

City of Las Cruces®

PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 10Ordinance/Resolution# 15-242For Meeting of _____
(Ordinance First Reading Date)For Meeting of July 6, 2015
(Adoption Date)

Please check box that applies to this item:

 QUASI JUDICIAL LEGISLATIVE ADMINISTRATIVE

TITLE: A RESOLUTION AUTHORIZING AN ADJUSTMENT TO THE FISCAL YEAR 2016 BUDGET FOR THE BONDS AWARDED FOR THE EAST MESA WATER RECLAMATION FACILITY SOLAR PHOTOVOLTAIC PROJECT, THE JACOB A. HANDS WASTEWATER TREATMENT FACILITY PRIMARY CLARIFIER REHABILITATION PROJECT, AND THE WATER QUALITY LABORATORY PROJECT, AND TO AMEND THE LAS CRUCES UTILITIES PORTION OF THE FISCAL YEAR 2016 INFRASTRUCTURE CAPITAL IMPROVEMENT PROGRAM.

PURPOSE(S) OF ACTION:

Adjust Fiscal Year 2016 approved budget and amend Fiscal Year 2016 Infrastructure Capital Improvement Program.

COUNCIL DISTRICT: 4, 6		
Drafter/Staff Contact: Carl Clark	<i>CC.</i>	Department/Section: Utilities/Regulatory Environmental Services/Technical Support
City Manager Signature: <i>[Signature]</i>		Phone: 528-3548

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

On April 8, 2015, City Council approved Ordinance No. 2750, to "Authorize the Issuance and Sale of \$16,895,000.00 City of Las Cruces, New Mexico, Joint Utility Refunding and Improvement Revenue Bonds to be Issued to Refinance the City's Series 2006 Joint Utility Revenue Bonds and to Improve the City's Joint Utility System."

Projects associated with these 2015 Bonds will be included and amended in the Las Cruces Utilities portion of the Fiscal Year (FY) 2016 – 21 Infrastructure Capital Improvement Program. Budgeted amounts are less any offsetting debt issuance costs. This resolution amends the FY16 budget to include the bond proceeds, which will enable the Utilities Department to commence with the projects specified below.

(Continue on additional sheets as required)

The East Mesa Water Reclamation Facility (EMWRF) Solar Photovoltaic Project is a new development project that will include design and construction services. The EMWRF Solar Photovoltaic Project consists of installing a new solar photovoltaic system that will offset yearly power consumption at the EMWRF. The bond amount associated with this project is \$2,100,000.00.

The Jacob A. Hands Wastewater Treatment Facility (JHWWTF) Primary Clarifier Project is a rehabilitation project that will include design and construction services. The JHWWTF Primary Clarifiers Project will allow for the rehabilitation of the primary clarifier to maintain and exceed the current level of operation. The bond amount associated with this project is \$1,400,000.00.

The Water Quality Laboratory (WQL) Project is a new development project that will include design and construction services. The WQL was built 30 years ago and is in need of expansion, due to the growth of the City's wastewater and water systems. The WQL Project is split between the Water and Wastewater Funds. The bond amount associated with this project are \$999,833.00 and \$2,199,050.00, respectively, for a total amount of \$3,198,883.00.

SUPPORT INFORMATION:

1. Resolution.
2. Exhibit "A", Budget Adjustment.
3. Exhibit "B", Amended Utilities FY2016 Infrastructure Capital Improvement Program.

SOURCE OF FUNDING:

Is this action already budgeted?	Yes	<input type="checkbox"/>	See fund summary below
	No	<input checked="" type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from:
		<input type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below)
		<input checked="" type="checkbox"/>	Proposed funding is from fund balance in the 5345 and 5445 Fund.
Does this action create any revenue?	Yes	<input type="checkbox"/>	Funds will be deposited into this fund: in the amount of \$ _____ for FY ____.
	No	<input checked="" type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

Provide budget authority to spend funds on the three projects in FY16.

