



Department Source: City Utilities - Sewer/Stormwater

To: City Council

From: City Manager & Staff

Council Meeting Date: June 17, 2019

Re: Appropriating funds for sanitary sewer capital projects identified as bond funded projects in the FY 2019 CIP Budget

Executive Summary

Staff has prepared for Council consideration an ordinance to appropriate enterprise funds for seven Sewer Capital Improvement Projects that currently do not have funding this fiscal year. These projects were originally anticipated to be funded from the sale of 2008 and 2013 sewer bonds. Appropriation of available Sewer Utility enterprise funds will allow the projects to continue through the public improvement process while delaying the bond sale until additional funding is needed for projects in the future.

Discussion

During the fiscal year 2019 budget process, seven Capital Improvement Projects were originally proposed to be funded with a sale of bonds from the 2008 and 2013 voter approved bond issues. This sale was anticipated to take place in the spring of 2019. Sufficient enterprise funds are available in the Sewer Utility to cover the expense of these projects without requiring the sale of bonds at this time. The bond sale can be postponed until additional funding is needed for capital projects in the future. Staff is requesting the following appropriation of funds:

1. \$140,000 to SW111 – SM Trunks 100 Acre Point
This annual project is for construction of 100 Acre Point sewer extensions requested to serve properties that currently do not have access to the City's public sewer system.
2. \$276,300 to SW112 – Private Common Collector
This annual project provides funding for the replacement of private common collector sewers with public sewers.
3. \$500,000 to SW183 – Annual Sewer Improvements
This annual project provides funding for sewer improvement projects that are not identified as part of a long term plan and arise from other utility or public works projects or projects identified during routine maintenance activities
4. \$3,166,000 to SW524 – FY 2019 Sewer Main Rehab
This was previously identified as \$700,000 for Sewer Main Rehab and \$2,466,000 for Annual Inflow/Infiltration Projects. These projects have been combined annually into a fiscal year sewer main rehabilitation project. The sewer main rehab funding is used for rehabilitation of structurally deteriorated portions of the sewer system. The inflow and infiltration funding is used for rehabilitation work associated with reducing inflow and infiltration into the sewer system.



City of Columbia

701 East Broadway, Columbia, Missouri 65201

5. \$1,140,000 to SW214 –North Grindstone Extension Phase III
This is the final phase of the sewer to service the North Grindstone drainage area and was included as a project in the 2013 bond issue.
6. \$1,218,034 to SW194 – SRF WWTP Improvement
The WWTP Improvement project was funded with a loan from the State Revolving Fund not all of the costs of the project are reimbursable through the SRF and this funding is to cover the portion of the costs that were determined by the Missouri Department of Natural Resources to not be reimbursable.

The total appropriation requested to cover the expense of these projects is \$6,440,334.

Fiscal Impact

Short-Term Impact: The appropriation will use \$6,440,334 of retained earnings available in the Sewer Utility to cover the expenses for these projects.

Long-Term Impact: The appropriation will delay the sale of bonds until additional capital project funding is needed in the future delaying the expenses associated with issuing bonds.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

Legislative History

Date	Action
None	None

Suggested Council Action

Approval of the ordinance to appropriate funding for the seven Sewer Capital Improvement Projects identified.