCRA and Schneider Engineering over the past three years planning for this substation. It was originally scheduled for the FY20 budget year, but has been moved up to potentially come online in November of this year.

Amount	Increase:	Increase:
\$ 300,000	Utility Fund Capital Projects Capital Outlay Finished Water Blending System 038-9000-703000	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020
Reason requested:	To appropriate funds towards the finished water blending system. Currently, the Water Plant is designed to allow blending of surface water with ground water, however, the design does not offer staff quantitative control over the blending ratios. The control is necessary as the ratio of surface to ground water will impact water chemistry. Blending control is necessary to maintain the chemistry of the finished water so there is no change in taste or odor as well as hardness or alkalinity. The need for this project is driven by NBU taking water beginning in April 2019.	

Amount	Increase:	Increase:
\$ 20,000	Utility Fund Capital Projects Miscellaneous Employee Relocation 038-9000-653000	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020
Reason requested:	To provide additional funding for the employee relocation program. This program has proven to be very successful. We have budgeted a total of \$40,000 in General Fund and \$40,000 in Utility Fund. We have used all those funds and more employees are requesting to move into the city limits.	

Amount	Increase:	Increase:
\$ 25,000	Utility Fund Capital Projects Professional Services Classification and Compensation Study 038-9000-320500	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391020
Reason requested:	To provide funding toward a classification and compensation study throughout the City. The last time the City conducted a study was in 2014.	

Amount	Increase:	Increase:
\$ 10,000	Utility Fund Capital Projects Professional Services City Manager Search 038-9000-320500	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391010
Reason requested:	To appropriate funds for expenses associated with the search for a new City Manager.	

Amount	Increase:	Increase:
\$ 250,000	Utility Fund Capital Projects Capital Outlay Water Plant, WWTP & Springs Hill Impr. 038-9000-703000	Utility Fund Capital Projects Intragovernmental Transfers Transfers from Utility Fund 038-391010
Reason requested:	To appropriate additional funding towards this project. During the construction phase of the filter under the drain, leaks were discovered in two different filters. A liner is needed to be used to correct this issue.	

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 16th day of April, 2019.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS, on this the 7th day of May, 2019.

Don Keil, Mayor

ATTEST:

Naomi Manski, City Secretary