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
Water 2015 Bond Projects	53538680-854300-84069	\$999,833.00	\$999,833.000*	\$0.00	N/A
WW 2015 Bond Projects	54548680-854300-84068	\$2,100,000.00	\$2,100,000.00*	\$0.00	N/A
WW 2015 Bond Projects	54548680-854300-84067	\$1,400,000.00	\$1,400,000.00*	\$0.00	N/A
WW 2015 Bond Projects	54548680-854300-84069	\$2,199,050.00	\$2,199,050.00*	\$0.00	N/A

*pending approval of budget adjustment

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will authorize the FY16 budget adjustment and amend the Las Cruces Utilities portion of the FY16 Infrastructure Capital Improvement Program.
2. Vote "No"; this will not authorize the FY16 budget adjustment and will not amend the Las Cruces Utilities portion of the FY16 Infrastructure Capital Improvement Program and would have an adverse effect on proposed projects.
3. Vote to "Amend"; the resolution and provide staff with further direction.
4. Vote to "Table"; the resolution and provide staff with further direction.

REFERENCE INFORMATION:

The resolution(s) and/or ordinance(s) listed below are only for reference and are not included as attachments or exhibits.

1. Ordinance No. 2750.
2. Resolution No. 15-214.

(Continue on additional sheets as required)

RESOLUTION NO. 15-242

A RESOLUTION AUTHORIZING AN ADJUSTMENT TO THE FISCAL YEAR 2016 BUDGET FOR THE BONDS AWARDED FOR THE EAST MESA WATER RECLAMATION FACILITY SOLAR PHOTOVOLTAIC PROJECT, THE JACOB A. HANDS WASTEWATER TREATMENT FACILITY PRIMARY CLARIFIER REHABILITATION PROJECT, AND THE WATER QUALITY LABORATORY PROJECT, AND TO AMEND THE LAS CRUCES UTILITIES PORTION OF THE FISCAL YEAR 2016 INFRASTRUCTURE CAPITAL IMPROVEMENT PROGRAM.

The City Council of the City of Las Cruces is informed that:

WHEREAS, on April 8, 2015, City Council approved Ordinance No. 2750, to "Authorize the Issuance and Sale of \$16,895,000.00 City of Las Cruces, New Mexico, Joint Utility Refunding and Improvement Revenue Bonds to be Issued to Refinance the City's Series 2006 Joint Utility Revenue Bonds and to Improve the City's Joint Utility System"; and

WHEREAS, projects associated with these 2015 Bonds will be included and amended in the Las Cruces Utilities portion of the Las Cruces Utilities Fiscal Year (FY) 2016 – 21 Infrastructure Capital Improvement Program; and

WHEREAS, this resolution amends the FY16 budget to include the bond proceeds, which will enable the Utilities Department to commence with the projects specified below; and

WHEREAS, the East Mesa Water Reclamation Facility (EMWRF) Solar Photovoltaic Project is a new development project that will include design and construction services. The EMWRF Solar Photovoltaic Project consists of installing a new solar photovoltaic system that will offset yearly power consumption at the EMWRF. The bond amount associated with this project is \$2,100,000.00; and

WHEREAS, the Jacob A. Hands Wastewater Treatment Facility (JHWWTF)

Primary Clarifier Project is a rehabilitation the project that will include design and construction services. The JHWWTF Primary Clarifiers Project will allow for the rehabilitation of the primary clarifier to maintain and exceed the current level of operation. The bond amount associated with this project is \$1,400,000.00; and

WHEREAS, the Water Quality Laboratory (WQL) Project is a new development project that will include design and construction services. The WQL was built 30 years ago and is in need of expansion, due to the growth of the City's wastewater and water systems. The WQL Project is split between the Water and Wastewater Funds. The bond amount associated with this project are \$999,833.00 and \$2,199,050.00, respectively, for a total amount of \$3,198,883.00.

NOW, THEREFORE, Be it resolved by the governing body of the City of Las Cruces:

(I)

THAT the FY16 Budget is adjusted as prescribed in the budget adjustment, Exhibit "A", attached hereto and made part of this resolution.

