

ORDINANCE NO. 2381

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING AN AMENDMENT OF THE FY 2015 WATER AND SEWER CAPITAL PROJECTS BUDGET TO REALLOCATE FUNDING FOR THE FITZWATER STREET LIFT STATION AND PALEO WELL #3 PROJECTS.

WHEREAS, Ordinance No. 2287 identified the funding sources for Capital Project Appropriations in the City's FY 2015 budget; and

WHEREAS, the funding source for a portion of the Paleo Well #3 project was identified as existing bonds; and

WHEREAS, the Paleo Well #3 project is not a named project in the bond pool and the Fitzwater Lift Station project is a named project in the bond pool; and

WHEREAS, at the advice of bond counsel, the Finance Director and Public Works Director recommend reallocating the funding sources such that the Paleo Well #3 project does not need to be added to the bond pool.

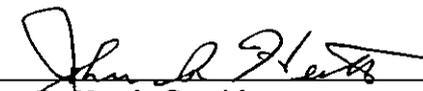
NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND THAT THE City's Fiscal Year 2015 Water and Sewer Capital Projects Budget be and hereby is amended as follows:

- 1) Decrease N Division Sewer Construction by \$1,950,000.00(96112-513026-55012)
- 2) Decrease N Division Sewer Engineering by \$46,354.92 (96112-513020-55012)
- 3) Increase Fitzwater PS Construction by \$1,686,354.92 (96112-513026-55011)
- 4) Increase Fitzwater PS Engineering by \$310,000.00 (96112-513020-55011)
- 5) Decrease Fitzwater PS Construction by \$1,950,000.00 (97010-513026-55011)
- 6) Increase Paleo Well No 3 Construction by \$1,950,000.00(97010-513026-49040)

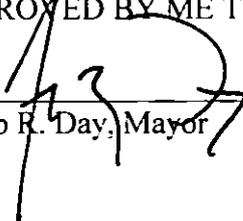
THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on this 28 day of March 2016, and thereafter, a statement of the substance of the Ordinance having been published as required by law, was finally passed by the Council on the 11 day of April, 2016.

ATTEST:

  
Kimberly R. Nichols, City Clerk

  
John R. Heath, President  
Salisbury City Council

APPROVED BY ME THIS 12<sup>th</sup> day of APRIL, 2016.

  
Jacob R. Day, Mayor



JACOB R. DAY  
MAYOR

M. THOMAS STEVENSON, JR.  
CITY ADMINISTRATOR

JULIA GLANZ  
ASSISTANT CITY ADMINISTRATOR

MARYLAND

125 NORTH DIVISION STREET  
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MICHAEL S MOULDS, P.E.  
DIRECTOR OF PUBLIC WORKS

To: Thomas Stevenson, Jr., City Administrator  
From: Michael Moulds, Director of Public Works *M. Moulds*  
Date: February 3, 2016  
Re: Budget Amendment – Fitzwater Lift Station and Paleo Well No. 3

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The Public Works Department is requesting consideration for a budget amendment to reallocate the funding source between two projects. The Fitzwater Lift Station Renovation project and Paleo Well No. 3 project have been designed and are at the stage to be advertised for construction bids. The FY15 Budget Ordinance No. 2287 noted that these two projects would be funded as follows:

**Paleo Well No. 3:**

Existing Bonds \$1,950,000 – FY12 GOB transfer from N. Division St Sewer  
Funds on Hand \$900,000 – Lawsuit Proceeds  
Total \$2,850,000

**Fitzwater Lift Station:**

Funds on Hand \$2,810,000 – Lawsuit Proceeds  
Total \$2,810,000

The Finance Director and Public Works staff discussed the funding reallocation with bond counsel. Since the Fitzwater Lift Station project is already part of the FY 12 GOB and the Paleo Well No. 3 project is not part of the FY12 GOB, it is recommended to transfer the unused FY12 GOB funds from the North Division Street sewer project to the Fitzwater Lift Station project. The equivalent amount of lawsuit proceeds that were allocated to the Fitzwater Lift Station would then be transferred to the Paleo Well No. 3 project. These actions do not require bond amendments since we are not adding a new project to an existing bond pool.

All remaining funds in the North Division Street sewer project would be transferred to Fitzwater Lift Station since this is a multi-phased project. The budget amendment ordinance to perform these actions is attached. The proposed funding with the budget amendment would result in the following:

**Paleo Well No. 3:**

Funds on Hand \$1,950,000 – Lawsuit Proceeds transfer from Fitzwater PS  
Funds on Hand \$900,000 – Lawsuit Proceeds  
Total \$2,850,000

**Fitzwater Lift Station:**

Existing Bonds \$1,950,000 – FY12 GOB transfer from N. Division St Sewer Construction

Existing Bonds \$46,354.92 – FY12 GOB transfer from N. Division St Sewer Engineering

Funds on Hand \$860,000 – Lawsuit Proceeds

Total \$2,856,354.92

Unless you or the Mayor have further questions, please forward a copy of this memo and the ordinance to the City Council.