(II)

THAT the Las Cruces Utilities portion of the FY16 Infrastructure Capital Improvement Program is amended as shown in, Exhibit "B", attached hereto and made part of this resolution.

(III)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED on this _____ day of _____, 20__.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:

W.B. Babington Jr.

City Attorney

VOTE:

Mayor Miyagishima:	_____
Councillor Silva:	_____
Councillor Smith:	_____
Councillor Pedroza:	_____
Councillor Small:	_____
Councillor Sorg:	_____
Councillor Levatino:	_____

CITY OF LAS CRUCES
2015-16 Fiscal Year Budget

FUND	DIVISION		FUND TYPE	
WATER 2015 BOND PROJECTS Fund 5345	Utilities		Proprietary Fund Enterprise Funds	
	2013-14 Actual	2014-15 Budget	2014-15 Projected	2015-16 Requested
RESOURCES				
Beginning Balance	\$ 0	0	0	999,833
Revenues				
Charges For Services	0	0	0	0
Miscellaneous Revenues	0	0	0	0
Debt Service	0	1,020,875	1,021,940	0
Operating Transfers In	0	0	0	0
Total Revenues	0	1,020,875	1,021,940	0
TOTAL RESOURCES	\$ 0	1,020,875	1,021,940	999,833
Expenditures				
Water 2015 Bond Projects	0	20,875	22,107	0
Projects:				
84069-WATER QUALITY LAB	0	0	0	999,833
Operating Transfers Out	0	0	0	0
Total Expenditures	\$ 0	20,875	22,107	999,833
Accrual Adjustments	0	0	0	0
ENDING BALANCE	\$ 0	1,000,000	999,833	0

CITY OF LAS CRUCES
2015-16 Fiscal Year Budget

FUND	DIVISION		FUND TYPE	
WW 2015 BOND PROJECTS Fund 5445	Utilities		Proprietary Fund Enterprise Funds	
	2013-14 Actual	2014-15 Budget	2014-15 Projected	2015-16 Requested
RESOURCES				
Beginning Balance	\$ 0	0	0	5,699,050
Revenues				
Charges For Services	0	0	0	0
Miscellaneous Revenues	0	0	0	0
Debt Service	0	5,818,986	5,825,058	0
Operating Transfers In	0	0	0	0
Total Revenues	0	5,818,986	5,825,058	0
TOTAL RESOURCES	\$ 0	5,818,986	5,825,058	5,699,050
Expenditures				
Ww 2015 Bond Projects	0	118,986	126,008	0
Projects:				
84067-WWTP CLARIFIERS	0	0	0	2,100,000
84068-EMWR PHOTOVOLTAIC	0	0	0	1,400,000
84069-WATER QUALITY LAB	0	0	0	2,199,050
Operating Transfers Out	0	0	0	0
Total Expenditures	\$ 0	118,986	126,008	5,699,050
Accrual Adjustments	0	0	0	0
ENDING BALANCE	\$ 0	5,700,000	5,699,050	0



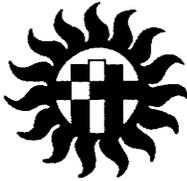
CITY OF LAS CRUCES
Proposed Capital Improvement Program
 FY 2016-21

DEPARTMENTS	Project Title	FUNDED CAPITAL PROJECTS (\$) 2016	INFRASTRUCTURE CAPITAL IMPROVEMENT PLAN (\$)					Source / Cum Total *
			2017	2018	2019	2020	2021	
UTILITIES								
GAS								
	Gas Rehabilitation Low Pressure	566,000	583,495	601,000	619,030	637,601	Rates	
	Gas Rehabilitation High Pressure	424,360	437,091	450,204	463,710	477,621	Rates	
	SCADA Rehabilitation	25,000	26,523	27,318	28,138	28,982	Rates	
	Street Utility Rehabilitation	1,543,000	1,639,091	1,688,263	1,738,911	1,791,078	Rates	
	Street Improvement Projects	1,000,000	1,050,900	1,092,727	1,125,509	1,159,274	Rates	
	Total Gas Rehabilitation Projects	3,532,000	3,747,099	3,859,512	3,975,297	4,094,556		
	Gas Development - Low Pressure	424,360	437,091	450,204	463,710	477,621	Rates	
	Gas Development - High Pressure	2,369,000	2,440,070	2,513,272	2,588,670	2,666,330	Rates	
	Line Extension	309,000	327,818	337,653	347,782	358,216	Rates	
	SCADA Installations	25,750	27,318	28,138	28,982	29,851	Rates	
	Phase I AMR Implementations	1,500,000					Rates	
	Total Gas Development Projects	4,546,750	3,232,297	3,329,266	3,429,144	3,532,018		
TOTAL GAS		8,078,750	6,979,396	7,188,778	7,404,441	7,626,574		
WATER								
	Drill Replacement Wells - 2007 NMFA	150,000					NMFA	
	Drill Replacement Wells	270,000					NMFA	
	Drill Replacement Wells - NMED Grant	1,935,000					SAP	
	Pump Station for Well	51,500					Rates	
	Rehab Pump/PRV - 2007 NMFA	123,600	54,636	56,275	491,727	59,703	Rates	
	Pump Station Rehabilitation	805,000	127,308	131,127	57,964		Rates	
	Line Extension						Rates	
	Reservoir Rehabilitation	15,000					Rates	
	SCADA Rehabilitation - 2007 NMFA	1,387,050					NMFA	
	Street Utility Rehabilitation - Capital Improvements	1,600,000	1,529,223	1,605,684	1,685,968	1,770,266	Rates	
	Street Improvement Projects	500,000					Bonds	
	Water Production						Rates	
	Total Water Rehabilitation Projects	5,837,150	1,583,859	1,793,086	2,235,659	1,829,969		
Water Development Projects								
	East Mesa Reservoir (Jornada, Zone 1 & 2)	700,000					NMFA	
	Pump Station - East Mesa (Jornada) - 05 A Bonds	103,528					Bonds	
	Zone 1 Interconnect Phase B - NMFA	1,620,914					NMFA	
	Transmission Lines West Mesa - 05 A Bonds	520,000					Bonds	
	SCADA Installations Development - NMFA 2007	19,712					NMFA	
	Transmission Lines		5,385,600	5,547,168	5,713,583	5,884,991	Rates	



CITY OF LAS CRUCES
Proposed Capital Improvement Program
 FY 2016-21

Project Title	FUNDED CAPITAL PROJECTS (\$) 2016	INFRASTRUCTURE CAPITAL IMPROVEMENT PLAN (\$)					Source / Cum Total *
		2017	2018	2019	2020	2021	
Booster Pump Station New	11,000,000		4,145,458	4,269,822	4,397,916	4,529,854	Rates
East Mesa Water System - 06 Bonds	138,692						Bonds
East Mesa Water System - NMFA 2007	999,833						NMFA
WWTP Laboratory	4,803,679	0	9,531,058	9,816,990	10,111,499	10,414,845	Bonds
Total Water Development Projects	11,640,629	3,848,256	11,114,917	11,610,076	12,347,158	12,244,814	
TOTAL WATER							
WASTEWATER							
Lift Station Renovations- WW Capital Improvements	336,000	339,900	173,476	350,097	178,680	360,600	Rates
Forcemain Rehabilitation	168,423	141,100	145,333	149,693	154,183	158,809	Rates
Line Rehabilitation - Extension - WW Capital Improvements	138,990	30,900	30,900	30,900	30,900	30,900	Bonds
Line Rehabilitation - Extension - 06 Bonds	150,000	154,500	159,135	163,909	168,826	173,891	Rates
SCADA Rehabilitation		19,584	19,584	19,584	19,584	19,584	Bonds
Line & Manhole Rehabilitation - 06 Bonds	534,564	550,622	567,140	584,154	601,679	619,729	Rates
Line & Manhole Rehabilitation - WW Capital Improvements	1,591,350	1,639,091	1,688,263	1,738,911	1,791,078	1,844,811	Rates
Street Utility Rehabilitation - WW Capital Improvements	1,600,000	3,126,565	3,220,362	3,316,973	3,416,482	3,518,976	Bonds
Street Improvement Project	3,035,500	100,000	100,000	100,000	100,000	100,000	Rates
WWTP Rehabilitation	100,000	25,000	25,000	25,000	25,000	25,000	Rates
WWTP Odor Control	25,000						Bonds
WW Jake Hands Treat Plant Operations	1,400,000	6,127,261	6,129,193	6,479,221	6,486,412	6,852,302	
East Mesa Water Reclamation	2,400,000						
WWTP Primary Clarifier	9,075,847						
Total Wastewater Rehab Projects							
Wastewater Development Projects							
New Interceptors	1,332,654	1,372,634	1,413,813	1,456,227	1,499,914	1,544,911	Impact Fees
Lift Station Upgrade WW	490,000	504,700	519,841	535,436	551,499	568,044	Impact Fees
SCADA Installations	20,600	21,218	21,855	22,510	23,185	23,881	Impact Fees
Septic Systems - WW Capital Improvements (High Priority)	275,834	284,109	292,632	301,411	310,454	319,767	Rates/EGRT
Septic Systems - NMED Grant (Powers Dr & Walls Ave)	401,029						SAP
Septic Systems - NMED Grant (High Priority)	2,200,000	3,214,400	3,310,832	3,410,157	3,512,462	3,617,836	SAP
WWTP Laboratory	2,199,050						Bonds
EMWR Solar Photovoltaic	2,100,000						Bonds
Total Wastewater Development Projects	9,019,167	5,397,061	5,558,972	5,725,742	5,897,514	6,074,440	
TOTAL WASTEWATER PROJECTS	18,091,014	11,524,322	11,688,166	12,204,963	12,383,927	12,926,741	
TOTAL UTILITIES	37,810,593	22,148,690	29,782,479	31,003,816	32,135,526	32,798,130	\$
GRAND TOTAL	81,817,798	102,549,841	80,194,088	56,330,566	94,603,176	91,263,780	506,759,249



City of Las Cruces®

PEOPLE HELPING PEOPLE

14

COUNCIL ACTION AND EXECUTIVE SUMMARY PACKET ROUTING SLIP

For Meeting of _____
 (Ordinance First Reading Date)

For Meeting of July 6, 2015
 (Adoption Date)

TITLE:

A RESOLUTION AUTHORIZING AN ADJUSTMENT TO THE FISCAL YEAR 2016 BUDGET FOR THE BONDS AWARDED FOR THE EAST MESA WATER RECLAMATION FACILITY SOLAR PHOTOVOLTAIC PROJECT, THE JACOB A. HANDS WASTEWATER TREATMENT FACILITY PRIMARY CLARIFIER REHABILITATION PROJECT, AND THE WATER QUALITY LABORATORY PROJECT, AND TO AMEND THE LAS CRUCES UTILITIES PORTION OF THE FISCAL YEAR 2016 INFRASTRUCTURE CAPITAL IMPROVEMENT PROGRAM.

Purchasing Manager's Request to Contract (PMRC) {Required?} Yes No

DEPARTMENT	SIGNATURE	PHONE NO.	DATE
Drafter/Staff Contact	<i>Carl Clark</i>	528-3548	6/19/15
Department Director	<i>Jose Garcia</i>	528-3524	6/19/15
Other	<i>[Signature]</i>	541-2078	6/22/15
Assistant City Manager /CAO Management & Budget Manager	<i>[Signature]</i>	541-2104	4/19/15
Assistant City Manager/COO	<i>[Signature] for Daniel Arila</i>	528-3135	6/23/15
City Attorney	<i>Assembly for W.B. Robinson Jr</i>	541-2128	6/25/15
City Clerk - Interim	<i>[Signature]</i>	82115	6/26/15